

Philanthropy's Purpose-driven Agenda

Paul DiLorenzo 29 November 2015

By almost any measure, the levels of family, child and individual poverty have a profound impact on thousands of Philadelphians. Among the nation's top ten largest cities, Philadelphia has the highest percentage of people in poverty (26 percent) and deep poverty (12.3 percent).

The obvious manifestations of poverty are well documented, yet there are also countless other indirect impacts on a population that is unable to put food on their tables, find a stable place to live or maintain an adequate degree of physical and mental health so that they can function every day. The hidden consequences and the delayed effects are equally as toxic. These include a disproportionate rate of educational failure, increased levels of violence and a decreased opportunity to participate in the region's rich arts and cultural landscape, to name a few. Equally as important, though less measurable, is the despairing narrative that families and neighborhoods develop as a result of sustained, chronic poverty.

Resources for services to those living in poverty, including the working poor in Philadelphia are largely public, federal, state or city funding sources. However, government

dollars are limited in what they can do, and frequently have restrictions that address immediate crises or symptoms of a broader underlying problem. Those resources, on their own, can generate a high degree of services but few, lasting sustainable solutions. Because government is designed to be risk averse with public funds and while innovation is desired, it inherently comes with a potential for failure which public and political scrutiny will not tolerate.

That is why to help solve some of our nation's and region's most pressing and complex issues, the social and educational sectors need access to funds that are flexible yet tightly focused on solving a problem and innovative with a healthy tolerance for risk and missteps.

Philanthropy provides that flexible capital. This makes a good deal of sense, especially since so many philanthropic endowments are the result of individual or corporate dedication to purposeful, practical thinking with an orientation toward innovation, risk and results.

Foundations in the region, regardless of their size, are a reflection of someone's personal and/or corporate achievement and the desire to give back or pay forward, depending on your perspective. And they function outside the parameters normally reserved for government agencies.

To solve some of our most pressing and complex social problems, many in philanthropy are shifting away from traditional "checkbook philanthropy" and becoming more

intentional and strategic in their giving. Many funders view themselves as investors and have an expectation that what they give will make a difference, and that there will be measurable outcomes. As investors interested in the well-being of our region, these funders have their own organizational goals, and as such, their giving represents a desire to "do well and to do good." In other words, all giving is not necessarily altruistic – and this is not necessarily a bad thing.

In the new world of philanthropic giving, foundations have become much more strategic. The boards and leaders of local grantmaking organizations are doing their homework, collecting and analyzing data, consulting with national content experts, reviewing best practices and developing proactive measurable agendas that generate solutions. Most noteworthy and encouraging, they are coming alongside government and nonprofits as partners, mostly investing for success, sometimes acting as thought partners. They are motivated by moral as well as strategic imperatives.

Through my lens of chairing a philanthropic membership organization, Philanthropy Network Greater Philadelphia, the trends I am seeing in philanthropy are:

- Foundations are leading the efforts to grow promising practices and evidence-based approaches to reducing and/or eliminating the circumstances that are endemic to poverty.

- Philanthropic support is being used to leverage a broader array of financial and human resources in a community.
- Through the support of content experts, foundations support convening groups of professionals and residents to create a vision and plan, develop and implement local problem solving strategies.
- In addition, these same funders work in partnership with grantees to build local capacity and in turn prepare organizations and agencies for large scale systems change efforts.
- Agencies and organizations committed to continuous quality improvement efforts are often turning to philanthropy to help create the tools and the environment for systems improvement resources.
- In those places where multiple organizations are looking to collaborate and/or integrate services and supports for families and individuals, philanthropy has established itself as a resource pioneer. They have also been the first to create a credible list of “lessons learned” from those multidisciplinary demonstration models.
- In an arena where so many organizations struggle with data collection and analysis, foundations have stepped in to assist both the public and private sector utilize this information for planning, management, research and evaluation.

In the Philadelphia region, large and small funders are

taking on compelling and complex causes including homelessness, equal accessibility to the arts and cultural activities, food insecurity, children's health and services to special populations. Citizens are also benefitting from Philanthropy Network's Sparking Solutions strategy to promote and foster collaborative philanthropy that improves conditions, creates opportunities and changes lives in Greater Philadelphia. This broad approach has emphasized the practical value of collective activity and collaboration on the part of the foundation and corporate giving community. These partners are realistic in their understanding that no one entity, government or private funder can bring a resolution or relief to a social problem. Working together with other likeminded investors, with a shared set of common goals, enhances the opportunity for sustained progress.

This is not to say that all funders have abandoned the idea or the practice of supporting more modest projects; however, taking on the myriad of challenges related to generational poverty requires that funders, grantees and government, along with their neighborhood partners, create a commonwealth rooted in shared values and activities.

Agencies and individuals looking to address structural, generational poverty should take all of this into account before they consider advancing a request to a private or corporate foundation. To simply ask for a check from a funder is to miss the richness of the resources that exist

within the realm of philanthropy.

Paul DiLorenzo is the president of Philanthropy Network Greater Philadelphia, board member of Stoneleigh Foundation and senior director of strategic consulting, Casey Family Programs.

Philanthropy Network Greater Philadelphia:

Philanthropy Network Greater Philadelphia is the region's membership association for organizations and individuals active in philanthropy. Serving primarily Philadelphia, Bucks, Montgomery, Chester and Delaware Counties plus adjacent areas, Philanthropy Network champions the role of philanthropy in improving the quality of life in the region and educates and inspires members to do their best giving. Believing that the whole is greater than the sum of its parts, Philanthropy Network fosters connections and collaborations to enhance the impact of local philanthropy and brings funders together with civic leaders, government and community organizations to address areas of mutual interest.