

BARR FOUNDATION

*Using KNOWLEDGE, NETWORKS and FUNDING
to Build a Better Boston for All*

Networks and Philanthropy

Funder's Network for Smart Growth And Livable Communities

3/7/05

The Pilot House – Lewis Wharf
Boston, Massachusetts 02110

www.barrfoundation.org

Objectives

To define and describe two types of networks and their application to our work in philanthropy:

Production Networks

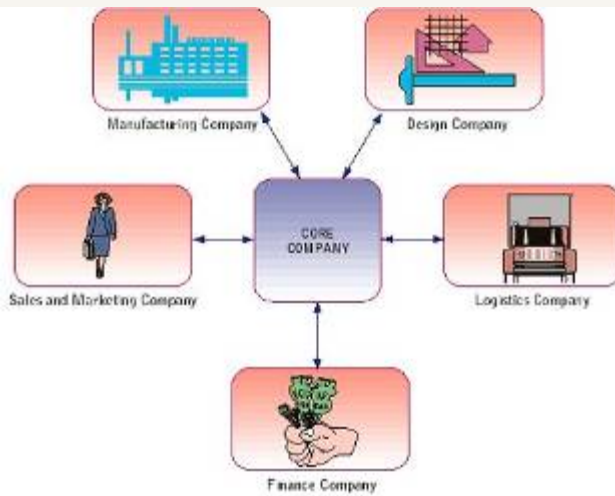
Social Networks for Social Purposes

To stimulate a rich conversation on “Networks and Philanthropy”

I. Production Networks

Definition

Groups of organizations that link together for the common purpose of providing improved services and products



Benefits

- Reduce costs
- Produce scale
- Reach markets at new levels
- Leverage a value chain
- Achieve greater impact

Examples

- Barr Foundation – individual organization
- Green CDC Initiative - cluster
- Movement as Network - field

BARR FOUNDATION

Using KNOWLEDGE, NETWORKS and FUNDING
to Build a Better Boston for All

Example 1: The Barr Foundation



- Adopted **networks as one of three core organizing principles** (along with grantmaking and knowledge creation)
- Uses **networks** (and specifically diversity of networks) **as a staff hiring criterion**
- Developed an **extensive network** of consultants, intermediaries, process and content experts, who link together to co-produce services (e.g., grantmaking, TA, cluster management)
- **Tracks network activities** throughout theories of change, work plans, and budgets
- Achieved **low cost ratios** – 6% of grants, 0.5% of assets

BARR FOUNDATION

Using KNOWLEDGE, NETWORKS and FUNDING
to Build a Better Boston for All

Tracking networks in Logic Models

GOAL:

