

# The Leadership Role of Community Foundations in Building Social Capital

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The concept of *social capital* is important in determining a community's ability to advance the health and well-being of local residents, respond effectively to natural disasters, and plan for the opportunities and challenges that will present themselves in the future. Communities differ substantially in the degree to which residents engage in civic affairs, participate in organized groups, volunteer, contribute money to charity, and trust one another, especially across racial, ethnic, and economic lines. In his seminal book *Bowling Alone*, Robert Putnam summarizes a large body of empirical science documenting that communities with a high level of social capital have better physical and mental health, stronger economies, and better systems for educating and caring for youth. Other factors such as monetary wealth and income inequality are obviously important as well, but there is little doubt that social capital is an important *independent* factor in explaining which communities do well and which communities struggle.

Now, with strong empirical evidence that communities with a higher level of social capital are better off in many other ways, we are confronted with the thornier issue of intervention. Achieving a significant increase in social capital requires a fundamental shift in the community's attitudes, behaviors, structures, norms, and culture. Such a shift will occur only if influential actors take bold and deliberate steps that directly address the community's deficits and take full advantage of local resources.

On a practical level, a community needs to answer two critical questions in order to achieve substantial increases in social capital: (1) What sorts of strategies are effective in producing communitywide increases in social capital? (2) Who is in a position to play a leadership role? This article highlights the important contributions *community foundations*

can make in building social capital, drawing on the experiences of sixteen foundations that participated in a "learning circle" dedicated to the topic.

## The Potential for Community Foundations to Play a Leadership Role

National and regional foundations (such as the W. K. Kellogg Foundation, Annie E. Casey Foundation, Pew Charitable Trusts, Kettering Foundation, Mary Reynolds Babcock Foundation, Northwest Area Foundation, the Colorado Trust) have a long history of supporting projects that build social capital, although much of this work has been carried out under conceptual frames other than social capital, such as *community building*, *civic infrastructure*, *civil investing*, and *healthy communities*.

Community foundations are in an even better position to catalyze the changes required to achieve a significant increase in social capital, because they are based within the community rather than some far-off city. A community foundation is essentially a repository for charitable funds set up by local donors. The foundation helps each donor identify his or her charitable interests and then carries out critical functions that allow those interests to be achieved: investing the donor's money in a diversified portfolio, soliciting applications from nonprofits that fit the donor's interests, managing the grantmaking process, and monitoring grantees' progress toward goals and objectives. Because donors have different areas of interest, community foundations have traditionally funded nonprofit organizations carrying out a variety of programs and services.

For a variety of reasons, community foundations have traditionally not served as proactive agents of

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community change. However, the aspirations of community foundations have begun to change dramatically in recent years. More and more, they have stepped out beyond their conservative, behind-the-scenes role and taken the lead in bringing about community change on issues such as race relations, public education, and economic development. This shift has been strongly encouraged by the Community Foundation Leadership Team (CFLT) at the Council of Foundations, as well as a number of researchers and thought leaders with an interest in the future of the community foundation field.

Community foundations are well positioned to play a community leadership role. In addition to the financial resources that can be invested in promising strategies, most community foundations possess three other important assets. First, almost all community foundations have a mission that relates directly to improving the common good of the larger community, as opposed to promoting a narrow set of interests or a specific constituency. Second, a community foundation typically has important community knowledge, including knowledge of the critical problems facing the community (both surface-level and more deep-rooted), the various organizations that are in a position to address those problems, and the underlying political and interorganizational dynamics that will either inhibit or facilitate efforts to improve the community. Third, community foundations generally have widespread credibility among donors (often the wealthier residents of the community), nonprofit organizations, businesses, public officials, and even neighborhood

groups and grassroots leaders. With this combination of mission, knowledge, and credibility, a community foundation is in a position to mobilize local residents and leaders around a change agenda, even if the underlying issues are contentious.

### Community Foundations and Social Capital

Because of some interesting synchronicities, social capital has been the focal point for the community leadership work that many community foundations have carried out in recent years. Community foundations got interested in the issue of social capital following publication of Robert Putnam's "Bowling Alone" journal article in 1995, which made the case that civic engagement was undergoing a critical decline in the United States. Putnam's ideas resonated with many leaders in the community foundation field, especially those who were involved in the National Neighborhood Funders Network or who had created grants programs based on Jody Kretzmann and John McKnight's "Asset-Based Community Development" model.

