

# Charting the Course Forward

JULY – SEPTEMBER 2015

**“For every organization and every foundation in a major city, the people who are impacted by social ills are largely folks of color. So, you could say that everybody’s doing equity work, right? But it’s about whom you explicitly choose to serve, what goals you set, what strategy you pursue, how you approach the work, and with whom.”**

*John Newsome, founder, Public Equity Group*

**A**round the time PEG came on board, Judith Bell, a well-known equity leader, joined the foundation as vice president of programs. Bell had previously served as president of PolicyLink. She, Blackwell, and Brantley formed the Strategy Leadership Team.

Together, this team and PEG consultants developed guiding principles for the foundation’s equity strategy development.

Before the process was finished and the strategy released, multiple teams, sub-teams, and committees would work on various aspects, often simultaneously and on overlapping tasks. In addition to the leadership team, four groups were key:

## Guiding Principles: Equity Strategy Development

- *Aim for regional population-level impact.*
- *Address issues of regional significance.*
- *Plan for a mix of proactive and responsive efforts.*
- *Strive to be informed by data and evidence.*
- *Leverage all available foundation assets and tools, including grantmaking, convening, advocacy, and networks.*
- *Align with TSFF values.*
- *Aim for the right balance of risk and impact: the familiar and the new, short-term and longer-term accomplishments, achievable and stretch goals*

- **THE CORE EQUITY STRATEGY TEAM**, like the original equity strategy team, was a cross-departmental group. Composed of eight staff members, plus Blackwell, Brantley, and Bell, the team led hands-on planning. It analyzed data, identified “hot spots” — diverse low-income communities threatened by displacement or a history of disinvestment — and formulated recommendations for action.
- **THE MANAGEMENT TEAM** had final approval of the equity strategy recommendations to the board and responsibility for implementation planning. The team provided regular input, guidance, and content expertise to the core equity strategy team.
- **THE EQUITY SUBCOMMITTEE OF THE BOARD OF TRUSTEES** provided feedback to foundation leaders and the Management Team on the emerging strategy. The subcommittee began meeting in November 2015.
- **THE BOARD OF TRUSTEES** provided high-level guidance on the planning process and had final decision-making authority on the strategy.

On June 30, 2015, the Management Team kicked off planning with a brainstorming session guided by the PEG consultants. They asked the group to envision The San Francisco Foundation of tomorrow: What impact scenarios excite you? Ten years from now, what outcomes will be achieved?

The group also considered the foundation today: What issues, grantmaking approaches, systems, and partnerships seem most compatible with a deeper focus on equity? What might need to change and why?

The core Equity Strategy Team sat down to work with the consultants on July 29 and spent the following two months immersed in data. “We moved from big picture to more and more micro,” said Landon Williams, now the senior director for Anchoring Communities — the Place pathway. The team looked at data that compared California to the U.S.; Northern California to the whole

state; the foundation’s five catchment counties to Northern California; and then specific neighborhoods, even blocks.

The data supported the concerns expressed by residents during the VOICES: Bay Area sessions about racial and economic disparities, specific communities in jeopardy, and the crises in housing and jobs.

The Management Team and consultants made efforts to continually update the full staff, about 70 people, on the planning process. The staff did the brainstorming exercise about the foundation of tomorrow and today, and members of the Core Equity Strategy Team reported on their progress at regular staff meetings. Nevertheless, hearing brief updates on the equity strategy in a large meeting was not the same experience as shaping it. Later in the fall, the foundation would form sub-teams around the three strategic pathways, giving many more people the opportunity to participate directly in developing the new approach. But in retrospect, some staff members felt that more people should have been involved earlier, when the Core Strategy Team explored the dimensions of regional inequity and formulated a theory of change.

“I know we didn’t want to spend too long a time looking at data, but it was done too quickly and with too small a group of people,” Williams said. “It did not bring the entire foundation along in the process. People understood where we were going, but not how we got there.”

In early August, the consultants launched an internal diagnostic to assess the strengths and assets the foundation could harness to advance an equity agenda and the internal challenges it should address to have more impact. The consultants examined feedback from the VOICE: Bay Area sessions and the consultative meetings. Small-staff teams interviewed about 45 people, including community leaders, grantees, foundation staff, and trustees, about where the foundation needed to go and how it had to change to get there. As Blackwell said later, “It takes a certain amount of courage to pull back the covers like that.”