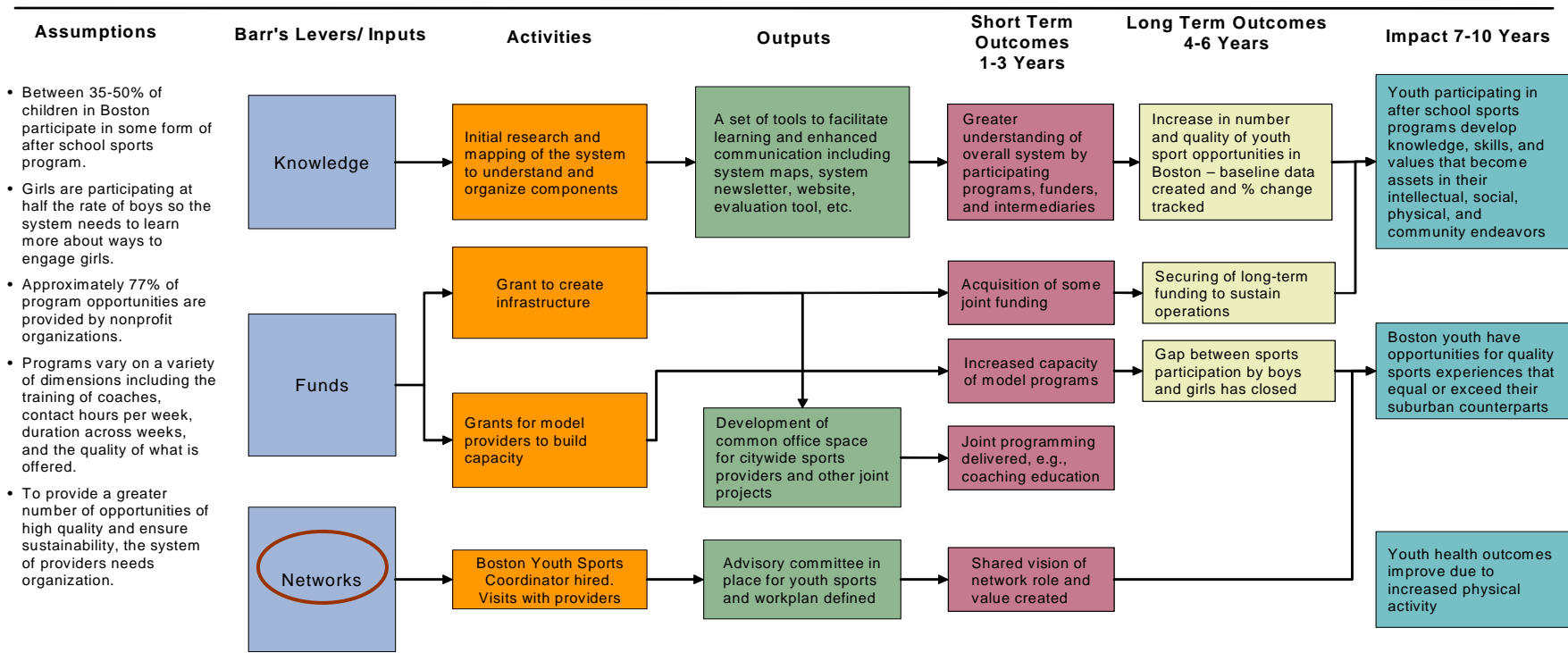
Provide quality educational experiences that enable all of Boston's youth to realize their full potential.

STRATEGY:

To use after school sports programs as a medium of physical, intellectual, emotional, and social development.

THEORY OF CHANGE:

Sports can be leveraged to provide opportunities for youth to develop knowledge, skills, and values that become assets in their intellectual, social and community endeavors.



BARR FOUNDATION

Using KNOWLEDGE, NETWORKS and FUNDING
to Build a Better Boston for All

Tracking networks in Workplans

Goal	Strategy	Theory of Change	Activity Type	Grant (\$)	Other (\$)	Quarter Due	Activities	Short Term (1 yr) Outcomes
Education	Ed-Out-of School	Ed-OST Research/Awareness/Advocacy	Grantmaking			03Q3	Start up support for MA After School Partnership to match grant and create strong advocacy voice for after school in the legislature - funding already in approved grants	Increased public education about and visibility of after school on the legislative agendas
Education	Ed-Out-of School	Ed-OST Research/Awareness/Advocacy	Knowledge			03Q3	Develop a map of the after school advocacy system in MA	Better understanding of the players, their core competencies and geographical areas covered
Education	Ed-Out-of School	Ed-OST Sports and Learning/Development	Grantmaking			03Q3	Award and monitor grants to create the sports coordinator position and the Girls grant making process-funding already in approved grants	Improved effectiveness of sector through stronger networks, access to resources and technical assistance, peer learning, sharing of resources and increased access to programs for GIFTS
Environment	Env-Environmental Citizenship	Env-Experiential Environmental Programs	Knowledge			03Q3	Facilitate and attend Co-Evolution Meeting at the Aquarium on September 12	Increased understanding about how to have impact in the environmental education field
Environment	Env-Open Space and Water Resources	Env-Restoration and Maintenance of Open Space	Networking			03Q3	Meet with other funders and other non-profit organizations to help broker a solution to parcels on the central artery	Brokered solution for Mass Hort parcels and forward movement on implementation
Environment	Env-Open Space and Water Resources	Env-Restoration and Maintenance of Open Space	Networking			03Q3	Attend Central Artery Planning meetings	Get to know the players and keep abreast of developments
Environment	Env-Open Space and Water Resources	Env-Restoration and Maintenance of Open Space	Knowledge			03Q3	Meet with summer MBA interns who conducted research on business planning and financial transparency for parks department	More transparent financial systems and greater accountability for parks maintenance organizations

