



2010 - 2012 Business Plan

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Background and Context

Just five years ago, after a decade of exponential growth in financial assets and a burgeoning of donor-advised funds under their control, community foundations across the country were at a crossroads. Faced with growing competition from for-profit financial services firms for philanthropic dollars, community foundations became aware of the need to distinguish themselves from the low-cost, high-volume commercial institutions and determine just where they could, and should, add value in the philanthropic marketplace.

A number of seminal reports (in particular, *On the Brink of New Promise* by Lucy Bernholz, Katherine Fulton and Gabriel Kasper) urged community foundations to overcome this challenge by recognizing and building on their own unique strengths – their community knowledge, relationships and community betterment missions – and add value by creating deep, long-lasting improvements in the communities they serve. The reports recommended that community foundations take on a role that was much more important than simple grantmaking – that of “community leadership” – and pursue a strategy of coordinated community impact.

CFLeads’ Unique Contribution

CFLeads was created to respond to this challenge. Formed by a board largely made up of community foundation CEOs that were aggressively pursuing cross-sector strategies that improve the quality of life in their communities, CFLeads recognized that community foundations needed help in taking on this new role. Thanks to generous funding from the Ford Foundation and the Charles Stewart Mott Foundation through the Council on Foundations’ Community Foundations Leadership Team (CFLT) and independent funding from Ford, Mott, The Annie E. Casey Foundation and The David and Lucile Packard Foundation, CFLeads has taken a number of important steps to move the field forward. It began its work by forming the National Task Force (NTF) on Community Leadership, which was endorsed by the CFLT, for the purpose of developing the intellectual underpinnings for community leadership by community foundations. Composed of philanthropic leaders drawn largely from community foundations, the 30-member NTF created the Framework for Community Leadership for Community Foundations, which defines the key building blocks that need to be in place to take on a community leadership role. CFLeads has also created and piloted a number of programs and services that are providing community foundations with the “how-to” for improving their practice. This document sets the stage for CFLeads’ work for 2010 – 2012.

Organizational Vision and Mission

Vision: Community foundations take on challenging issues, engage resident in cross-sector solutions, and marshal the needed resources to improve their communities and provide opportunity for all.

Mission: CFLeads helps community foundations advance the practice of community leadership to build thriving communities.

The vision of CFLeads reflects the Framework for Community Leadership and outlines the activities community foundations are engaged in when they are acting as effective community leaders. The mission emphasizes CFLeads’ focus on assisting community foundations in making the deliberate, intentional improvements in *practice* that enable them to be effective leaders.

The CFLeads Business Model: A Learning Cooperative

CFLeads is, at its core, a “coalition of the willing.” Its work is based on the premise that community foundations can advance their practice more effectively together than they can alone. They can share ideas, learn from each other’s success and failures, and adopt best practices. They can also make use of their collective power to attract cutting edge researchers, current policy experts, and additional financial resources to their community challenges. Because of the inherent strength in a collective, peer-to-peer approach, CFLeads has decided to organize as a “learning cooperative” that uses the time, talent and treasure of its participating partners to build up the whole.

Operating Principles

Decades of research on adult learning shows that adults learn best from their peers and through applied practices. CFLeads has incorporated these tenets into its organizational operating principles:

- Peer-to-peer,
- team-based, and
- experience-driven learning informed by research and knowledge.

Market for Services

Because CFLeads is organized as a learning cooperative, any community foundation is welcome to participate. Those who see the most value from CFLeads currently are those community foundations that are already deeply engaged in community leadership work and those that have a basic level of exposure to community leadership, are interested in doing more, and have the resources to invest in this work but don’t have the resources or capacity to acquire the skills and practices on their own. CFLeads believes there is demand for dynamic learning programs that are appropriate for community foundations of all sizes, at all different stages of community leadership, and at different levels of engagement. To gain a better understanding of the needs of community foundations, assess their willingness to pay, and determine where to target resources, CFLeads is conducting a market analysis of community foundations and is catering its learning opportunities accordingly.

Learning Opportunities through CFLeads

With support from the CFLT and its national funding partners, CFLeads has already developed a number of tools, programs, and services for community foundations that help them identify *what* capacities and competencies need to be in place to be an effective community leader and help them learn *how* to improve their practices so that they are able to make measurable improvements in their communities. All of the products listed below are tied to the Framework for Community Leadership.

- *Stories and Case Studies* are short, easy-to-read descriptions of community leadership activities at various community foundations across the country. They highlight the specific steps these foundations have taken to improve their policies, practices and programs to advance their leadership capacity and community impact.

- *Webinars* are 60-90 minute presentations on specific topics such as developing the internal culture for community leadership, convening, and building community relationships. These have been heavily attended with as many as 150 community foundations participating per webinar.
- *Cool Tools* are a collection of tools of the trade developed by individual community foundations that help them practice community leadership. Highly valued by community foundations, these include a decision-making matrix from the Central Minnesota Foundation, a strategic planning framework from the Greater Milwaukee Foundation, a tool from the Denver Foundation that helps organizations assess how inclusive they are, among other items.
- *Community Leadership Networks (CLNs)* are intensive learning networks that bring together a small number of community foundation teams (composed of board members, CEOs, and senior staff) over a 10-14 month time period to build community leadership capacity. With three two-day face-to-face meetings that include presentations from people inside and outside of the community foundation field, individual projects to apply learning, and between-meeting consultation, CLNs are designed to achieve a deep impact. An evaluation of the two pilot CLNs (that included 17 community foundations and three regional associations and facilitation by the Aspen Institute's Community Strategies Group) shows extremely high satisfaction with the CLNs and broad and deep changes in community leadership capacity. Future CLNs will likely group participants by region and will cater the curriculum to the group's stage of development and resources.
- *Community Leadership Clusters* are learning networks with a strong distance learning component that make use of current internet technology whenever possible. They include three webinars and two one-day face-to-face meetings. The model was created to provide less costly alternative to a CLN that doesn't demand as much time away from the office. Recently developed, a Cluster is being piloted with 11 community foundations in Indiana and Ohio in partnership with the Ohio Grantmakers Forum and the Indiana Grantmakers Alliance.

