LOCAL MISSION—GLOBAL VISION
Community Foundations in the 21st Century

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The Role of Support Organizations in Spreading the Community Foundation Concept

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The Context: Community Foundation Growth

During the rapid growth and adaptation of community foundations in many countries around the world over the last couple of decades, there has been a corresponding expansion in the numbers and types of resources to support their development. A recent analysis of these was commissioned by the Worldwide Initiatives for Grantmaker Support (WINGS) and records a variety of resources including the major international funders supporting community foundation development, and transnational networks as well as national bodies (Sacks 2005a). The primary support organizations to which community foundations look are the associations and development agencies in their own countries. There has been relatively little comparative study of this infrastructure, although WINGS has provided opportunities for mutual learning between many of the support organizations through its constituency of network members interested in community foundations, WINGS-CF.

In a series of Global Status Reports (the most recent being Sacks 2005b), WINGS-CF has documented the growing interest in community foundation development worldwide over several years. The reports chart brief histories of community foundation development in each country and region and track numeric growth. They also contain brief sketches of
the support organizations in each country. As of September 2007, WINGS-CF was composed of 81 members, thirty-five of which were membership organizations.

Only 11 of these exist to serve community foundations specifically, the rest having a broader foundation membership. Many of the latter, however, have interest groups or specialist departments which service and support community foundations. The 11 with a community foundation focus are a very mixed group, with three serving individual states in the USA, and one linking all the community foundations in the Caribbean. The rest are national entities, four being relatively new structures based on self-help networks of community foundations within their countries, while two (in Canada and the United Kingdom) are established national associations with a complex pattern of services and paid staff.

The 46 support organizations in WINGS-CF which are not based on membership arrangements are even harder to classify: three of them are individual community foundations, unique in their own countries at present. In Germany, Thailand, and the Netherlands there are organizations set up to promote and support community foundations, and in Scotland there is a foundation whose primary purpose is to promote community foundation development in Malawi. Adding to the Transatlantic Community Foundation Network (TCFN) gives eight organizations out of 46 with a total focus on community foundations. Of the other 38, many are known for their expertise in community foundation promotion and support within their own countries (e.g., Academy for the Development of Philanthropy in Poland, CAF Russia) or internationally (e.g., The Synergos Institute). Many are themselves foundations with an interest in promoting community foundations (e.g., Bertelsmann Foundation, Germany; King Baudouin Foundation, Belgium; Cariplo Foundation, Italy).

There has been significant international contact and learning in the community foundation support field. WINGS-CF has held a global meeting every two years since 1998. The most recent gathering was a day added to WINGS' last conference (WINGSForum, Bangkok, 2006); this attracted 71 participants from 27 countries. They explored areas where support organizations look for opportunities to improve their services to community foundations, such as their resources to strengthen IT and knowledge management, and to develop local leadership. Other sessions focused on the support process itself, analyzing the nature of support structures and sharing learning about the support role. In various discussions there was analysis of the balance between local community foundation-led development and national intervention—how to accelerate learning and help individual community foundations avoid repeating others' mistakes, while not being "overly interventionist and 'dictatorial'" (WINGS 2007). The Bangkok meeting included debate about effective ways of achieving sustainability for support organizations—a recurring issue.

These regular gatherings have proved to be valuable learning experiences for WINGS-CF participants. Because the field is growing so rapidly (most WINGS-CF members have either been established in the last ten years or have moved into community foundation development within that period), a part of every agenda is focused on the support of organizations new to the field and still learning their craft. As community foundations themselves expand and mature in new contexts, there is a rapid expansion of shared knowledge about their development. A noted characteristic of community foundations is an interest in cross-border learning and cooperation (observable in the strong bonds of the Transatlantic Community Foundation Network and the success of the 2004 event Community Foundations: Symposium on a Global Movement) (Sacks 2006). This hunger for contact is perhaps even more marked among the support organizations. This chapter explains the particular challenges and demands on those who create, manage, and govern support organizations in this field.