While planning progressed, the foundation held a debut of sorts for its equity agenda at Bay Area Bold, a two-day summit and festival at the Yerba Buena Center for the Arts in San Francisco. The foundation billed the event, in late September, as a call for collective action to build a more inclusive region. The gathering of decision makers, activists, community leaders, and service providers brought public attention to the foundation’s developing strategic focus. The first day of the festival featured TED-style talks and panel discussions about various elements of racial and economic equity. The second day featured music, dance, film, and interactive artistic experiences. It was a free celebration of the cultural vibrancy of the region and a vivid display of the capacity of art to express the traditions of communities while empowering them to fight for change.

From the foundation’s viewpoint, the timing of the event was not optimal. It had been scheduled far in advance to elevate the foundation’s longstanding community leadership awards program. But the date rolled around before the foundation had a clear equity strategy or plan. “It was like an early coming-out party before we were quite dressed,” Bell said.

Nevertheless, community activists were pleased to see the foundation showcase its commitment to inclusion and spur public discussion of racial and economic equity. “An effective equity strategy requires engaging the whole community in thinking about how to take systems that are precariously and extremely out of balance and then bring them into more balance in ways that generate wellbeing for all,” said Taj James of the Movement Strategy Center. “So, Bold was important. Had the foundation just done consultative sessions and gathered community input but not engaged the broader community in that dialogue, the prospects for the equity work would have been much slimmer. For equity to become a reality in the Bay Area, it’s going to require a wide range of communities to see how their well-being and their fates are linked.”

# Navigating Stormy Waters

OCTOBER – DECEMBER 2015

**“This place was built on the idea that program officers and program directors are experts in their field, they needed to know the answers backwards, forwards, inside, and out. And now, we were saying, Well, yes, you’re national experts. But let’s think about it from a completely different vantage point, from an integrated strategy development perspective. It was a huge culture shift.”**

*Judith Bell, The San Francisco Foundation vice president of programs*

The internal diagnostic, presented to the staff in mid-October, revealed that people inside the foundation agreed with the sentiments expressed during the VOICE: Bay Area sessions and the consultative sessions: With a more focused, integrated strategic direction, the foundation could make a big difference on vital equity-related issues. Further, the foundation could leverage its resources and capacity in messaging and communications to drive a regional equity agenda, inspire donors, and attract support from philanthropy, business, and government. The diagnostic also recommended a more concentrated, higher-impact grantmaking strategy. The existing strategy limited annual spending, including grants, to around 5 percent of the foundation’s \$800 million endowment. The foundation tended to make one-year grants and spread them widely and thinly.

Among the report’s recommendations:

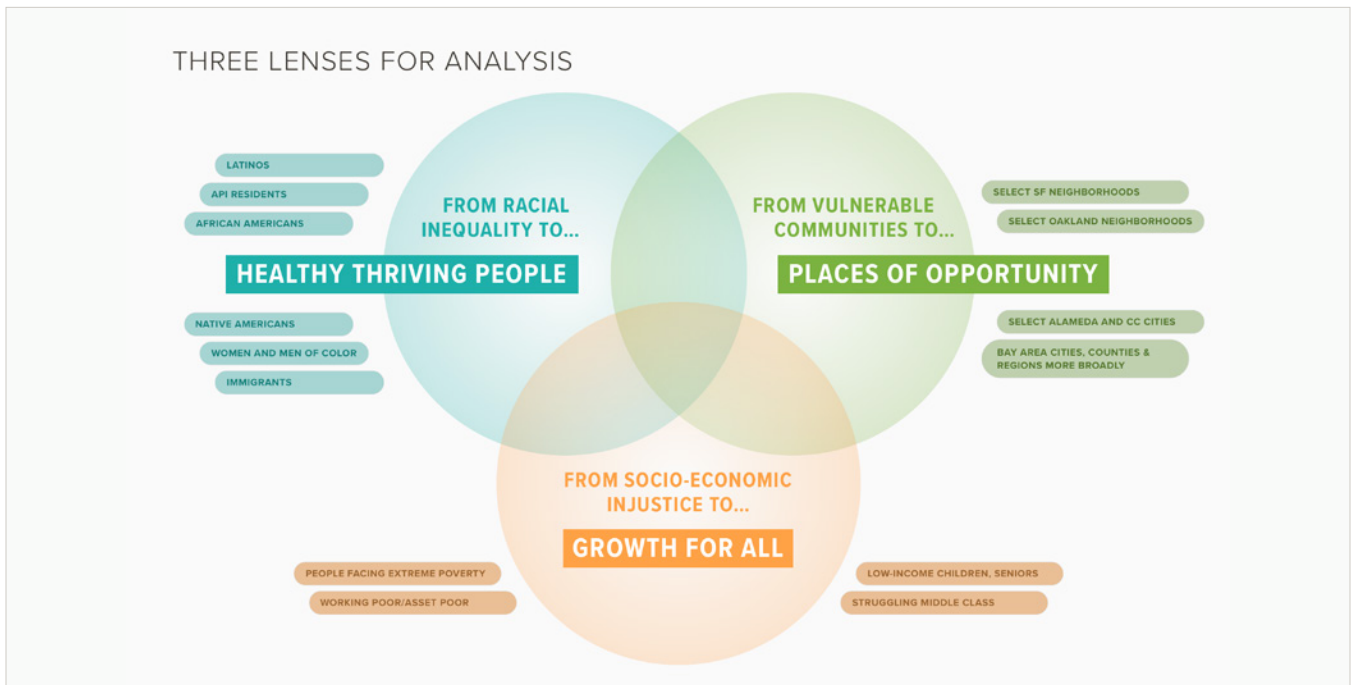
- *Be more driven by data and outcomes.*
- *Make grants of sufficient size, type, and duration to have significant impact.*
- *Break down grantmaking silos.*
- *Play a bigger role in advocacy for systems and policy change.*
- *Increase foundation accountability and transparency.*