CFLeads will continue to offer these programs and services and is also focused on meeting the continuing needs of community foundations that have been part of a CLN or similar peer network and want to continue their learning. It plans to support these learning groups with a range of sophisticated communications techniques that facilitate easy and rewarding interactions among participants.

CFLeads is also developing new learning opportunities with varying levels of intensity. Exactly what will be offered will evolve as the needs of cooperative change but will likely include the following:

- *Issue Networks*: applied learning around a specific issue, connecting a small number of community foundation board/staff teams to current research, policy solutions, and cutting edge communications strategies. Will include extended engagement with subject experts/partners to deepen impact and understanding
- *CEO Networks*: bi-monthly facilitated meetings among a small group of well-matched CEO peers who are committed to a strong community leadership role at their community foundation,
- *Peer Visits*: presentations by dynamic CEOs, board members and donors to community foundation boards to inspire and build community leadership capacity,
- *CEO Coaching*: one-on-one coaching of current CEOs from a cadre of mostly retired community foundation CEOs with a strong track record of results,

- *Story exchange*: a constantly evolving compilation of community leadership stories gathered and shared using a wide variety of electronic formats

Both new and existing learning opportunities will be regularly evaluated and refined as necessary. In addition, CFLeads will connect its learning cooperative partners to products offered by other organizations that serve community foundations if those products can bolster community leadership activities.

Responsibility to Other Partners

As part of their commitment to the learning cooperative, cooperative partners will be expected to contribute time and talent to others in the learning cooperative by participating in learning networks, peer visits, coaching, story building, and other programs. CFLeads will foster a sense of ownership, mutual responsibility and *shared* learning, operating with the knowledge that learning is acquired through teaching and joint problem-solving as much as through the direct receipt of information. Specific responsibilities will be clearly delineated by the community foundations and CFLeads as part of the learning cooperative partner agreement.

Financing

Currently CFLeads is funded by national funders, community foundation contributions and through foundation-funded contracts with the Council on Foundations' Community Foundations Leadership Team. In the 2010 budget, 57% of revenue is from unrestricted grants from national foundations, 31% is from continuing contracts with COF/CFLT, and 12% is from community foundations. Each year over the next five years CFLeads plans to reduce the proportion of its revenue from unrestricted grants from foundations and increase the proportion of revenue from cooperative learning partners and fees for service.

1) Financial commitment from learning cooperative partners

When implemented, learning cooperative partners will be required to make an annual financial investment to gain access to CFLeads' programs and services. While the exact pricing is still being developed, the intent is for learning cooperative partners' investments to help underwrite the general operations of the cooperative. We expect that the investments will be paid on a sliding scale based on community foundation asset size and will give partners access to a range of CFLeads' programs and services. For partners who make larger investments, CFLeads anticipates another tier of service that will provide access to more intensive learning and a higher level of support from CFLeads. A final tier of partners will receive a very high level of services, including, for example, programs that give partners access to the current thinking on the most important issues of the time and the opportunity to participate in small learning networks that might include the most effective policymakers working on these issues. This system will be phased in over five years such that CFLeads will ultimately have three tiers of partners: 1) Movers, 2) Shakers, and 3) Transformers.

2) Grants for specific programs

In addition to annual investments from partners, CFLeads will continue to pursue funding from national and regional funders to subsidize specific programs. A grant to CFLeads will prove to be a worthwhile investment for large funders because it improves the practice of community foundations and enables them to make a larger impact in their communities.

By working with community foundations on issues of common concern, regional and national funders can tap into local expertise and leverage additional funding for these issues from private as well as public sources. In fact, through ongoing engagement in CFLeads' learning opportunities, community foundations will be more apt to take on important issues that are of interest to national funders, become facile at creating strong working partnerships to solve community problems, develop the expertise to pursue sophisticated cross-sector solutions including public policy work, and become proficient at attracting additional resources to pressing issues, thereby multiplying the impact of the initial national or regional foundation dollars. In addition, the collective power of CFLeads will allow it to attract the most sophisticated researchers, most informed policymakers, and most thoughtful innovators to work with the cooperative's learning partners on the key issues that are challenging communities across the country.

3) Fees for Services

For its most intensive programs, such as the CLN, CFLeads anticipates charging a fee to support the costs of operating that program. That fee could be paid by the participating community foundations or other non-foundation team members or could be underwritten by a regional or national funder that wants to ensure that particular community foundations or community partners are able to engage in the learning activities.

The Time is Now for Community Foundations

CFLeads is ready to propel community foundations forward into a role of active community leadership that results in concrete improvements for their citizens. With a clear mission and vision, a strong business model, well-articulated operating principles and a bank of effective new products, CFLeads is now poised to expand its reach and accelerate its impact. Now is the time to fulfill the promise of community foundations. CFLeads is here to help.

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