The Philanthropy Support Organization: Theory and Practice

Recent writing about community foundation support organizations has principally emanated from WINGS and WINGS-CF as a by-product of tracking community foundation development. One important report, specifically commissioned to throw light on support organizations, is a two-volume publication by WINGS which provides a series of case studies (Leat 2003). Introductory essays bring out some of the specific issues which were facing community foundation support organizations at that time—most still highly applicable to the current field. They note the great commitment there is to the community foundation model and to realizing its potential for the benefit of local communities, but they also observe the limited human and financial resources available to most of these support organizations. The case studies also note that while critical success factors in community foundation development are "well rehearsed," there is little measurement of support organizations' contributions to this success. This chapter aims to open some lines of enquiry through real examples.
8. communicating the value of institutional philanthropy to the public and to policymakers and opinion-formers

9. providing a gateway to other funders (this especially in the context of low-income countries which attract foreign funders)

10. encouraging work with other sectors, and perhaps especially with government

11. strengthening the current leadership of the philanthropic field and building the next generation of leaders.

These are broad headings that can apply to all kinds of grantmaker associations and support organizations and to every corner of the world. They are a useful, comprehensive reminder of the range of tasks undertaken; a starting point to explore how the structures that support community foundations have developed their services and relationships with their constituencies; and they tease out some of the factors that apply specifically to the community foundation field. Most of the examples are drawn from the United Kingdom's Community Foundation Network (CFN). As one of the longer established support organizations concerned with community foundations, its history can provide some useful lessons.

The Nature of Support Organizations

CFN is a membership association of all the community foundations in the United Kingdom. Its current structure has evolved distinctively because it is a membership association, accountable to the network very directly and governed in large part by people involved, as staff or board members, in community foundations. To provide a framework into which some description of the activities of CFN can be productively inserted, there are two factors which deserve more detailed explanation. One relates to association management itself and the other to the nature of community foundation development.

One of the concepts underlying the analysis of organization development is of "servant-leadership," and associations of many kinds, not just in the grantmaking field, have adopted this as best typifying successful practice for them. Modern usage of the term is normally traced to Robert Greenleaf. It has had a degree of popularity in academic and some management circles. The concept has long been recognized as suiting especially the field of association management, emphasizing as it does collaboration, trust, and
ethics over more traditional hierarchical relationships. It also describes the duality which makes association management complex (Greenleaf 1977). Many of the most experienced practitioners in support organizations recognize that a non-hierarchical style of support and development is the one which achieves the most. Understanding this servant-leadership concept is helpful in analyzing the development of a membership association. Appreciating the demands this style of organization support puts on practitioners also throws light on the skill and judgment exercised by the most successful support organizations.

Thus, one area of learning for the people and institutions involved in community foundation development is the art and craft of the support role. A second one, which has been even more demanding, is to understand the essentials of the community foundation concept and its place in new environments. Almost all those support organization practitioners working in countries other than the United States have had to create their own understanding of the complexities of community foundation development, and to help to adapt the concept to their own national context.

When the United Kingdom pioneered the idea of community foundations, motivated by a desire to counteract damaging changes to the voluntary and community sector funding in the Thatcher years, the early developers had a difficult job in translating the U.S. community foundation model into the developmental steps required to set up a community foundation in a new environment. Different economic, social, and cultural factors prevailed: unfamiliarity with endowment building except as an historic good; a British reticence to talk about money that hampered big gift fundraising; a perception that national and international causes were more deserving of support than local organizations and projects; and many more.

Further, most of the contact with U.S. community foundations in the early stages was with big and old established examples, which could not advise on start-up, nor the likely time frames. So the U.K. pioneers were faced with the need to tackle many issues at once: to convey their sense of the potential of the concept, explore feasibility, envisage the steps needed for development, learn how to address fundraising for start-up and operating expenditure, balance the need for demonstration grantmaking versus the start of asset-building, and secure relationships with the local voluntary and community sector, local government, and other funders.

In tracing the history of CFN and community foundations in the U.K., therefore, it is vital to remember that in the early days, the whole field felt highly experimental and its success was by no means assured. The staff members of the support organization were in a continuous learning process, observing and analyzing the actions of individual community foundations, bringing in their knowledge of grantmaking, fundraising, and organizational development, drawing on information and research from the U.S. field and the experience of the many national and regional associations in that country. They benefited from having a strategic overview of local community foundation development in many different localities in the U.K. and from working with a variety of steering committees and boards. The association’s own board members were almost all drawn from local community foundations, themselves learning and debating best approaches. Therefore, the support organization was seeking to establish itself as a source of knowledge and expertise for the field—to be accepted as authoritative and supportive—and to promote the community foundation concept nationally while it was itself learning about how community foundations could best take root.

The international connections created by WINGS-CF have helped newer support organizations to understand, especially, the scope for adapting the community foundation concept successfully to new environments, and to grapple with the dual development of a new and untried organizational type—the community foundation—and the formation of an appropriate support structure.