Also in October, the Core Equity Strategy Team began to consider how to translate the needs articulated by residents, the guidance of partners, and the equity data into foundation strategies and investments.

The PEG consultants asked the group to look at opportunities for action through three lenses: race, place, and socioeconomic.

In other words, how could the foundation improve outcomes for specific populations, in specific neighborhoods, and around specific issues that impact well-being and success, such as workforce development?

Although the lenses overlap, each brought distinct issues to the fore. “Applying different lenses takes you to a different set of solutions,” said Newsome of PEG. “If you look at data about how many people are poor in the Bay Area, you just say, ‘Wow, there are a lot of poor people in the Bay Area.’ You can look at the same set of data and disaggregate it by race, and you reach a different conclusion about who’s poor and answer a question about why they’re poor. Same set of data cut by geography, you end up looking at the places where people are poor and why those places are poor.”



In an eye-opening moment, the team examined education outcomes by race and saw that a low-income African American student did not fare much better by moving to a higher-performing school district. A strict economic analysis would not have revealed this nuance. It underscored the complex interplay of race, place, and opportunity. Insights like this guided the team in developing a theory of change and, later, the full equity strategy.

The theory of change and the early iterations of the strategy framework included two primary pathways to advance racial and economic equity: expand opportunity (what was ultimately dubbed People) and strengthen anchor communities (Place). At this juncture, nurturing equity movements (Power) was an essential underpinning of those pathways, not as one in its own right.

In November, the core equity strategy team began to think about strategy development in more concrete terms. What issues, populations, and communities should be targeted? What would the work look like? To make the conversation real, the consultants asked the team to develop illustrative

examples within each pathway — potential strategies based on data, the needs articulated by residents, an understanding of the historical and political contexts of the issue or place, and opportunities to mobilize partners to achieve significant equity wins.

