Align to Thrive: Philanthropy and Rural Prosperity

Regards to Rural

May 19, 2018
Introductions

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  *LOCUS Impact Investing*
  *Co-Founder*
  *Center for Rural Entrepreneurship*

- **You!**
  - Philanthropy in the room?
  - Local or regional nonprofits?
  - Government?
  - Business?
  - Other?
Objectives

- Review components critical to rural (and urban) prosperity for all
- Identify motivations for doing more than just “good” – doing better
- Highlight the roles that philanthropy can play beyond grantmaking
- Explore “win-win’s” that can foster alignment
- Develop some Alignment Action Advice!
What comprises “Prosperity” – for All?
Keeping the End in Mind

Broadly Shared Prosperity

Focus on Individuals & Families

Focus on Community & Economy

Meeting family and community basic needs

Family Economic Success

Community and Regional Economic Success
### Prosperity (Wealth Building) Outcomes

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<tr>
<th>Grow multiple forms of <strong>capital</strong></th>
<th>Root <strong>ownership</strong> in the region</th>
<th>Improve <strong>livelihoods</strong> for those living on the margins</th>
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<td>Recognize, invest in and grow the many types of capital – individual, intellectual, social, natural, built, political, cultural and financial – needed to sustain an economy.</td>
<td>Create pathways for more local ownership, control and influence over economic drivers – and the wealth those drivers generate.</td>
<td>Strengthen and improve livelihoods – high quality, living-wage work and careers – for all residents, especially those on the economic margins.</td>
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From Good to Better: The Big Why’s (or Wise?)
Many regional economies are not producing broadly-shared community prosperity, and too many families are falling behind.

Growing inequality and poverty create a new urgency for economic development.

Increasingly, foundations want to use more of their assets and tools to help their communities address the most critical issues and capture the most promising opportunities.

They want to “not just do good, but do better.”
Not just doing good...doing better

Let's say you want to address a community issue like: Hungry Children and Families

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<tr>
<th>Option 1</th>
<th>Option 2</th>
<th>Option 3:</th>
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<td>Feed people by supporting or setting up a food pantry</td>
<td>Provide training and assistance to parents so that they can save costs, repair finances, and get benefits, a job (or a better job) -- and afford to buy enough food.</td>
<td>Support strategies to modernize and grow the local economy and businesses so that you have an adequate supply of good jobs.</td>
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<th>Treat the symptoms</th>
<th>Cure the disease</th>
<th>Prevent the disease</th>
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<td>Good</td>
<td>Better</td>
<td>Even Better: Transformative</td>
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Economic development philanthropy pushes foundations this way...
Practicing EDP requires:

- Place-rooted foundations
- Mobilizing their full range of assets
- To build economically prosperous regions
Many place-rooted rural foundations are well-suited for this role because:

- They are driven by mission and values to seek prosperity that is broadly shared, especially by those on the economic margins.
- They seek outcomes from economic development that include addressing inequality.
- They bring a long-term perspective than many entities engaged in economic development.
- They often think and act regionally – may be the only “regionwide” actor available.
- They are networked and have relationships with many of the actors that can change the way economic development is practiced locally (residents, businesses, government, etc.).
- They have a wide range of assets and tools to use on behalf of the region or place.
- But they need partners.
That Full Range of Assets (& Roles) – yes, Grantmaking, but Well Beyond
What Do Foundations Bring To The Table?

“You bring a lot to the table, Johnson. Most notably Krispy Kremes.”
## What Can Foundations Bring to the Table Beyond Grantmaking?

### ASSETS
- **Financial** – grantmaking, endowment, lending, portfolio investment
- **Social** – networks, relationships across many spectrums
- **Knowledge** – resident engagement, research, analysis
- **Political** – advocacy, influence, who’s who
- **Built** – space, amenities
- **Values** – mission, trust, “showing up”

### ROLES
- Conduct/sponsor research and analysis
- Convene stakeholders, grantees, factions
- Engage residents
- Make strategic grants
- Lend or invest funds
- Advocate for systems or policy change
- Leverage other actors/resources into the action
- Run a program

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Aspen Institute Community Strategies Group and the Center for Rural Entrepreneurship.
Let’s hear from a few foundations...

Tell us about one role you played _beyond grantmaking_ that you believe has contributed to rural prosperity:

- What was the role you played?
- _How_ did the opportunity to play this role come about or _come to your attention_?
- What _motivated_ you to play the role?
- In what way did you _partner_ with local/community actors?

- What “bigger” _difference_ do you think (or know) it made (than if you had “just made a grant”)

- Anne Kubisch
  The Ford Family Foundation

- Danielle Garbe
  The Sherwood Trust

- Paul Kimmell
  Avista Corporation

- Kathy Littman
  Greater Tacoma Community Foundation
Pretend you must write a set of rules for what it takes for community partners and foundations to align their actions to help rural communities thrive.

Based on the stories you just heard, what would one rule be?
What Win-Win’s can foster alignment?
Let’s talk about it with something specific in mind…

- Form groups of three – quickly

- **One person** in your group:
  Name an effort you want to pursue – or have been pursuing – to advance **rural development/prosperity**.

Discuss together

- What is a useful role that a foundation could play OTHER than grantmaking – to help succeed with this effort?

- How could you approach a foundation and frame their involvement/participation as a win-win?
Alignment  Action  Advice
Advice for Alignment Action

- Be in relationship. Give and take on both sides.
- Don’t wait for an RFP. Take initiative and talk about it.
- Work to understand the real gap in situation – and how your action together can move from just “treating symptoms” toward “curing” or “preventing the disease.”
- Money is not the only solution. How can a different role – or different action – help as much?
Thank you!