

FINDING YOUR FOCUS IN PHILANTHROPY

WHAT CHALLENGES WILL YOU TACKLE,
AND WHAT DO YOU WANT TO ACHIEVE?



ROCKEFELLER PHILANTHROPY ADVISORS
PHILANTHROPY ROADMAP

Many people come to philanthropy with their focus fully formed. They know what issues they want to take on, what they hope to achieve, and where they want their giving directed. For others, the process of choosing how to allocate their resources can be daunting — especially given the enormous range of opportunities.

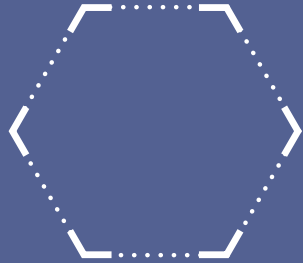
Even experienced donors sometimes reach a juncture where they question if what they've been supporting really reflects their deepest convictions or simply their habits.

Many funding appeals seek support on the basis of urgency. But what is the most urgent issue? There's obviously no objective answer to that question. In our experience, donors make the most sustained and successful contributions when the issues they focus on connect directly to their motivations and convictions.

It's also helpful, we find, to recognize that issues don't exist in isolation, and that great results in one area can support change in other dimensions. The real question is where you want to enter the circle:



There are many issues in the world, and many different ideas about which is the most important and compelling. The reality is that all these issues are connected, each driving the others.



FRAMING THE ISSUES

One way to start the selection process is to explore how you frame issues. Just as various motivations create the conviction to become a serious giver, different lenses on the world help us focus and sort what we see around us. Here are a few of those frames:

BIG CHALLENGES

Many people start their analysis of issues at a very high level, with very big subject areas or abstract problems, and examine which they are most impelled to focus on. Examples, like those shown in the circular diagram on page 3, include poverty, disease, education, and climate change, to name but a few. Often, donors looking at big challenges will (unless their resources are truly astonishing) choose a broad area and then look to drill down to more specific dimensions for the particular challenge they want to address. But they like to start at the high level.

TED TURNER

THINK GLOBALLY, ACT GLOBALLY

The man who built CNN and the Turner Broadcasting Network has never been accused of shying away from big projects. Currently, he works to rid the world of weapons of mass destruction with former Senator Sam Nunn at the Nuclear Threat Initiative. But perhaps his best known “big challenge” emerged when he focused on capacity building at the world’s foremost international organization. In 1998, he donated a third of his wealth, \$1 billion, to create the United Nations Foundation. It aims to help the UN take its best work and ideas to scale—through advocacy, partnerships, community-building, and fundraising. By the end of 2010, the UN Foundation had mobilized

\$825 million in private donations; collaborated with the Bill and Melinda Gates Foundation to reduce the number of countries affected by polio from 30 to four; and worked with the American Red Cross, UNICEF and the World Health Organization to bring about a 90 percent drop in measles deaths in Africa. “If I had a little more money,” Turner said, “I’d put another billion into the UN Foundation in a blue minute because it’s been such a huge success.”

SPECIFIC CHALLENGES

For some, the big issues are too large a place to start. Their inclination is to focus on something far more concrete and specific, which may later develop into a broader program. Examples of starting with a more focused lens include challenges as varied as these: Parkinson's disease, early childhood education and care, preserving open space or training home health aides to serve low-income immigrants.

WALLIS ANNEBERG VISION, LEADERSHIP AND COMMUNITY BUILDING

The Annenberg Community Beach House in Santa Monica, California is unique. The five-acre beachfront estate was once owned by Marion Davies, actress and mistress of newspaper tycoon William Randolph Hearst. Now the property has become one of the country's most unique beach clubs—fully open to the general public. How did it happen? Intense donor focus. Wallis Annenberg, daughter of philanthropist Walter Annenberg, committed the Annenberg Foundation with a \$27.5 million grant to kick-start the public-private project. The land had been slated for possible mixed-use development, but Wallis Annenberg saw the potential of the project to restore and readapt coastal property and create public access for the people of Los Angeles and

beyond. She supported the development of the project even though the model for operation hadn't been tested. She put in early money and partnered with both the City of Santa Monica and the state parks department, among other public and private entities, as the project made its way through a challenging approval process. "Our mission is broad enough to allow flexibility with our philanthropy so that we can really open our eyes, be responsive and support vision-driven leadership," says Annenberg. "Strong leadership is what leads to great impact and change."