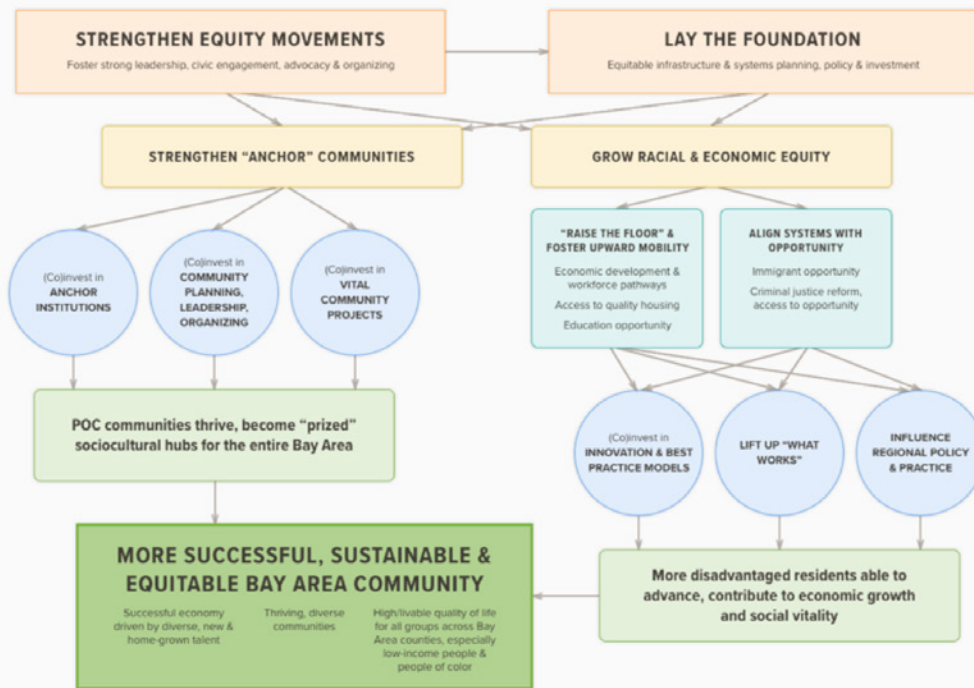
Blackwell intended to present the equity strategy and ideas for implementation to the board at its retreat early in 2016. As 2015 wound down, everyone worked feverishly to meet the deadline. The Management Team formed interdepartmental work groups to figure out how to implement the (still-developing) strategy across every activity stream at the foundation: programs, donor engagement, internal and external communications, finance, and operations. Leadership worked on a reorganization of the program staff under the strategy. The program staff represents about half the foundation’s workforce. Rumors swirled, and people anxiously wondered what would become of their jobs.

Cross-departmental sub-teams also were created to develop the presentations about the strategy for the board. This brought more staff into the planning process — and into

work outside their disciplines and comfort zones. “This place was built on the idea that program officers and program directors are experts in their field, they needed to know the answers backwards, forwards, inside, and out,” Bell said. “And now we were saying, ‘Well, yes, you’re national experts. But let’s think about it from a completely different vantage point, from an integrated strategy development perspective.’ ”

The task posed several challenges. Because the sub-teams had only two weeks to draft the presentations and six weeks to finalize them, the consultants recommended using an “answer-first” model. A hypothesis-driven approach, it starts with what you know and think is the correct answer and uses data to prove or disprove it with the goal of arriving at an answer that’s “80 percent right.” It’s faster than a “bottom-up” model, which derives answers from deep expertise and research and had been the norm at the foundation. Some people found the new approach unsettling, though for others it was an epiphany. “This is the moment when people understood where the effort was going and why it mattered,” Bell said.

## THEORY OF CHANGE



The sub-teams searched for ways to cut through the complexity of the strategy and explain it in clear, compelling terms. Eric Brown, then the interim vice president of marketing and communications, proposed the idea of storytelling — using one person’s lived experience to convey the urgency and the possibilities of the work. While storytelling has long been an integral part of a communications strategy, it was a new approach inside the foundation. Rather than communicate through dense text and charts, which the foundation had utilized, the communications team worked with colleagues to create communications materials that told a story and were dominated by engaging visuals and data. The integration of storytelling into the communications plan crystallized the strategy for trustees and allowed them to “see” the stories and understand the underlying strategies.

But in the moment the work was stressful. Groups struggled to come up with the right story and figure out how to use it to showcase an equity strategy that was still a work in progress.

“We were in stormy waters,” Bell said. “We were pushing people to embrace the new strategy. We were asking people to work together, which was different. We were also asking people to work differently as professionals. And layered on top of that were the pressures of time and performance. That was on the edge of too much, too fast.”

Until this point, the consultants had focused exclusively on strategy development. Without slowing down the process, foundation leaders and the consultants realized they also had to be intentional about supporting the staff to manage change.

In early December, the foundation held a final consultative session with about 35 close

partners. It was a dry run of the strategy before an audience that could be counted on to give wise, honest feedback. “It was quite a great conversation,” recalled participant Pamela David, executive director of the Walter & Elise Haas Fund. “They really were inviting people to be part of the process.”

The group was enthusiastic about the overall direction and underscored the importance of foundation leadership in movement building. Many believed the equity strategy would be a gamechanger, with impacts rippling across the country, if The San Francisco Foundation put its weight behind building power for low-income communities and communities of color. That input was an important factor in the decision to embed movement building as the third pathway. “We heard loud and clear that we need to pay attention to leadership development and community organizing,” said Myra Chow, now the foundation’s senior director of nurturing equity movements.