Evolution of a Network and an Association

In the U.K., there was a support structure at the national level from the start of community foundation development, to assist the individual local effort and facilitate contact between local initiatives. As CFN emerged and built its knowledge base, it became clearer that community foundation development is both complex and not rapid. From a support organization perspective, at the national level, it started with building appropriate support services and establishing an environment in which community foundation steering committees and staff and board members learn from their own experience and expect to share that learning and benefit from others in the network. For CFN the role expanded into promoting community foundations to external audiences, and representing the views and aspirations of the membership.
Today, CFN is also at a stage where it has consolidated these functions and added many more, including developing and managing creative, external, national partnerships that offer opportunities for the network as a whole. It carries a national brand, in addition to the careful branding and positioning of individual community foundations. It operates an accreditation system to confirm community foundations’ fulfillment of standards of governance, organization, and operations. CFN has in its membership community foundations throughout the U.K., but these are still very diverse, ranging from what are already mature and trusted local institutions, to rapidly emerging new developments, and a remaining few which are struggling to grow and establish themselves.

The origins of the community foundation movement in the United Kingdom can be traced to an initiative in 1986 by the Charities Aid Foundation (CAF), which inspired support from central government. CAF set up the Community Trusts Development Unit (CTDU) to encourage and support the establishment of community foundations in the U.K., and the Home Office offered £100,000 to pilot areas, giving six emerging community foundations grants over three years for set-up and administration costs.

At the same time, a national advisory committee was established, composed of people from the emerging community foundations, representatives of CAF, national and local government, and outside expertise from the charitable sector. While six community foundations received support to get started, there were more groups exploring the community foundation idea in additional areas of the country. Those that survived the first few exploratory years were a mixture of some of those that had received government grants and others that managed to start with other sources of operating funds. What was clear from the beginning was the value of having representatives from each of them around a table to discuss, probe, and learn about the community foundation concept and struggle with adapting what had been an entirely American model to a very different culture. (The U.K. was the first country outside North America to experiment with the community foundation concept.) CAF brought these initiatives visibility and a respectability that is not always easy to achieve with new ideas. Early on, however, strains emerged.

Even though early inspiration and financial support came from CAF, there were tensions in the relationship between the first community foundations and CAF. There was a solid understanding that if community foundations individually were to thrive, they needed to work together and they needed external support, assistance with building a public profile and building up a knowledge base. There were, however, considerable differences in approach (e.g., how far local experience should predominate, how much credence should be given to U.S. experience, how close links needed to be with government, locally and nationally). There were a variety of development strategies, a number of false starts at local levels, and many long debates about feasibility.

CAF’s willingness to offer advice and take a lead (for example, in developing a handbook to encapsulate learning and experience) was often resisted and it was at a fairly early stage that the people involved directly in the first community foundations began to believe that an independent self-help network was the better answer, because that their own direct experience could predominate. The details of development since then of what is now the Community Foundation Network (initially called the Association of Community Trusts and Foundations) provides an insight into the complexity of association development and of the “servant-leader” relationship. It also demonstrates the considerable value that a support organization can bring to this field.

One particular controversy about development helped to precipitate the creation of the new association. Many of the early local developers of community foundations, while enthused by the U.S. experience, were not at all confident that endowment could be built in the U.K. and were unwilling to risk trying. Others, and this included CAF and many of the external advisers, were quite sure that community foundations would not thrive and would certainly not add value to the U.K. funding scene, unless they did build endowment. Nobody thought it would be easy. The Charles Stewart Mott Foundation cut through the arguments by offering a challenge to the embryonic U.K. field to demonstrate endowment building. Their challenge was twofold: first to offer £1 million as a challenge to CAF to raise a matching sum, then to offer that £2 million to all the U.K. community foundations and select three, each to turn their share of £666,666 into £2 million of permanently endowed assets. There was a huge amount of learning from this CAF/Mott Endowment Challenge Grant Programme. Each of the three community foundations selected (from ten applicants) proved to be different in the ease with which it met the challenge, the ratio of different types of donors it attracted (individuals, companies, other foundations, etc.), local visibility, engagement of its own trustees in the fund development exercise, attention to its grantmaking and community leadership activities, and its ability to think longer term and larger scale at the same time they were completing this first piece of major fundraising.
The program was fully evaluated and CFN published a summary of findings (Humphreys 1995). It was seen to prove that endowment building for this new type of foundation was possible in the U.K., and it was crucial for understanding development (albeit some community foundations failed to put this into practice) to recognize that there is great value in a concentrated period of growth in the early stages of a community foundation. At local levels the Challenge Grant Programme was a powerful marketing device and its rigid deadlines were a positive factor, even if it was known as the "adrenalin model" because of the pressure it put on staff and trustees. It also disproved a theory—many in the U.S. field at that time believed in a "take-off theory" which suggested that once a critical mass of endowment had been achieved, a community foundation would inevitably also achieve credibility and a natural momentum for further growth. The Challenge Grant Programme showed this to be untrue for the U.K. but also encouraged U.S. practitioners to develop a more sophisticated understanding of the way their field had been growing. The three community foundations in the program learned that there were many other factors involved in growth and, although the challenge gave them visibility and a flying start, it provided no easy route to longevity and sustainability.