PEOPLE

Many donors will concentrate on the types of people whom they wish to support. Children, women, the elderly, youth, artists, refugees, innovators—there are myriad possibilities. A donor may choose to help people related to a family history or experience or through having learned more about a community through work, travel or affinity.

JEFF SKOLL FOCUSING ON SOCIAL ENTREPRENEURS

Jeff Skoll's role as the first president of eBay made him his fortune, but his role as an innovative philanthropist has given him his highest profile. In Hollywood, he's known as the founder and CEO of Participant Media, which produces films (An Inconvenient Truth, Food, Inc., The Cove) and their related social action campaigns. But his main philanthropic vehicle is the Skoll Foundation (total grants of more than \$250 million since 1999). This foundation focuses on supporting people who act as society's change agents, "creating innovations that disrupt and transform our world for the better." Social entrepreneurs, in other words.

In his Giving Pledge letter to Bill and Melinda Gates and Warren Buffett, Skoll described his foundation this way:

"Each year, we find innovative social entrepreneurs from around the world—people like Paul Farmer of Partners in Health or Ann Cotton of Camfed—and we support them over a multi-year period. We also convene the annual Skoll World Forum on Social Entrepreneurship, at Oxford University. I am proud of the work we are doing together with our partners and grantees. In the words of one of my heroes, John Gardner, we are 'betting on good people doing good things.'"

PLACES

These funders choose to focus on certain sites—driven often by heritage or experience, but not always—and may fund many “subject” areas within that geography. How a donor defines that geography can vary greatly—from a continent or region to a village or even a neighborhood.

TRACY MCGREGOR AND KATHERINE WHITNEY MCGREGOR RELIEVING MISFORTUNES IN METROPOLITAN DETROIT

Tracy McGregor helped his parents found a homeless shelter in Toledo, Ohio in the 1880s. In 1891, when his father died, Tracy left Oberlin College to run a mission for the homeless and needy in downtown Detroit. Over 45 years, the McGregor Institute provided food and lodging for 700,000 men. Tracy met Katherine Whitney, the daughter of one of Michigan’s richest families, while they were both volunteering at the Children’s Free Hospital in Detroit. They married in 1901 and “formed a lifelong partnership to aid numerous Detroit charities and families in need of assistance,” according to their foundation’s website. That foundation, the McGregor Fund, was established in 1925 “to relieve the misfortunes and promote the well-being of mankind.” In practice, the fund focused its work from the beginning in

metropolitan Detroit. The McGregors gave in a variety of program areas, including care for the homeless, education, health care and arts and culture. Tracy McGregor died in 1936, Katherine Whitney McGregor in 1954. Their fund continues to honor their approach to philanthropy by supporting organizations serving the metropolitan Detroit area. The fund has provided more than \$200 million in assistance over more than 85 years of service.

INSTITUTIONS

Funders who view the world through the “institution building” lens seek to achieve their philanthropic goals by supporting certain kinds of organizations. They often focus on a particular type of organization and the role it plays in the world. Some examples: think tanks, policy and advocacy organizations, museums, ballets, orchestras, charter schools and community colleges. The potential list is large but often a donor will intuitively know they wish to narrow the range by the other components discussed such as geography or people served.

LUCILE SALTER PACKARD CARING FOR CHILDREN BY CREATING A WORLD-CLASS HOSPITAL

Lucile Salter Packard (1914–1987) wanted to provide children with health care in a setting that would nurture both the body and the spirit of each child. She decided creating a new hospital was the best way to do that. She, together with her husband, David (1912–1996), co-founder of Hewlett-Packard, became the driving forces behind the development of the Lucile Packard Children’s Hospital in Palo Alto, California, giving \$40 million towards its construction in 1986. The hospital opened in 1991 and became part of the Stanford University Medical Center in 1996. It is ranked as one of the nation’s best pediatric hospitals.

Lucile Packard provided instrumental volunteer leadership for the project, chairing the board of the hospital and supporting innovations such as maternity and newborn care in the pediatric hospital. The Lucile Salter Packard Foundation was created to support the Children’s Hospital programs—through fundraising and direct grants. In addition, the David and Lucille Packard Foundation (assets \$5.5 billion) continues to honor this institution-based project, with a \$50 million gift in 2009 to support the expansion of the hospital. Lucille Packard, and her husband, were committed to improving the health and well-being of children—building a top-flight institution provided the focus for this aspect of their philanthropy.