As a result of this interest, Putnam was invited to deliver a plenary presentation at the 1999 Fall Conference for Community Foundations in Denver. In his talk, he argued that community foundations were critical players in reversing the decline of social capital. During follow-up workshops and online discussions, Lew Feldstein of the New Hampshire Charitable Foundation and Tom Sander of the Saguaro Seminar proposed the idea of a coordinated national survey to assess social capital in communities where there was an interested community foundation.

In early 2000, plans for the Social Capital Benchmark Survey (SCBS) were formalized and invitations were sent to community foundations that had expressed preliminary interest. The premise underlying SCBS was that each participating foundation would gain access to a reliable estimate of how much social capital exists within its local com-

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munity, with the opportunity to compare local results to national norms and to the other communities participating in the survey.

The survey was posed not as an academic exercise but rather a means for community foundations to mobilize local residents and organizations around an agenda that would build social capital on those dimensions most relevant and pressing within the local context. Toward this end, the Saguaro Seminar (supported by the Aspen Institute) offered participating foundations materials, workshops, and technical assistance designed to (1) familiarize staff and board members with the fundamentals of social capital, (2) allow valid interpretation of the survey results, (3) strategize on press releases, and (4) share ideas for action steps.

Participation in the survey required a significant investment on the part of each foundation. The lowest-cost option was \$25,000 for a sample of five hundred community residents, with some foundations paying more than twice that amount so as to have a larger sample. Despite the costs, thirty-four community foundations from around the United States (Hawaii to Maine, Montana to Atlanta) agreed to sponsor or cosponsor a local survey.

Results from the survey were released in a coordinated fashion in spring 2001. The Saguaro Seminar issued an analysis of the national data and a summary of how the local communities differed from one another along eleven distinct dimensions of social capital (among them social trust, interracial trust, involvement in organizations, faith-based social cap-

ital, involvement in conventional politics, protest politics, volunteerism, and giving). Each community foundation was responsible for interpreting the results and crafting messages with regard to its own local survey. The Aspen Institute facilitated information sharing, especially with regard to development of press releases and dissemination strategies.

For many of the thirty-four community foundations that participated in the SCBS, the survey data constituted a platform for efforts to increase the local community's standing on social capital. These efforts included not only grants programs but also more proactive initiatives aimed at changing the community's structures, systems, behaviors, culture, and aspirations. The remainder of this article describes these activities, drawing on information shared within the Social Capital Learning Circle (SCLC), a group of foundation staff who meet by phone and in person to exchange lessons, challenges, tools, and ideas related to measuring and building social capital.

### **Social Capital Learning Circle**

The Social Capital Learning Circle was formed in July 2006 to promote information sharing and coordination among foundations interested in improving their programming in the area of social capital. The impetus for forming this group was the 2006 Social Capital Community Survey, which Putnam and Sander launched as a follow-up to the 2000 survey. Of the ten community foundations participating in the 2006 survey, nine joined together in the Learning Circle with the intent of coordinating their data analysis, communication strategies, and grantmaking approaches. As word of the learning circle spread, additional foundations with an interest in social capital or community development joined. Altogether, sixteen community foundations and three private foundations have participated in the SCLC (see Table 1). For the majority of these foundations, the CEO has been actively involved in the learning process.

Foundation	Sponsored SC Survey	
	2000	2006
<b>Community Foundations</b>		
Berkshire-Taconic Community Foundation (MA)		
Central New York Community Foundation (Syracuse)	X	
Community Foundation of Greater Atlanta (GA)	X	
Community Foundation of Greater Greensboro (NC)	X	X
Community Foundation of South Wood County (WI)		
Duluth-Superior Area Community Foundation (MN-WI)		X
Foundation for the Carolinas (NC-SC)	X	
Grand Rapids Community Foundation (MI)	X	
Gulf Coast Community Foundation (Sarasota, FL)	X <sup>a</sup>	X
Kalamazoo Community Foundation (MI)	X	X
Maine Community Foundation	X	X
New Hampshire Charitable Foundation	X	X
Rochester Area Community Foundation (NY)	X	X
Vermont Community Foundation		
Winston-Salem Foundation (NC)	X	X
York Foundation (PA)	X	
<b>Other Philanthropic Organizations</b>		
Kansas Health Foundation		X
Northwest Area Foundation	X	
Staten Island Foundation		X <sup>b</sup>

<sup>a</sup>The first SC survey sponsored by the Gulf Coast Community Foundation occurred in 2003 rather than 2000.