At the start, funding for the challenge program was routed centrally through CAF. This served to confirm the importance of a support structure for the emerging field. It helped also, however, to trigger a separation between the community foundation field and CAF. There was increasing pressure from the community foundation representatives on the Steering Committee to break away from CAF and have their own independent support organization, which they believed would promote community foundations more diligently and allow local practitioners to exercise greater authority.

Creating such a structure was a long-term goal for CAF, but was put on the agenda rather earlier than had been expected as the community foundation representatives on the Steering Committee flexed their muscles. CAF's response was to set up a small committee including members of its own board and staff and community foundation practitioners. It reached conclusions with great rapidity: an independent association was recommended, to be composed entirely of community foundations. CAF set it on its way with a generous amount of funding and much other assistance in setting up an office with a small staff. The Mott Foundation added its support as a funder and indeed for many years provided the most significant resources for the organization. The U.K. government was also a financial supporter of the new association.

By late 1991, the support unit in CAF had been transformed into the independent Association of Community Trusts and Foundations (ACTAF)—now the Community Foundation Network (CFN). In 16 years of development there has been considerable change in style, organization, size, and scope of the organization. Its core purposes have been the same throughout: to connect community foundations with each other; to promote the concept throughout the U.K.; and to support community foundations by providing a high-quality service to members. The increasing maturity of the U.K. community foundations and of the association mean that new roles have been explicitly added: representing U.K. community foundations at a national and international level, and negotiating and managing national grantmaking and funding opportunities on behalf of members.

In 1991, there were 15 established and 14 aspiring community foundations in various parts of the U.K. By March 2000, more had started and nine of them had built endowments of over £3 million each. The rest were much smaller in terms of permanent assets, although during 1999-2000 the 29 largest had between them made grants totaling almost £22 million and some (including the three CAF-Mott Challenge participants) were having an impact on their areas. Today there are 55 community foundations in the U.K., and between them they represent a leading independent funding source for voluntary and community activity. Over 95 percent of the population currently has access to a community foundation (this has grown by 35 percent since 2000).

Community foundations offer coverage of Scotland, Wales, Northern Ireland, and most of England. In England, most are county-based, serving populations of between 700,000 and 1.5 million. Total endowed assets as of March 2006 were £141 million. Endowment growth during 2002-2005 was accelerated by the successful completion of the Time for Growth program, in which ten foundations raised an additional £19.5 million in permanent funds (this program is described in more detail later in this chapter). In the year 2006, U.K. community foundations made grants of over £70 million supporting over 18,000 local charities and community groups. Over the last decade, U.K. community foundations have administered more than £250 million of giving (TCFN 2007: 49-52).

From the start, the donor base for U.K. community foundations has been a major differentiating factor from the U.S. network which inspired it. Donors are a mix of individuals and families, companies, other grantmaking foundations, the government, and the national lottery. In recent years
the lottery has been especially significant. Since 2003 it has routed funds through a trust managed by CFN, community foundations, and some other grantmaking partners to allocate £50 million in strategic grantmaking for underfunded parts of the country. The creation of this program, “Fair Share,” was a milestone for community foundations since it recognized them as a national network which could operate to consistent standards and pursue common policies, while reflecting local diversity and sensitivities. For several years, there has been a growth of interest in community foundations, in part as a result of government initiatives and emphasis on local community regeneration.

In 2006, CFN brokered a partnership with a leading bank, Coutts & Co, whereby accredited community foundations (39 so far) offer bank clients local philanthropy services. What this partnership says most strongly is that community foundations are able, whatever their scale and stage of development and the nature of their localities or the variety of their donors, to operate consistently, monitored by their national association which administers a carefully structured set of standards, with peer review by community foundations assessing compliance. This facet of CFN’s work says a considerable amount about the mutual confidence between community foundations and their association and the value of the national dimension added to an individual community foundation’s local effort.