NARROWING YOUR FOCUS

Once you've identified the area or areas of interest for your philanthropy, you'll probably want to narrow your focus. Broad fields like education and the environment are convenient categories, but obviously too big for any donor to tackle. You'll want to look at the components of those fields — early learning; primary and secondary school; higher education. Even within those areas you'll probably need to move to a more specific focus — perhaps by topic within the area (teacher training for primary/secondary school), by region, or by type of educational institution.

It's worth remembering here that for many significant donors, the question is not which issue area to focus on, but what combination of issue areas to support. Their interests may span more than one topic. Also, there may be more than one philanthropic decision-maker — a couple, a set of siblings, a parent with adult children, even grandparents with adult children and teenage grandchildren. Multiple decision-makers often create multiple issue areas and that means a team effort is required to find a clear philanthropic focus. Time must be set aside for family members to listen and talk to one another as they seek a mutually agreeable approach.

This decision-making stage is best approached through a strategic planning process based on the Roadmap (see our guide "Your Philanthropy Roadmap") or some other planning tool. This approach allows each participant to explore and express his or her motivations, and choice of issue areas. Once those

ideas are on the table, many family members find themselves impressed and inspired by the views of others. Even so, it's important to allocate enough philanthropic resources so the programs are not too diluted. Often difficult decisions about priorities and proportions will need to be made. Where the dominant family member has made a firm decision on how philanthropic resources will be used, it may be best to abandon the notion of family decision-making and recognize that other family members will simply not be participating in the philanthropy. (For more on this topic, see our guide, "Talking to Your Family about Philanthropy.")

All too often, philanthropy is funding the problem. This isn't to say that philanthropy is making things worse (although some would make that case). It means that too many of us are content to direct money in response to problems, with little thought about how that money might create a solution. In fact, it's common to hear people say sincerely that their philanthropy "funds health care and poverty in my community." Presumably, they want to see more of the first and less of the second. Funding the solution, on the other hand, means not only having a clear focus on a challenge of appropriate size, but having a clear vision of what change you want to achieve. Whether you call it a goal, an outcome or a solution, it's important to define what end-result you seek. And you'll need a clear-eyed view of the milestones along the way that indicate progress. (For more on this topic, see our guide "Assessing Impact.")

MOVING FORWARD

“One of the chief obstacles which the philanthropist meets in his efforts to do real and permanent good in this world is the practice of indiscriminate giving.”

ANDREW CARNEGIE

Andrew Carnegie, along with John D. Rockefeller, was one of the archetypal philanthropists of the 20th century. When he created the Carnegie Corporation of New York in 1911, he did it with a clear focus for his giving. One of his “big challenges” was education: he sought to “promote the advancement and diffusion of knowledge and understanding.” He was also clear on the outcomes he wanted—seeking to create “ladders on which the aspiring can rise.” He is remembered today, in part, for his focus on building institutions that provided such “ladders”—for example, funding 2,509 libraries across the world, including 1,679 in United States.

Carnegie’s example shows how finding one’s focus can enhance the effectiveness of giving and set the standard for ongoing philanthropy. Knowing the challenge you want to tackle and the change you want to help create can determine not only your current giving strategy but the ways your philanthropy will create its legacy for future generations.

ROCKEFELLER PHILANTHROPY ADVISORS

is a nonprofit organization that currently advises on and manages more than \$200 million in annual giving. Headquartered in New York City, with offices in Chicago, Los Angeles and San Francisco, it traces its antecedents to John D. Rockefeller Sr., who in 1891 began to professionally manage his philanthropy “as if it were a business.” With thoughtful and effective philanthropy as its one and only mission, Rockefeller Philanthropy Advisors has grown into one of the world’s largest philanthropic service organizations, having overseen more than \$3 billion to date in grantmaking across the globe.

Rockefeller Philanthropy Advisors provides research and counsel on charitable giving, develops philanthropic programs and offers complete program, administrative and management services for foundations and trusts. It also operates a Charitable Giving Fund, through which clients can make gifts outside the United States, participate in funding consortia and operate nonprofit initiatives.

WWW.ROCKPA.ORG

ROCKEFELLER
Philanthropy
Advisors