<sup>b</sup>The 2006 survey of Staten Island was carried out by a different survey firm.

Monthly conference calls and two in-person meetings have allowed SCLC participants to share their experiences, ideas, questions, and challenges with one another. Some of the conversations have focused on topics specific to the 2006 survey, while others have explored foundation strategies for building social capital, increasing interracial trust, expanding civic participation, improving civil discourse, and changing a community's culture. Each call and meeting was recorded and transcribed.

### Community Foundation Strategies for Building Social Capital

The SCLC's conversations generated a wealth of examples of how community foundations can promote building social capital. These strategies range

from responsive grants programs to proactive initiatives where the foundation actively stimulates changes in the local culture. The next sections describe a sampling of the approaches and the impacts they have achieved.

### Grants to Support Social Capital Projects

Not surprisingly, the most common strategy community foundations employed to build social capital involved grantmaking. The goal here was to identify and support local organizations that were committed to, or at least interested in, carrying out projects featuring an aspect of social capital (promoting civic engagement, increasing volunteerism or philanthropy, expanding or diversifying local leadership, bringing people together across lines of difference, and so on).

Most of the community foundations in the Learning Circle have incorporated social capital as a priority within their standard grants program. Some foundations (examples are Kalamazoo, Winston-Salem, and Rochester) went further and issued a request for proposals (RFP) specific to the topic of social capital. Others (such as York) used informal mechanisms to find nonprofit organizations with an interesting project idea related to social capital.

Grantmaking can accomplish more than simply supporting the projects community organizations have designed for building social capital. It can also foster creativity, innovation, and increased attention on the topic of social capital within the local nonprofit sector. The social-capital grants programs developed by the Central New York, Charlotte, Kalamazoo, Rochester, and Winston-Salem foundations each included a deliberate educational component. These foundations used briefings, Websites, and written materials to introduce the concept of social capital and encourage nonprofits to propose new projects that would build social capital within those sectors of the community where they have influence. Our evaluation of the Winston-Salem Foundation's social capital grants program (the ECHO Fund) found that more than half of the fifty funded projects involved new work that would not have been carried out if it had not been for the ECHO Fund.

The foundations serving Kalamazoo, Charlotte, and Greensboro reached out beyond established nonprofit organizations with their grantmaking strategy. Their small-grants programs (Good Neighbors, Front Porch, and Neighborhood Small Grants, respectively) specifically sought out neighborhood groups and other grassroots organizations where emerging leaders could be mobilized to build social capital on a relatively small scale. These groups received modest-sized grants of approximately \$1,000, along with coaching and technical assistance from foundation staff and external consultants. As a result, members of the funded groups were able to develop leadership skills, connect with resources, and experience success firsthand.

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### **Encouragement for Social Capital Builders**

Even without grants, community foundations are well positioned to encourage individuals and groups to take initiative in building social capital. Perhaps the most straightforward strategy was the New Hampshire Charitable Foundation's publication of a pamphlet listing one hundred ways a person can build social capital (such as visiting a nursing home or organizing a townwide yard sale). This pamphlet was duplicated or adapted by a number of other community foundations around the country.

Community awards are another strategy foundations can use to inspire individuals and groups to act as social capital builders. Every year since 2001, the Winston-Salem Foundation has presented five ECHO Awards to individuals or groups "caught in the act of building social capital." There has been a special emphasis on "unsung heroes" and on individuals and groups that have played a leadership role in building trust across lines of difference (race, ethnicity, age, sexuality). Similarly, the Duluth-Superior Area Community Foundation uses the framework of "expanding the circle" for awards that recognize nonprofit organizations demonstrating accomplishments in line with social capital. Rather than presenting awards, the Kalamazoo Community Foundation highlighted social capital builders through a regular feature published by the local newspaper called "Stronger Together."

### **Capacity Building**

In addition to identifying and highlighting social capital builders, foundations can offer training, coaching, and workshops that build the capacity of

individuals and groups to carry out the often complex work required to build trust or expand civic engagement. The Kalamazoo and Charlotte foundations furnished workshops and technical assistance to the neighborhood groups that were funded under their small-grants programs. Other foundations (Atlanta, Greensboro, South Wood County [Wisconsin], and Winston-Salem) support leadership-development training that is open to all residents, with the hope of expanding and diversifying the community's leadership base. The Rochester Area Community Foundation sponsored a leadership-training program for Latino residents with an interest in politics. A number of their graduates have been elected to public office.