Example 2: Green CDC Initiative

Funding

- **Boston Community Capital**
community loan fund – provides acquisition funding
- **LISC** provides predevelopment recoverable grants
- **Government Funds**
support construction costs
- **Wainwright Bank**
provides gap financing for green design buildings

Green Design

- **New Ecology**
provides technical and legal assistance in brownfields redevelopment and green design – associated with MIT

Green Materials

- **Home Depot**
supplies green materials

Development

- **Boston Community Development Corporations**
developer of inner city property for community purposes (housing, community space, small business development)

Goal: To create a value chain for producing green-designed buildings that serve community purposes and promote green design throughout Boston

What will the Green CDC Initiative achieve

Redevelop brown fields that are accessible to public transportation

Incorporate green design in buildings and rehabs in inner city

Leverage scale of CDC's to get lower cost green materials

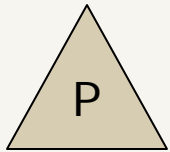
Develop buildings that are cost efficient, healthy and nurturing to the workforce

Spread green design knowledge and deal

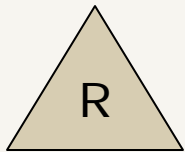
Example 3: *Movement as Network*

The **environmental movement is a network** that is more than the sum of its people and organizations.

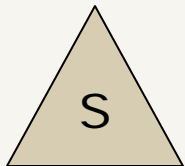
Environmental organizations have unique missions that lead them to play different roles in the network



People organizations with broad membership and constituencies



Resource organizations that define themselves by the particular expertise or resources that they bring to the rest of the network – i.e. legal, organizational, funding expertise



Source: Gideon Rosenblatt, <http://www.movementasnetwork.org/>

Solution organizations that define themselves by the

Goals of *Movement as Network*

Achieve Scale: Reach 80% of the public who share environmental values but are not engaged by membership or activism strategies

Increase Impact

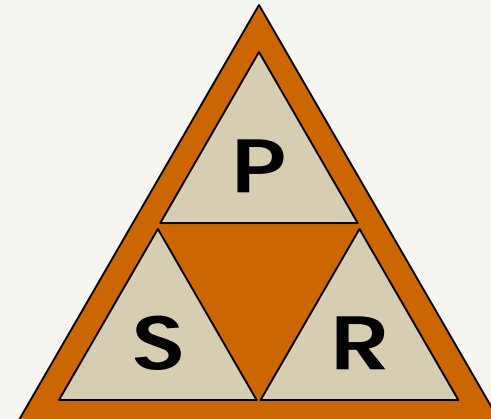
Diversify Funding Model

People organizations – memberships

Resource organizations – fee for service

Solution organizations – foundations

Achieve Economies of Scale



The movement as a whole becomes far stronger when organizations specialize and link together to produce aggregate results

Barriers to the Production Networks Model in Nonprofits

Lack of standards (like ISO 2000) that ensure interchangeable quality, capacity, data, financial information

Lack of market data to provide comparables

Operational transparency

Time required to build trust, establish relationships

New competencies required: contract negotiation, resource allocation among players

Capital markets (foundations and other funding sources must see this as a desired unit of action

II. Social Networks for social purposes

Definition

Social Network Approaches are ways to analyze, build, and use connectivity among people and organizations to influence systems for socially desirable ends.