The Evolution of Services to Members

In describing the range of activities in support of community foundations carried out by CFN, it is impossible to offer a tidy German-like typology as set out earlier, since any one activity serves a variety of functions. Below are descriptions of some of the services offered, provided as examples of support activity, and also showing how CFN has evolved.

The first services offered were those which provided technical assistance to individual community foundations to assist their development. In the early stages of CFN’s work, all of the community foundations were relatively small and new, though some were able to build their resource base, their practice skills, and their reputations considerably more quickly than others. The balance of CFN’s work was very much towards start-ups, including many at the steering committee stage. At this time, services were very much about tailor-made, individual support and differentiated strongly between newer and more established community foundations. Gradually, training events and other joint activities were added, not least to create economies of scale for the small national staff group.

Services to emerging community foundations were designed to encourage growth in the donor base and the resources managed, including the level of grantmaking, and to encourage understanding of the core concept and some basic standards and methodology. These were not intended to promote uniformity, yet right from the start CFN’s board and staff were very aware of the value of being able to demonstrate a consistency of practice across the community foundation field. CFN staff have always offered telephone advice, visits, talks, and sessions such as away-days with local boards and steering committees. Since 1999, there has been a specific network development post to provide intensive support. General services have included regular programs of conferences and training activities (such as events to assist with the induction of new community foundation CEOs), newsletters, and e-bulletins and information material, now primarily web-based. Small development grants managed by CFN enabled newer foundations to invest in information and communications technology, visit more established foundations, explore specific aspects of resource acquisition, or tackle small research projects designed to strengthen their grantmaking or knowledge base about their area.

Technical assistance has always been a feature of CFN’s service and this has taken the form of one-to-one support and the development of information and advice offered to the network as a whole. Examples of the latter are sample documents, including model governing instruments, acceptable to the government’s charity regulator, and information and model documents relating to tax, fund development, planning, job descriptions, investment policies, employment contracts, and so on. CFN has created a library of useful publications primarily for members and now substantially available via “the hub” on the web site.

From 1997, CFN developed a software program for community foundations, now known as DIGITS and used by 41 community foundations in the U.K. and a number overseas. DIGITS fully integrates the processes of administering grants, donations and funds, donor development programs and events management, and if wanted, accounting. In 2000, an IT and electronic communications project was begun which continued to develop the software and has offered consultancy and individual support as community foundations review and improve their own IT resources.

A national conference has been organized by CFN every two years, aiming to support both new and established foundations, and to provide opportunities for networking and peer learning. Each one has been successful as a networking event, and has been credited with encouraging and reinvigorating
participant community foundation staff and trustees. From an early stage some of its workshop sessions were "streamed," offering different levels of complexity or sophistication to community foundations at different stages of development, i.e., well-developed or new.

It demonstrates a change in the stage of development of the network that many of the workshops at the 2007 conference featured external national and international organizations with which CFN and individual community foundations have links and partnerships. As well as drawing on specific U.K. community foundation experience to be shared with the whole field, some 2007 workshop sessions made links with professional expertise from outside the community foundation field (such as professional legal input on legacies, university-based research on donor motivation, a private bank's input on trends in wealth patterns), and plenaries involved significant keynote speakers from other sectors.

Willingness to learn from other community foundations and from experience distilled by CFN was a little patchy in the early stages. While all were learning for the first time about community foundations, CFN's attempts to gain and share wisdom from experience were not always accepted, and good advice from one community foundation to another was also often ignored on the grounds that every local area in the U.K. is different. For years now, however, those habits of mind have changed: the network has a strong reliance on peer learning.

A great deal of development resulted from regional groups of community foundations convening their own networking, information, and training events, with support and encouragement (including some financial assistance) from CFN. In further one-to-one contact, established community foundations have proved willing to support and advise newer members, and newer members to listen. CFN's role has been effective in brokering good combinations, based on its knowledge of similarities in geographic or economic context or other developmental factors. The increasing visibility of CFN in the wider NGO sector, and evidence of the respect in which it is held, have been an important part in this shift.