#### **Raise Social Capital on the Community Agenda**

Encouraging individuals and groups to become active social capital builders will undoubtedly have *some* effect on the level of civic engagement and social connectedness that exists in a community, but it may not be enough to “move the needle” on *communitywide* measures. Social capital and its underlying dimensions of social trust, interracial trust, volunteerism, participation in electoral and protest politics, among others, are strongly influenced by a community's history, demographics, religious profile, culture, economy, and other structural factors. To achieve substantial, communitywide increases in social capital, the major institutions and systems need to actively support the change process.

Recognizing the need for macro-level action, the vast majority of the community foundations in the Learning Circle devoted considerable time and resources to educating the larger community (and especially local leaders) on what social capital is, why it is important to a community, and where improvements are needed.

Most of the foundations that took part in the social capital surveys were able to attract extensive media coverage, often with front-page stories. The results stimulated conversation, thinking, and planning as

to what the community needed to do to improve its social and economic standing.

To raise the profile of social capital even more, seven of the SCLC foundations organized large public meetings where Putnam spoke on the topics described in *Bowling Alone*. These meetings attracted crowds ranging from two hundred to twelve hundred. The Winston-Salem Foundation brought Putnam to town twice, the second time with Lew Feldstein to discuss the book they coauthored, *Better Together*. Other prominent leaders in the social capital field, such as Vaughn Grisham of Tupelo, have also served as keynote speakers at public meetings organized by the SCLC foundations.

This concerted approach to raising public awareness has paid off for many of the SCLC foundations. Jennifer Leonard of the Rochester Area Community Foundation gives a characteristic description:

We spread the notion of social capital very readily and we started seeing it come back at us through opinion pieces in the paper and the way in which people talked about their work. . . . It's become common parlance in Rochester. People understand the concepts. . . . Almost all of the nonprofits in town tried on social capital to see if they could do their work under this concept.

#### **Convene Groups for Planning and Problem Solving**

In addition to offering education on the importance of social capital and the issues that need addressing locally, community foundations are also well positioned to convene groups for the purpose of generating strategies for building social capital. The majority of the SCLC foundations (ten of the fourteen) have carried out this convening work. At a minimum, this involved organizing one-time workshops or listening sessions at which the group was presented with the survey findings and then asked to identify areas where the foundation or the larger community should seek to achieve change. At least six of the foundations (Charlotte, Duluth-Superior,

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Greensboro, Maine, Rochester, and Winston-Salem) assembled longer-term advisory groups or task teams that developed strategies for addressing the community's most pressing social capital issues.

In Charlotte, the local community foundation developed a communitywide initiative (Crossroads Charlotte) around the concept of convening local stakeholders to discuss the city's major social capital issues. The starting point for these problem-solving sessions was a set of four alternative scenarios for the city. These scenarios were written by a volunteer committee of twenty-one community leaders in response to the question, "What course will Charlotte-Mecklenburg chart for all its residents over the next ten years as we deal with issues of access, equity, inclusion, and trust?" The four alternative futures ranged from a highly segregated city ("Fortress Charlotte") to a city where residents relate directly to one another and share power ("Eye to Eye"). Organizations and individuals from every sector of the community participated in more than seventy sessions where the scenarios were discussed.

#### **Create New Organizations Dedicated to Building Social Capital**

Two of the SCLC foundations went a step beyond advisory boards, creating independent organizations with a mission of building social capital. In 2003, the Winston-Salem Foundation convened a diverse group of community leaders (neighborhood, business, nonprofit, elected officials, clergy) to form the ECHO Council. This group has focused on building trusting relationships among one another, as well as formulating strategies to impact social capital communitywide.

The second example of a community foundation establishing a new organization dedicated to social capital is the Women's Giving Circle in York, Pennsylvania. The group makes grants to local organizations that are carrying out work to increase citizen engagement in local politics and diversify the community's leadership base. In addition, the group models the building of social capital by intentionally reaching out to a diverse membership and facilitating building of trusting relationships among members.

#### **Initiatives to Build Bridging Social Capital**

The ECHO Council and the York Giving Circle illustrate how a foundation can establish an organization that explicitly promotes building new relationships across lines such as race, ethnicity, class, and age. This relationship-building work can also be stimulated through initiatives that do not involve creation of new organizations. For example, the York Community Foundation convened the Agape Project as a means of building connections between parishioners in two predominantly African American churches and two predominantly white churches. Over the course of a year, the participants visited each other's churches for Sunday services, attended facilitated meetings each month to tackle "difficult issues," and met informally in one another's homes over meals.