Properties:

Effects

Functions

Structures

Dynamics

Examples

EQUIPO Familia del Barrio

Central Appalachian Network (CAN)

Social support of youth out of foster care

Networks can have powerful effects:

- Rapid Growth (Dean Campaign)
- Widespread Presence & Engagement
(World Social Forum, Meetup, Volunteer Match)
- Resilience (Al Qaeda)
- Instant Capacity (Tsunami Relief)
- Multigenerational Influence (HBS Alumni)
- Diffusion (SARS Prevention Methods)
- Efficiency (MoveOn.org)
- Aggregate Voice (Weblogs)

Networks can perform many different functions:

- Innovate
- Diffuse
- Combine
- Align
- Mobilize
- Exchange
- Assess
- Advocate
- Deliver

Structural Shapes

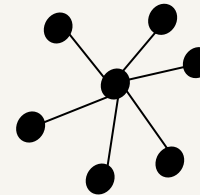
Network structures make revealing pictures.

- When many nodes connect to a single node, a **Hub-and-Spokes** or **Star** structure is created. Each of the spoke nodes has one link, while the central node is linked to all other nodes.

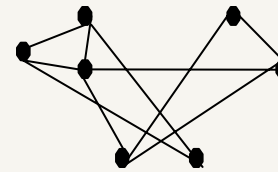
- When many nodes connect to each other in various configurations, a **Many Channels** structure is created. Each node may have several links through which it can reach other nodes.

- When a number of nodes are all connected to each other, a **Dense Cluster** is created. Each node is connected directly to all of the other nodes.

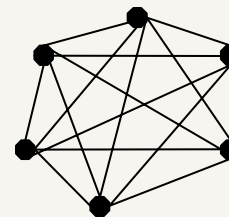
- When hubs connect to one another, either directly or through spokes, a **Branching** or **Multi-Tiered** structure is created. Nodes may have fairly long paths, through central nodes, to reach each other.