The evolution of CFN's newsletter stands as an example of the way the organization's approach to its role has evolved. In the early days of development a printed, "no frills" newsletter provided high-quality information, legal updates, and an exchange of news of individual community foundation development, notice of and reports from training events, and funding opportunities. As community foundations became more aware of their own need for high-quality public relations and marketing products, their perception of the value of this newsletter changed--its content had been disregarded by some as a result of its low "production values" and its consequent lack of usefulness to them as a promotional tool.

A redesigned product, including photographs of reasonable quality and an editorial style which addressed developers, potential donors, and opinion-formers outside the network as well as informing boards and staff in community foundations, was popular, widely distributed, and backed up the publicity and marketing efforts of individual community foundations. This helped CFN to be recognized by the network of community foundations as not only serving them usefully but also presenting community foundations in a helpful, even inspiring, way to the outside world. The habits which this improved newsletter created enabled CFN to move into good-quality electronic communications with reasonable promptness and also allowed CFN to offer frequently updated information and news directly to members and partners.

Key Challenges in Support Organization Development

If the above example demonstrates the "servant" element of servant-leadership, there have been many successes which can be attributed to CFN's leadership. This is not, of course, to detract from local effort and the visibility and reputation of individual community foundations, nor to make an exaggerated claim for the association. A very specific example concerns the extensive geographic coverage of the U.K. At an early stage, the national association's staff encouraged and guided steering groups and community foundation developers to consider the importance of establishing their community foundations on a reasonably large scale, using geographic boundaries that would be easily understood by local people. In practice, in England this meant county council boundaries with populations of 700,000 to 1.5 million.

The association staff was sure that more effective community foundations would be built if they included diverse and economically varied communities—urban and rural, cities, towns and villages. They wanted steering committees to be clear about how many resources they would need to support the staffing of a professional operation and to be aware of the challenges of making the community foundation visible, especially
in encouraging people to identify with its geographic area. Successful development hinges strongly on the people involved and using county boundaries also promised access to known and respected senior figures.

The natural instinct of many local people starting community foundations was to think much more parochially. CFN staff's judgment seemed cold-blooded by comparison: they were saying that if local developers were to create success, instead of being guided only by very local passion they would need clear and easily explained boundaries, economies of scale, a great variety of social settings, issues, and needs, and a reasonably large potential population of donors. Further, “cherry-picking” of high-density or prosperous areas left smaller or less well-off areas especially vulnerable, unlikely to be able to set up their own community foundation. In England, the county-based community foundations have, in the main, been the most successful. In the other U.K. countries, a related reasoning process resulted in countrywide community foundations being established.

When this issue first arose, it demonstrated a divergence between the support organization's staff and some of the membership. Over time, the validity of the national association's perspective was proven. The high coverage of the country by community foundations is clearly part of this evidence. In the last few years, the perception of community foundations as offering national coverage has resulted in several contracts being negotiated for roll-out of national grantmaking programs for government (e.g., the Local Network Fund, an extensive small grants program for children and young people), the national lottery (Fair Share Trust), and other foundations (e.g., Sport Relief, Comic Relief). This does, however, provide an instance where national leadership initially ran against much local inclination. Tensions inevitably arise in the development of a support organization such as CFN. Tracing their patterns can assist in understanding the successful management of associations.

Promotion of Community Foundations

One of the most challenging issues in the development of services for community foundation members, for any emerging network, derives from an association's wish to promote the community foundation concept. Where the field is new, community foundations each make the effort locally to present their vision and convince potential donors to support them, but all hope that national media coverage will enhance their efforts and their credibility.

Any positive national publicity would certainly assist in this, but national media are unlikely to be interested in the small-scale good news stories that early community foundations can at best offer.

In the U.K., the national association began early on to identify key audiences and keep them updated about the development of the network and its significant achievements. Early target audiences which CFN could in practice reach were relevant to the institutional development of new community foundations—infrastructure organizations in the voluntary and community sector, local establishment figures, Members of Parliament, and senior government officials. Coverage in the voluntary sector press built profile and spread news and helped prepare the ground for new development.

For the most part, access to potential donors and to national media eluded CFN during the 1990s, but gradually there was increasing press interest and more opportunities to engage with government, the business community, and networks of professional advisers. A key factor in generating greater interest was the appointment in 1999 of an honorary president who identified his most important role as promoting the network and who introduced some important changes in the way CFN operated. It was his influence which created the name CFN rather than the longer and less focused prior name (Association of Community Trusts and Foundations). Community foundations were also using a great variety of names at the time (x community foundation, y community trust, z foundation) and the president encouraged many to change their names so that community foundations presented a more consistent face to the world. Many of the members responded to this fresh thinking with their own rebranding efforts, including identifying themselves as part of a national network to add to their local visibility.