The community foundations in Rochester and Greensboro adopted a more individualized approach to building relationships across race and ethnicity. These two foundations each implemented the Mosaic Project, where community leaders are assigned to biracial or biethnic pairs and then asked to carry out conversations on a set of specific topics over the course of a year. Rochester has involved more than 500 leaders in four phases of the project, while Greensboro recruited 150 participants to its initial class. The Mosaic process was intended to provide each pair of participants with experiences that would allow them to develop a long-term, trusting relationship. Many of the partners have indeed become quite close. For example, in Rochester, the

white CEO of a large local grocery chain became a vocal supporter of an African American candidate for mayor whom he met through the program—a fact that seemed quite odd to those in the community who did not know about the role of the Mosaic Project.

### **Advocacy for Prosocial Attitudes and Behavior**

In most of the strategies described here, the community foundation is implicitly calling for a particular change in the structure, culture, or behavior of the community. Many of the foundations in the Learning Circle have also made *explicit* calls for community change (that is, advocacy).

For example, the Rochester Area Community Foundation advocated for increased participation in electoral politics through a campaign called “New York Matters.” Staff at the Maine Community Foundation wrote opinion pieces for local newspapers calling for increased acceptance of Muslims and African immigrants in the wake of high-profile acts of intolerance (such as the throwing of a pig head at a local mosque). Likewise, the Grand Rapids Community Foundation took the lead in responding to a racially charged incident involving the local police department, pointing out that more open, accepting attitudes were needed to prevent escalation of interracial mistrust. The Gulf Coast Community Foundation in Sarasota, Florida, took the lead in a campaign to convince transplanted residents that they should invest more resources in public education, and more generally should form stronger interpersonal connections with the community’s longer-term residents and the younger generation.

Perhaps the most concerted of these advocacy efforts is the Speak Your Peace initiative that the Duluth-Superior Area Community Foundation developed to promote civil dialogue among elected officials and the broader community. Recognizing that “the prospect of being attacked” was preventing many residents who had the talent and inclination from stepping forward to serve as public officials, the foun-

ation and a number of local partners created a high-profile campaign promoting nine principles (among them: listen, show respect, be agreeable, apologize) drawn from P. M. Forni’s book *Choosing Civility*. The Speak Your Peace campaign promoted these principles through posters, brochures, wallet cards, and other items. In addition, the foundation and its partners advocated civility in meetings with elected officials and civic organizations. Posters listing the nine rules of civility are hanging in government offices, businesses, schools, and homes throughout the region. The Duluth City Council, the Superior City Council, the Douglas County Commission, the St. Louis County Commission, and both school boards passed resolutions committing themselves to civil dialogue. The 2003 election for mayor of Duluth was deemed the most civil ever by the local newspaper after the two candidates vowed to adhere to the nine rules. Through a spin-off initiative, the foundation sponsored development of a Speaking Peace in the Classroom initiative, which teaches the principles of civility to students in every junior high school within the Duluth Public School System.

### **Advocacy for Policy That Promotes Social Capital**

The SCLC foundations carried out advocacy not only to encourage changes in the public’s attitudes and behavior but also to promote public policy that supports the building of social capital. This might include advocating creation of a local Human Rights Commission or a Citizen Review Committee for the local police department, either of which would be charged with addressing issues of discrimination, equity, social justice, and interracial trust.

The clearest and most direct example of policy advocacy within the learning circle was the New Hampshire Charitable Foundation’s work in the area of Environmental Impact Statements (EIS). Under the 1970 National Environmental Policy Act (NEPA), any major construction project built with federal funds must first be evaluated in terms of its impact to the environment. The New Hampshire Charitable Foundation advocated expansion of the



scope of impact that needs to be assessed under NEPA, to include not only the physical environment but also the social environment, and more specifically social capital. Through legal analysis and community organizing, the foundation exerted pressure on federal agencies that were in charge of two construction projects: an interstate highway and a state prison. In the first instance, the Department of Transportation failed to include any social capital impacts in the final EIS, citing the lack of definitive data regarding the social effects of highways. The foundation carried out a more aggressive advocacy campaign with regard to the prison. In this case, the Bureau of Prisons did include social capital in the final EIS, but at the same time it concluded that the prison had been designed in such a way as to mitigate any negative impacts that might occur with regard to the host community's social capital.