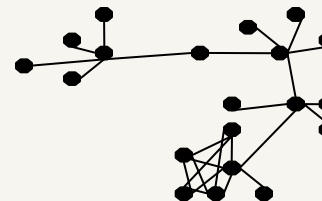
Hub-and-Spokes



Many Channels



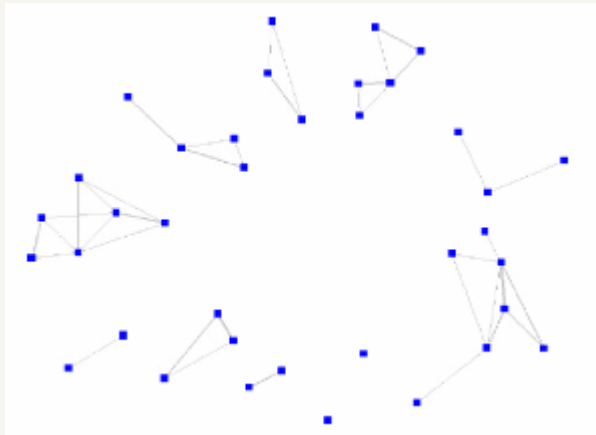
Dense Cluster



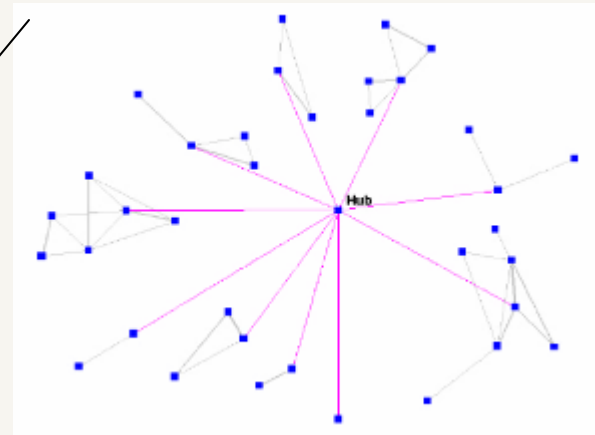
Branching

Network Evolution

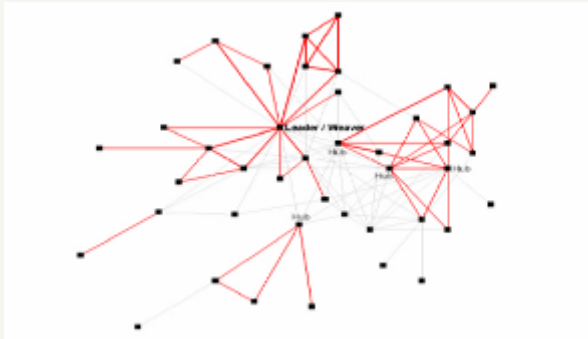
Stage I – Scattered Clusters



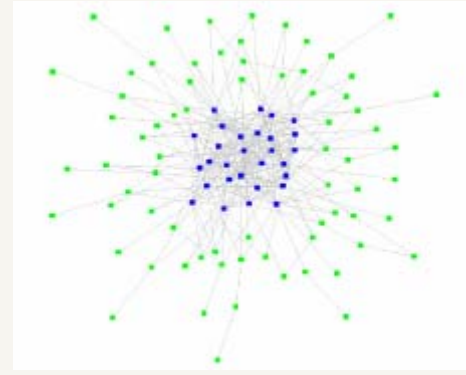
Stage 2 – Single Hub & Spoke



Stage 3 – Multi Hub Small World

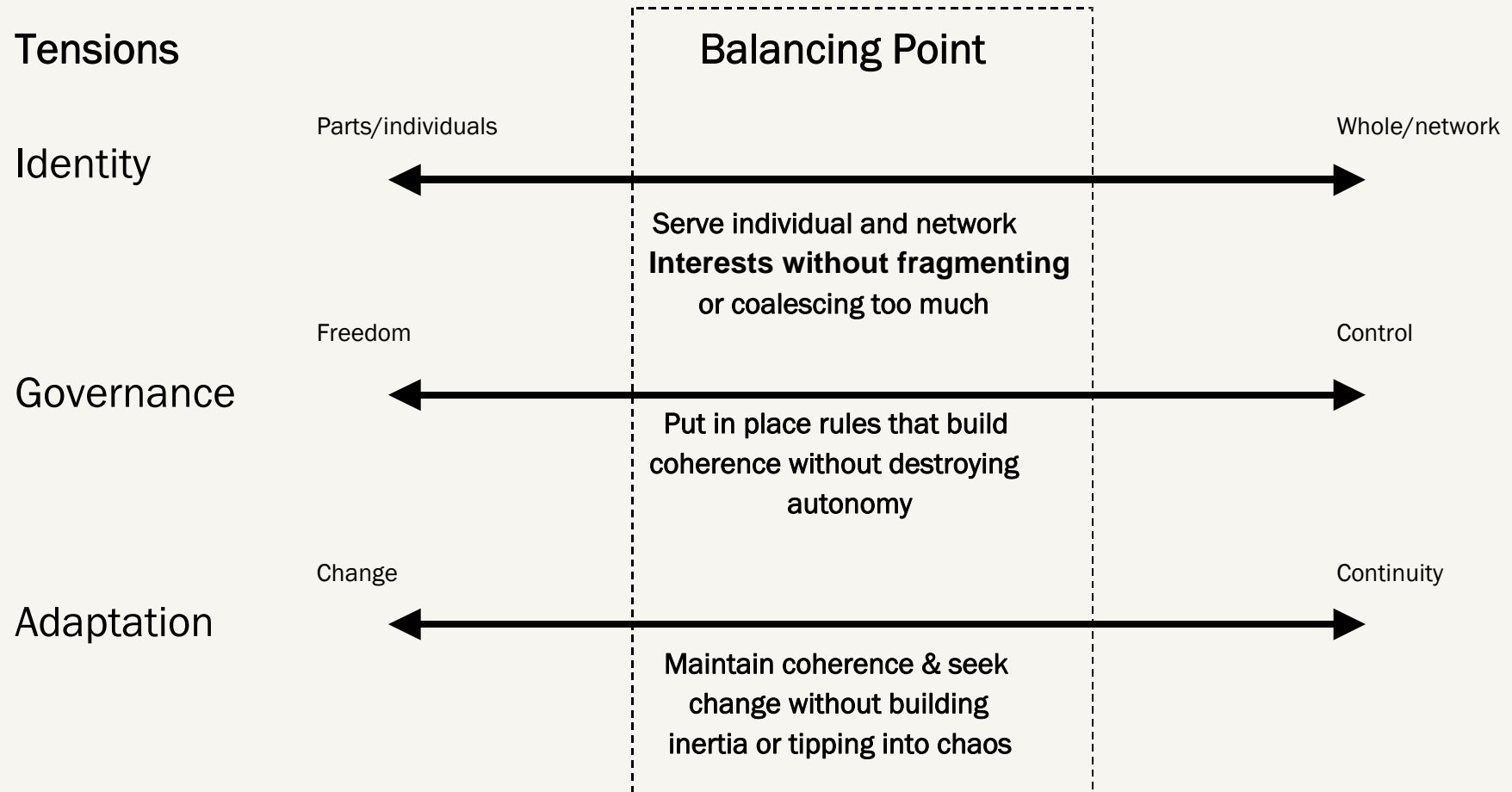


Stage 4 – Core Periphery



Source: Valdis Krebs & June Holley, **Building Sustainable Communities through Network Building**

Network Dynamics: Balancing Tensions



Mapping the Network

A network map is a visual depiction of relationships among nodes in a network

Its “shape” can be revealing about the nature and power of the network

Its “evolution” (change over time) can reveal trends in the network

What Goes Into a Network Map

- **What is the question you want to answer?**
 - **Connections between individuals or organizations**
 - **Strength of the connections**
 - **Shape of the network**
 - **Reach of the network**
 - **Political or funding power in the network**
 - **Who is in the core**
 - **Who is in the periphery**
 - **If you remove a link, what happens**
- **Once you have identified the question, collect data through a simple questionnaire to members of the network**
- **Creating a visual map of the relationship between data points often reveals insights that data alone cannot**

Examples of Foundation Uses of Social Network Mapping

Program Design: Annie E. Casey Foundation

Program Evaluation: Annie E. Casey Foundation

Communications Strategy: Kellogg Foundation

BARR FOUNDATION

Using KNOWLEDGE, NETWORKS and FUNDING
to Build a Better Boston for All

Example 1: Social Support of Youth out of foster care



Goal

To learn about the social support networks of youth who have successfully transitioned out of the foster care system