Some of the reasons for the struggle for visibility, locally and nationally, lay in the economic, social, and cultural context of the United Kingdom, which can be characterized as highly centralized. Until recently most government functions were run from London, many national and international companies are headquartered in London, most national media organizations are based there, and a high proportion of the U.K.'s wealthiest and most influential people live at least part of their lives in London. Yet, in great part because of the complexity of London, there was no effective community foundation presence there.
Some early attempts to seed development of a London-wide community foundation got nowhere and the handful of community foundations which started there each took a small segment of London and tried, some with a disheartening lack of response, to establish themselves. This inevitably made the building of credibility more difficult in many other parts of the country (not least in the “Home Counties,” the areas nearest to London). CFN put effort and resources into supporting the development of a London Community Foundation, with considerable input from the president (recruiting senior business and public figures to assist) but eventually admitted failure. One of the community foundations formerly serving one area of London is currently developing citywide.

There is no simple approach to promoting a concept as complex as community foundations: the skill and judgment needed at the local level is extensively documented. In terms of national effort, and local community foundations working together with their national support organization, there have been some interesting feedback loops. CFN’s Time for Growth program provides one strong example. It measurably strengthened ten community foundations, and has had an impact on the development of many more. It has created areas of new orthodoxy about community foundation development that continue to inform and improve practice in donor relations and asset development and confirm community foundations’ professionalism. It was based on a £1 million grant from a private foundation. The scale of this grant brought publicity and interest, even before any work had started, on the program. It is also an example of a project generated by a support organization in response to what it saw as the most critical challenge facing the network at a particular stage of development.

**TIME FOR GROWTH: AN EXAMPLE OF DEVELOPMENT PROCESS INITIATED AND MANAGED BY A SUPPORT ORGANIZATION**

Within the community foundation field there are many examples of good projects managed by support organizations. When CFN initiated a program in 2001, it looked to various U.S. examples and to the Academy for the Development of Philanthropy in Poland for models of good practice in development grants. Time for Growth was a challenge grant program set up with a £1 million grant from the Esmée Fairbairn Foundation, a U.K.-based private foundation. The program was structured to select up to ten community foundations to receive £100,000 in operational (core) support to enable them to create asset growth, which in monetary terms was identified as a combined total of £20 million raised in new, permanent assets over three years. By the end of the three-year period, all but three had achieved their £2 million target and the total raised in new endowment was nearly £19.5 million, and just six months later it was near £25 million. This was a significant achievement that would have a long-term impact for these foundations and the communities they serve. The program’s structure was also intended to influence the practice of U.K. community foundations as a whole and there is evidence that learning was shared with the network. As the final report says: “The evidence, not just the theory, about fund development and endowment building in the U.K. has been gained” (Forrester 2005).

**Time for Growth** was intended to be a period during which the pressures of seeking core costs to support investment for fund development would be lifted from the participating ten foundations, enabling them to concentrate on building their endowment and securing long-term sustainability. Formative evaluation of the program and shared training provided an opportunity to examine how these different foundations could employ a range of techniques, appropriate to their own circumstances, to reach their targets. CFN’s motivation for structuring and raising funds for the program was a sense of urgency about assisting a section of the membership experiencing difficulties. The earlier CAF/Mott Endowment Challenge Grant Programme had set about demonstrating that endowment could be built at a particular time in the U.K. when community foundations were at their earliest stages. Now CFN hoped to show how a focus on fund development could enable a foundation struggling to cover its core costs to become more financially secure and confident about continued growth.

The targets for the program were foundations that seemed “stuck” after a reasonably promising start. Typically they had been raising external grants from various sources for their running costs and were finding it difficult to maintain such levels of funding. To cope, some were skimping on staffing levels, and many were committing themselves to acting as agents for grants programs (e.g., for government), a strategy which revealed their underlying weakness—at this stage of resource development, to do this grantmaking well took time away from donor development and more permanent asset-building. Both strategies led to a weakening of these organizations and detracted from long-term, sustainable growth.