### Developing a Coherent Overall Strategy

In describing how the SCLC foundations have carried out strategies such as grantmaking, awareness raising, capacity building, and advocacy, it may not be obvious that the foundations were combining those strategies into a larger overall strategy. Most foundations began with awareness raising, grantmaking, and convening and then moved toward more concerted initiatives and advocacy in areas that emerged as critical in the earlier work.

The Community Progress Initiative (CPI) illustrates how a community foundation can combine many elements to create a coherent overall strategy. In this instance, the Community Foundation of South Wood County (serving Wisconsin Rapids and surrounding communities) partnered with the local economic development authority to provoke structural changes that would allow the local economy to recover from the sale of a large paper manufacturing firm that had long been the area's major employer. To stimulate more entrepreneurship from local residents, CPI explicitly sought to shift the community culture from one defined by dependency, passivity,

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and social divisions into one where residents felt encouraged to take initiative, participate in community decision making, and work together for the common good across lines of difference. The community foundation has been vocal in calling for this shift in culture and has put in place a variety of specific strategies to support the change, notably leadership development programs open to all residents, a speaker series that brings in outside speakers who introduce new ideas for economic and community development, and tours of other communities that have succeeded in reinventing themselves following economic dislocation.

In their evaluation of the CPI, Judith Milleson, Kenneth Strmiska, and Martha Ahrendt suggest that the Community Foundation of South Wood County and its partner organizations have been able to shift the cultural norms of the community to be more conducive to the principles of social capital. According to one informant interviewed by the evaluators:

We weren't a community that was prepared to make our own decisions. . . . If you needed something, or needed someone to sponsor this or that, the paper company stepped forward. Their executives were in all the leadership positions. If something needed to be torn down or built up, they were the ones to make the decisions.

The evaluators determined that the situation had changed dramatically as a result of CPI, with the culture shifting "from one of dependence with highly concentrated power to one of self-reliance with dispersed power where equity and inclusion are valued" (p. 40).

### Summary of Impact

The previous section presents concrete evidence that community foundations can have an impact on social capital. These outcomes range from the more immediate effects of a foundation's educational and grantmaking strategies to longer-term effects that reflect real change in the community's behavior, structures, and culture. A summary is presented in Table 2.

### The Comparative Advantage of Community Foundations

At least some of the strategies described earlier (for example, convening, leadership development) can conceivably be initiated by actors other than community foundations. However, it is hard to argue that any other local institution could be as effective a leader in building social capital. Earlier in the article, we reviewed some of the factors that allow community foundations to be effective community leaders:

- Monetary resources
- Discretion in the use of those resources
- A mission focused on the common good
- Deep and broad knowledge of community issues and community resources

- Widespread credibility
- Personal relationships with leaders from almost every sector of the community

These assets are particularly valuable in developing and implementing effective strategies to build social capital.

Another way to think of the community foundation's leadership role is to identify key tasks that only a community foundation can carry out effectively. On the basis of the experiences of the SCLC foundations, I suggest that four comparative advantages have emerged. First, because of its stature in the community, its nonpartisan nature, and its credibility with so many different constituents, a community foundation is able to "tell the truth" about what is right and what is wrong with the community—and expect that people from throughout the community will take notice. It is likely that not everyone will agree with the foundation's assessment, but the issues that the foundation raises will be on the table for discussion, analysis, and action.

This ability to set the public agenda is both a huge privilege and an awesome responsibility, one that should be exercised carefully and sparingly so as not to lose the credibility that it may have taken the

**Table 2. Social Capital Outcomes Achieved by SCLC Foundations**

1. Concept	Increased awareness of (and conversation around) the concept of social capital, why it is important, and how the local community fares with regard to different dimensions of social capital
2. Programs and projects	New programs and projects that focus on building social capital, including programs with goals such as building trust, connecting different segments of the community, increasing civic participation, and developing grassroots leaders
3. Resident action	New actions on the part of local residents that can be expected to increase the level of social trust and civic engagement that exists in the community
4. Leadership	Expansion and diversification of the community's leadership base (i.e., individuals who are directly involved in, and recognized as legitimate players in, community problem-solving and decision making)
5. Relationships	More interpersonal relationships, and stronger interpersonal relationships, that bridge across lines that have historically divided the community (e.g., race, ethnicity, class, geography, age, time in the community)
6. Changes	Changes in community-level norms, attitudes, behaviors, culture, etc., that promote greater inclusion, civility, reaching out across lines of difference, and trust

foundation decades to build. The foundations in the Learning Circle found that the social capital survey was particularly valuable in generating a valid, believable assessment of the community's strengths and weaknesses.