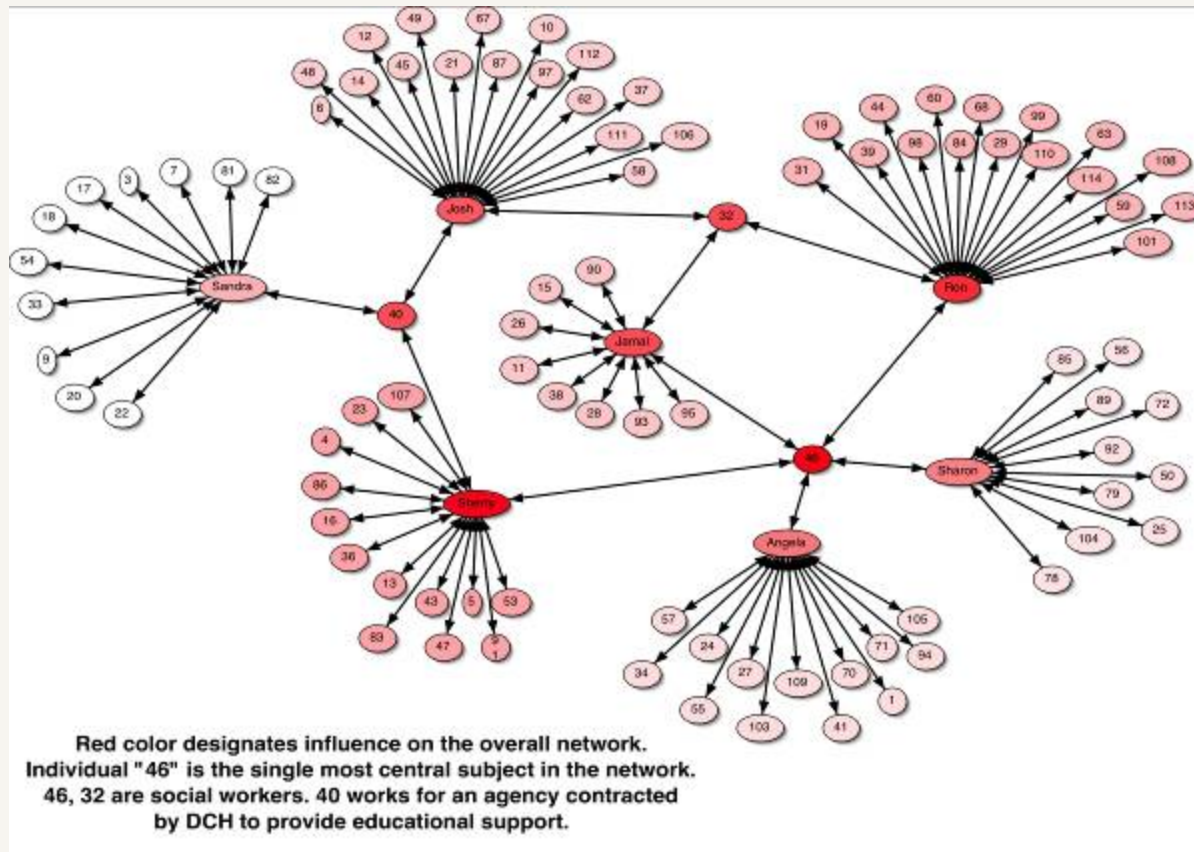
Who do they go to for support?

What resources do they obtain from different types of supports?

(Annie E. Casey Foundation)

Source: Marcela Gutiérrez-Mayka – *OMG* (www.omgcenter.org)

Centrality and Influencers



Source: Marcela Gutiérrez-Mayka – OMG (www.omgcenter.org)

Example 2: EQUIPO Familia del Barrio

Goal

To evaluate the impact of a program using informal helpers (*Madrinas*) to link families in East Little Havana with formal service providers (OMG Center for Collaborative Learning & Annie E. Casey Foundation)

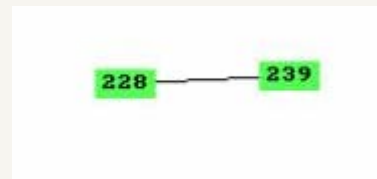


Rosa's Profile

From Honduras
6 years in the USA
Finished high school
Income less than \$5,000
Recently separated, domestic violence
45 years old
3 sons (15, 5, and 3) – recently regained custody

