



6114 LaSalle Avenue, No. 636

Oakland, CA 94611

800.598.2102 *tel*

800.598.2102 *fax*

putnamcic.com

What is Strategic Philanthropy?

Strategy *strat-e-gy n* 1. a carefully devised plan of action to achieve a goal, or the art of developing or carrying out such a plan. 2. in evolutionary theory, a behavior, structure or other adaptation that improves viability.

By strategic philanthropy, we mean effective giving which is designed around focused research, creative planning, proven strategies, careful execution and thorough follow-up in order to achieve the intended results. To be truly effective and rewarding, strategic philanthropy must also reflect and be driven by your core values and concerns.

The Philanthropic Initiative, Inc.

Traditional giving helps one person at a time by providing charity for immediate short-term needs. Strategic giving focuses on change and builds for the future.

Torie Osborn, Liberty Hill Foundation

Strategic philanthropy describes practices through which companies align charitable activities such as donations and volunteerism with a social issue or cause that supports their business objectives. Thinking about giving strategically (financially, through in-kind donations, and with volunteers) means considering the value added to your business through philanthropic initiatives.

Center for Corporate Citizenship

Strategic philanthropy refers both to the working philosophy and the program strategies of a foundation. It originates from an entrepreneurial view of foundation activities which focuses around strategy, key competencies and striving for effective contributions to social change. Strategic philanthropy as understood in this project involves institutions that are driven by:

- a vision of the desirable society of the future,
- a distinct value orientation in their activities,
- a concept of social change to the effect of greater social justice rather than the mere grant-making to address social problems,
- the conviction that foundations serve as laboratories to develop model solutions, new ways of thinking, and new understanding for resolving societal problems,
- the awareness that innovative models and approaches should include both blueprints and a focus on practical implementation and applicability,
- a concern for the effectiveness of their philanthropic endeavors,
- a proactive approach, be it in their own activities, be it in partnering or grant-making,
- an awareness for capacity building and organizational learning among grantees/partners,
- a public policy orientation driven by the potential of taking project results to scale on policy levels,
- the insight that philanthropy provides for investment in the production of public goods, preferably aiming at innovations or increased effectiveness

International Network on Strategic Philanthropy

5 Steps to More Strategic Philanthropy

1. **Clarify your values** (e.g., social justice)
2. **Create a vision** (e.g., health insurance for all Santa Cruz County residents)
3. **Determine the best way to achieve intended results** (through research, planning, use of best practices, careful execution, and follow through)
4. **Stay focused** (it is hard to be strategic when you spread yourself too thin)
5. **Align your resources** (your expertise and network might be as useful as your dollars)

5 Great Ideas for More Strategic Philanthropy

Whatever your philanthropic goals or interest areas, there are many ways to put your dollars to work more strategically to reach your goals.

1. **Invest in a great leader** – Identify a leader you believe in, such as an emerging grassroots leader or nonprofit executive director. Find out what they need to become more effective, and provide them with that support. This could include executive coaching, participation in a leadership development program, management training, a sabbatical, or assistance building a management team.
2. **Invest in a great organization** – Identify a nonprofit creating social change and contribute to its long-term sustainability by providing general support or organizational capacity building funding. This could include funds for strategic planning, improved fiscal management systems, a feasibility study, fund development, management information systems.
3. **Provide multi-year funding** - When you provide multi-year funding you enable an organization to focus its efforts on reaching its goals, not on fundraising. You also signal to other potential funders that this issue or organization is worthy of a serious commitment.
4. **Generate new ideas through convening** – Donors can play a critical role in simply bringing people together to learn from each other, seed new ideas, and begin collaborations. Support can be as simple as providing a conference room, lunch and travel reimbursement, or strategically planning the meeting agenda and outcomes.
5. **Fund policy change** – Local, state and national policies can have far reaching impact on people and communities. A donor has many options to support policy change, such as funding research and the dissemination of findings on a critical issue, media advocacy, policy advocacy organizations, and policy advocacy training for nonprofit leaders.

Kris Putnam, MSW, is President of Putnam Community Investment Consulting, a leading philanthropy consulting firm helping foundations and nonprofits assess need, develop programs, align strategies and evaluate impact. For more information, visit www.putnamcic.com