The second comparative advantage is one that many observers of philanthropy have noted: the power to convene. The James Irvine Foundation's 2003 report on community foundations as community leaders includes a definition by Sterling Sperin of the Peninsula Community Foundation: "Convening is not just jargon for committee meeting. It's truly a term of art which means bringing people together for an open-ended, opportunistic and inclusive conversation" (p. 22).

When a community deals with the topic of social capital, many of the issues that arise are complex, entrenched, and even contentious—issues such as race, racism, immigration, the quality of public education, inequity in wealth, gated communities, and the distribution of power. Again, because of its broad credibility in the community, the community foundation is able to bring together players with different perspectives into a neutral space for dialogue and problem solving.

Moreover, the foundation has the authority (at least implicitly) to move the players toward new solutions, by raising expectations, mobilizing resources, and keeping the players focused on the welfare of the entire community (that is, the common good). This mix of convening and prodding has been a hallmark of the Community Foundation of Southwest Wood County's approach to building social capital and changing the local culture.

The third advantage is that community foundations are uniquely positioned to legitimize and support residents who have historically been excluded from community problem solving, such as people of color, immigrants, and those with a low level of wealth or education. Building social capital is ultimately about

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expanding and diversifying the number of people who play an active role in civic life, along with expanding and diversifying who is in relationship with whom. A first step in this process is to ensure that the work is designed and carried out by people and groups who have historically been "outside the action." A community foundation can enlarge the circle through its selection of grant recipients, its invitations to task groups, its approach to leadership training, and its choice of whom to profile with awards and media coverage. For example, the Grand Rapids Community Foundation explicitly focused on bringing more diverse voices into the task group it convened on improving student achievement.

The last of the four advantages held by community foundations is their ability to create a safe space for experimentation and risk taking. As residents engage in the process of building social capital (especially the process of building *bridging* social capital), they find themselves in unfamiliar situations. Connecting with people of another race, ethnicity, or religion can cause anxiety, discomfort, and even fear. Through public statements, materials, workshops, town meetings, and other means, the community foundation can acknowledge these emotions and offer opportunities for residents to work through them. Professional facilitators can be especially useful in creating a safe space for self-analysis, dialogue, and digging down to core issues. The community foundations in Greensboro, Rochester, and Winston-Salem used this approach in initiatives where participants have explicitly considered the role of race and racism in fostering mistrust.

## The Leadership Role of Community Foundations Revisited

The experiences summarized in this article constitute strong evidence that community foundations can effectively serve as community leaders. The community foundations in the Social Capital Learning Circle have transcended their traditional role in the community, one defined by the *transactional* functions of advising donors, investing funds, and making grants. They are now serving as *transformational* agents through a variety of strategies that shape the public agenda, expand the number of people involved in decision making, and foster new relationships that bridge old divisions.

The emergence of community foundations as community leaders points to important new opportunities for building social capital. It has long been known that communities vary in the level of social capital they enjoy. It is now evident that community foundations can serve as catalysts and facilitators of the complex change process required to increase social capital in ways that are meaningful within the local context.

Finally, it is important to acknowledge that the lessons presented in this article are drawn from a select sample of community foundations. Only about a third of the thirty-four community foundations that participated in the 2000 Social Capital Benchmark Survey joined the learning circle in 2006. The learning circle attracted foundations with a specific interest in becoming more strategic and effective in their social capital work. In addition, a number of the individuals on the conference calls were also members of the Community Foundation Leadership Team (CFLT), the national group that has been calling for community foundations to step into stronger leadership roles as a means of maintaining their relevance within their local communities.

It would be disingenuous to suggest that all community foundations are in a position to carry out simi-

lar leadership initiatives. At the same time, there is a sea change occurring within the community foundation field. Because of the increased competition for philanthropic dollars and the advocacy efforts of groups such as CFLT, more and more community foundations are equipping themselves for community leadership. The experiences of the SCLC foundations indicate that building social capital is a high-leverage area in which they can exercise this community leadership.

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