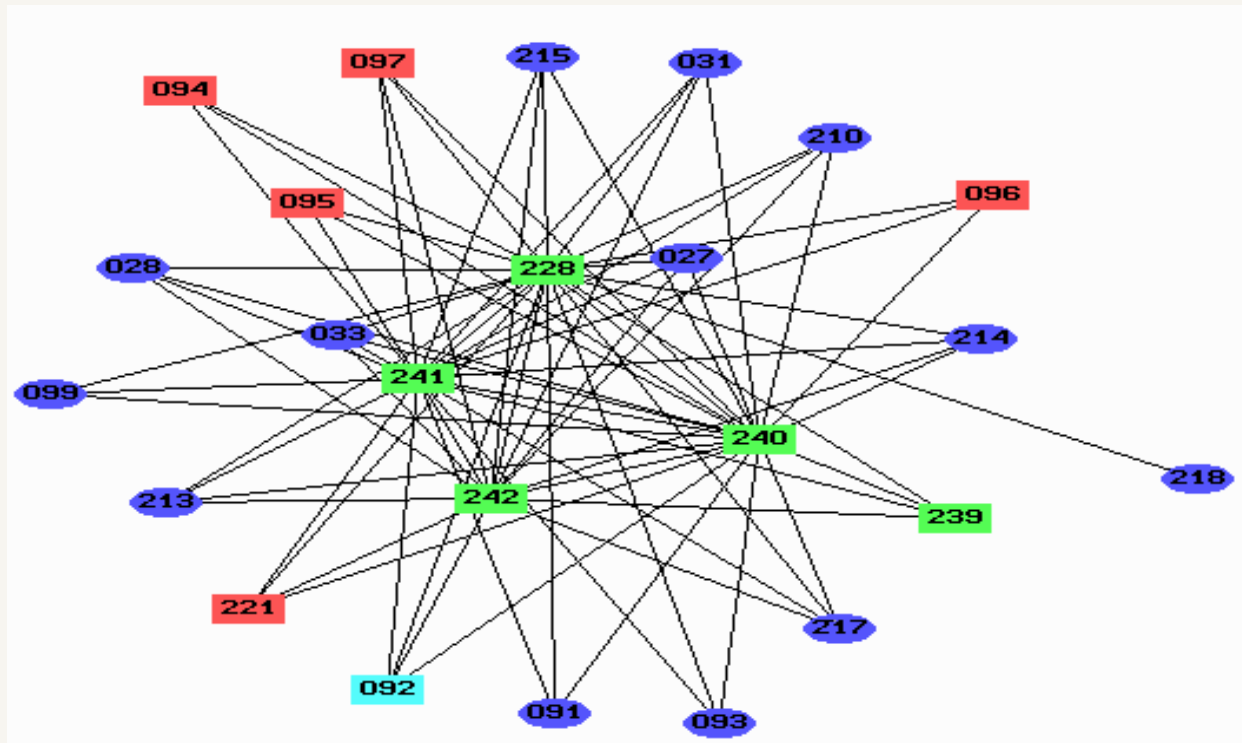
Source: Marcela Gutiérrez-Mayka – OMG (www.omgcenter.org)

Rosa's pre-EQUIPO Network



Source: Marcela Gutiérrez-Mayka – *OMG* (www.omgcenter.org)

Rosa's post-EQUIPO Network



Source: Marcela Gutiérrez-Mayka – *OMG* (www.omgcenter.org)

Rosa's new support system



Two new female friends met
at *Abriendo Puertas* (AP)

Her Madrina

Five other Madrinas

Priest

13 staff of AP programs

Rosa has brought 4 more
families to AP

Source: Marcela Gutiérrez-Mayka – *OMG* (www.omgcenter.org)

Example 3: Central Appalachian Network (CAN)



To learn about how a group of rural economic development organizations in Appalachia develop networks to influence rural policy at the regional and national levels, and how their networks change over time

To identify individuals to target with communication strategies (W. K. Kellogg Foundation)



Source: Marcela Gutiérrez-Mayka – OMG (www.omgcenter.org)

Summary

How Funders Are Using Networks to Achieve More Leverage and Impact

Use social network analysis for evaluation, knowledge development, strategic planning and programming, and grant decision-making

Develop network strategies to strengthen loosely connected service delivery systems

Develop and fund production networks of grantees

Develop and test innovations (products & services) through networks

Build nonprofit capacities through networks

Communicate ideas through networks (idea viruses)

- Formal communities of practice
- Advocacy structures

Learn in networks

- Create funder collaborations to study issues/systems
- Create nonprofit learning clusters to study issues/systems

Support development of nonprofit technical assistance at the network level

Organize themselves as a network:

- Extended enterprise to perform key functions
- Hiring staff for their networks
- Building networking into planned staff activities