

Home thoughts from abroad

As Gaynor Humphreys, outgoing director of Community Foundation Network, takes up her new post in Brussels, she shares her list of essentials, garnered over the years, that help assure effective development of community foundations. These are six areas where she has encouraged Community Foundation Network to focus its resources in local organisation development support, sitting alongside national activity in promoting the network to potential local donors and national opinion-formers.

Vision – real awareness of the community foundation’s role in the development of philanthropy. Any sound work emanates from clarity of vision and mission but in the complex work of community foundations this clarity is fundamental to development. For me, it is the understanding that the foundation is not just there to produce more money for the voluntary and community sector, however vital we all believe that to be. It is there to influence people who can give, or get their organisations to give, so they believe in the value of the work being done locally, visualise their part in that work, get a kick out of what their money achieves, understand how they can have an impact on the long term in their area, get recognition for their giving, enjoy their contact with the foundation, and tell their friends.

Positioning is strongly related to vision with two key aspects to it: where the foundation is located in people’s minds and the primary functions they associate with it.

Clearly community foundations are charities and voluntary organisations. But if they are functioning well, they should occupy much more equivocal territory in people’s perception. Most local groups see foundations as something rather separate from the sector, assisting it rather than being part of it. The private sector and high net worth individuals should also be encouraged to see the foundation as nearer in style and type to themselves, offering them service based on specialist knowledge and expertise and not a begging bowl held out from the charity sector. This has been described as “privileged space between sectors” and the community foundations that understand this are, I believe, the ones that thrive.

Nationally as well as locally our uniqueness is that community foundations are part of the mechanism that makes charitable giving effective and fosters stronger communities. Where this is grasped nationally we are able to gain credibility and improve visibility. Where this is grasped locally, trustees are empowered to be advocates for the foundation unhampered by fear that it is competing for money with other local groups.

Board development – I would suggest four key areas that mark out a winning community foundation Board:

- commitment:* genuine advocates for the foundation, and therefore also likely to be donors at some level
- status:* respected leading local people from each sector, known to be committed to the area
- range:* an appropriate mix of sectors and of key individuals, ensuring that each fulfils an active role
- diversity:* most foundations are aware of the importance of geographic and gender diversity. As a network we need to ensure we involve people from ethnic minorities sufficiently as board members and donors.

Donor services – this may be the determining factor in successful development and is about the foundation's innate understanding of its role. It appreciates that engaging and maintaining the interest of a donor comes essentially from that donor knowing that their giving is needed, respected and valued. The foundation aims for sizeable donations and repeat donations which can flow from good long-term relationships.

Concentration on fund development, including objective planning and operations for raising funds – identifying and focusing on effective activities and strategies. There have been many lessons learned by the foundations that are growing well. These are being taken on board by the ten Time for Growth foundations who will be sharing what they learn with the whole network. These lessons include:

- aiming for *critical mass* as early as possible – at least the beginnings of sustainability and a position in the area where donors begin to come to the foundation rather than waiting to be pursued
- encapsulating work into a series of *campaigns* but always planning for the next growth spurt
- expecting to work on 20 year sustained, incremental growth
- knowing the *competition* and recognising the foundation's strengths, and clarifying its messages
- grasping opportunities but being discriminating about what to pursue
- *being intelligence-based* – understanding segmentation of donors, knowledgeable about business activity in the area
- *being information-based* – detailed analysis of the foundation's own core costs; front-loading of core costs and keeping resources in step with needs

Grant-making is what it is all about and I believe there is a high degree of knowledge and competence in this side of the work throughout the network. The donor services/grant-making interface, however, is a vital area of development, especially an ability to appeal to donors and gain the trust and confidence of voluntary organisations and the local community. The foundation can and should go beyond basic grant-making to undertake other roles in the community using the foundation's financial resources, independence, monitoring and evaluation findings, longevity, and standing in the area:

- acting as a *convener* around key issues, offering neutral ground, a knowledge base, and independence
- sharing its *needs analysis*, enabling local knowledge to be transformed into a strategic overview of the area, informing all the foundation's activities and offering information to other local funders and policy-makers
- commissioning *research* on new or under-valued, complex or cross-interest issues
- having and using the *ear of the powerful* in a responsible and accountable way

But to be credible in fulfilling these roles also means being accessible, demonstrating diversity, and adopting openness in decision-making and style of meetings.

Whether these ideas are used as the basis of any local planning or just spark some local debate, I hope they help fulfil a vision of a country that offers community-based philanthropy to every possible community and to every visionary donor.

This article is based on Gaynor's presentation at the meeting of Chairs of Community Foundations, London, December 2002