

## Institution and Field Building at The Edna McConnell Clark Foundation

### Michael Bailin

**Michael Bailin** was appointed president of The Edna McConnell Clark Foundation in February 1996. Mr. Bailin was the president and chief executive officer of Public/Private Ventures (P/PV), a nationally recognized nonprofit organization dedicated to improving opportunities for young people in poor communities. Before founding P/PV in 1977, Mr. Bailin worked as a consultant in the Ford Foundation and was the deputy director and counsel of the South Street Seaport Museum in New York City. He also practiced law and taught at both Dartmouth and Franconia colleges in New Hampshire.

**T**he Edna McConnell Clark Foundation has a three-decade history of grant-making intended to improve the lives of poor and disadvantaged people. Most of this work built upon a theory of change that focused on reforming public sector systems—including criminal justice, schools and child protective services.

As we have reviewed this work in recent years, we've drawn some uncomfortable conclusions. These include the view that large public systems are slow to reform, if not inherently intractable; that the resources available to the foundation to fund such reforms are disproportionately small in relation to the task of engendering fundamental and substantial changes; that whatever changes do happen are extremely difficult to measure; and that even if measurable and important changes are made in such systems, the likelihood that they will be sustained beyond the foundation's involvement is minimal due to the large number of forces (political, social, economic) that can overwhelm and wash them out at any moment.

This analysis has led us to the decision not to engage in further system reform efforts.

We have also reviewed the foundation's practice of organizing its work in up to five programs at any given time. While this has the virtue of allowing us to address a wider range of social issues, it has the drawback of reducing the resources that we can use to address any specific issue. And we have come to believe that spreading our limited resources over multiple program areas means that our effectiveness in any given area is too severely constrained.

With these thoughts in mind, we have reached some fundamental decisions—in effect, developed a new theory of change for our grant-making, which we currently refer to as Institution and Field Building. While each element in itself deserves extensive discussion, for present purposes they are outlined as bullets:

- The foundation will concentrate its future grant-making on a single, broad area: youth development. We will focus specifically on services to children and young adults between the ages of nine and 24 living in poor and underserved communities. Such services are intended to promote the successful transition of young people through their teenage years and into adulthood with prospects for self-sufficient, satisfying, and meaningful lives.
- We will devote the bulk of our resources toward investing in the organizational growth of nonprofit youth-serving institutions that have demonstrated their effectiveness and are at a stage of their organizational development suitable to undertake significant growth.
- We will make larger grants and longer grants than we used to, and will do so to support the growth plans of such youth-serving organizations. With each grantee organization we will negotiate a growth plan against which we will invest; and as part of this process we will work with each grantee to specify the outcomes for young people (and the indicators to assess them) for which the organization holds itself accountable.
- The foundation will define its success by virtue of the success of its grantees in meeting the milestones called for in their growth plans, and the achievement of the desired outcomes for young people that are the core work of each organization.



- We see our grantees as partners with us in this work, and in addition to making grants we will provide substantial and ongoing non-financial support to our partners in order to maximize the likelihood of success.
- From the very beginning, we will work to assure the sustainability of the organizations in which we invest beyond the date of our financial commitment to them.
- Finally, we will search for ways in which we can bring together organizations working in the field of youth development to exchange information, share experiences, and perhaps even pool resources. And we will be alert to opportunities for strategic grant-making in organizations other than those providing direct services that will further these possibilities, so as to promote conditions that enhance the constructive impact of the youth development field on the lives of young people.
- In the end, we will hold ourselves accountable for making a substantial contribution to the welfare of a large number of young people—and for documenting these efforts in measurable terms. Though less measurable, our goals will also include identifying investments and undertaking activities that will strengthen the field of youth development, and thereby indirectly contribute to good outcomes for young people far beyond those touched by the organizations in which we directly invest.

While to some people these elements can be construed as amounting to a “venture philanthropy” approach to grant-making, we don’t find that term particularly well-suited to convey our intentions. The term “venture philanthropy” has not been defined in a widely shared way, and under any definition, it carries substantial “freight” from its origins in the commercial sector. We do not wish to burden our work with notions like “efficiency” as unquestioned virtue or “value creation” too narrowly construed.

We are about six months into the process of designing and implementing this new approach. We hope to engage in extended conversations with others who are attempting similar projects, including “venture philanthropists.” We have learned a tremendous amount from our early efforts—but are daunted by how much more we have to learn.

For now, we have set ourselves five objectives:

- Improving outcomes for young people living in poor and underserved communities;
- Success in building and enhancing the effectiveness of the field of youth development;
- Achieving higher social return on the foundation’s grants (i.e., better bang for the buck);
- Developing an alternative way of doing philanthropy that is resolutely focused on achieving demonstrable outcomes and strengthening the nonprofit sector; and
- Accountability and transparency in our own philanthropic practice.

We will share what we learn about this work as we learn it.