These foundations all had promise, included some extraordinarily good grantmakers, and had earned respect for community leadership activities within their own localities, but they were at risk of failing or stagnating. They
were reducing the impact of the network as a whole and calling into question the added value of community foundations. CFN believed there were up to 20 in this position in the network (out of 60 community foundations at that time). Other foundations of similar age or older had managed to grow more quickly and secure their future and to balance their activities so that there was a strong focus on fund development. Many of the younger community foundations were profiting from the body of experience that had been built up in the network and were establishing themselves more sturdily and rapidly. For CFN the opportunity created by *Time for Growth* had many important elements: to invest in this “middle” group and move them on; to share in-depth learning from the program and strengthen the whole network even further; to demonstrate the ability to partner with a major charitable foundation in a big program; and to explore the role of “broker of opportunities for the network of U.K. community foundations,” as the *Time for Growth* evaluator put it. The partnership between the Esmée Fairbairn Foundation and CFN enabled a clustered grant to be applied within the network, which achieved significantly more than ten single grants to community foundations could have achieved.

There was a significant area of vulnerability for CFN at the start of the program: it was essential that CFN be independent from decisions about which community foundations were selected in order to maintain a relationship with the successful and unsuccessful alike. An independent committee was set up to establish the final criteria and receive and select proposals. It reviewed six monthly reports and undertook annual interviews with the ten participants throughout the program. While there were still some (unfounded but understandable) challenges to CFN’s impartiality in the early stages, this structure was perhaps the best available, allowing CFN to design and manage the overall program but passing specific (and potentially divisive) decision-making to an independent group. It meant that the overall structure and purpose of the program was based within the network, and the opportunities for learning from the selected ten could be fully exploited. CFN could also encourage the ten to remain in close touch with each other, for mutual support and learning and to encourage a little competitive spirit to stimulate but not detract from the experience of the program.

The longer-term sustainability of these ten community foundations is now significant and has increased the number of U.K. community foundations with a sense of permanence and a pattern of continuing asset growth. CFN gathered evidence about what makes for successful endowment development and the accumulated learning from *Time for Growth* and its wider dissemination throughout the network can only strengthen the community foundation movement in the U.K. over many years to come.

For the ten foundations, there was significant learning, both about what worked for them and what did not. They all expanded their understanding and practice in positioning the foundation and, more profoundly, in adapting their organizational culture towards serious fund development. The core of the program for each of the community foundations was a development plan which was a constant reference point, reviewed, revised, and reassessed by the board on a regular basis.

The foundations gained clarity and confidence in the services they offered to donors and their structure of charges. They extended the range of fund types they could offer and developed flexibility to respond to donors’ requests and ideas. They researched the field of potential donors and planned their contact with them, establishing close links, offering contact with other donors, and learning how to demonstrate their effectiveness in managing and using funds. All of these have been maintained and refined further since the program ended. Cultural shifts also required changes in systems and processes and these are seen as guarantees that new focus and working styles have been well embedded into the foundations. This is evident in sustained donor services.

An effort was also made to share learning with the rest of the network and build a record of good practice. In her final report the evaluator has commented, “There will therefore be a reinforcement of the legacy in the individual foundations through that ‘feedback loop’ which is the role of Community Foundation Network” (Forrester 2005).

One purpose of the program was to explore what sustainability means for community foundations as they grow. All ten of the foundations were helped and encouraged to consider how the growth required to meet the target for endowment can be sustained longer term. One of the ten noted:

*Time for Growth* support helped us attain a measure of independence... We are now supporting our operations without external grant support—i.e., from contract fees and endowment income. The significance of this is that it gives us a degree of autonomy and independence and a freedom to act without tailoring our priorities to those of other funders. If all government contracts were to end tomorrow we would be reduced to a small central nucleus—but we would still be able to keep that core going. That sense of having reached a point where we can genuinely feel permanent is really gratifying (Forrester 2005).
All ten felt they had become more secure, through a combination of new income streams and being able to apply some fees and interest from investments to support their operating expenditure. The foundations have of course increased their grantmaking capacity and community impact significantly.

**Conclusion**

Around the world we now see many confident, knowledgeable support organizations, collecting and sharing deep experience and understanding of community foundations, encouraging them to evolve and become learning organizations, and sharing their knowledge globally for mutual benefit. The field still lacks quantifiable analysis of the impact of support organizations on the growth and development of community foundations. Even without this, the material available to us shows a clear correlation between energetic support organizations whose staff and board members are expert in understanding and communicating the community foundation concept, and who have built the trust and confidence of their field and those national fields of community foundations which are sturdiest, best rooted, and growing well. These are the places where community foundations are growing in skill, assets, and reputation, individually and as national fields, and in making the contribution to strengthening communities to which all of them aspire.

**References**


