Towards Stronger Communities: Potential Roles for Grant Makers

A thesis presented in partial fulfilment of the
requirements for the degree of
Master of Philosophy

at Massey University, Palmerston North New Zealand

Judith Rae Timpany

2005

Charity as ordinarily practised the charity of endowment, the charity of emotion, the charity which takes the place of justice, creates much of the misery which it relieves, but does not relieve the misery that it creates.

– Joseph Rowntree, (1865) Founder of the Joseph Rowntree Foundation[1]

---

[1] Cited in Yearly Meeting of the Religious Society of Friends (Quakers) in Britain (1995)

Abstract

Think about a world where groups and communities who are disadvantaged meet with those who have resources to effect positive social change. This is not a beautiful dream it is a world at the intersection of disadvantage and the grant maker who adopts a community development focus to try to bring about positive social change.

This thesis explores the intersection of exemplary grant making and community development practice and theory. The thesis set out to achieve three objectives. Firstly to gather information relating to the theory and practice of grant making and community development, secondly to analyse information relating to potential roles of grant makers / philanthropic bodies in contributing to community development and finally to develop a model of grant making that contributes to community development.

In order to achieve these three objectives information was extracted from the literature on both grant making and community development. This was then compared with the interviews of seven interviewees. Four interviewees were international academics or leading grant makers and three were New Zealand based community development practitioners with experience of grant seeking. This mix provided very rich information.

The study also examines the journey of a grant maker who has developed from a traditional grant maker to a more community development focussed grant maker and considers how the information gained can be used to enhance practice.

The conclusions and recommendations show that a community development model is appropriate for a grant maker and makes recommendations about activities that might enhance this role and cautions that it is not an easy path but it is a rewarding one, both for the grant maker and for the community.

Acknowledgements

Table of Contents

Introduction Chapter 1

Much good community development begins with serendipity and intuition that is then refined through reflective practice and an application of theoretical principles. This thesis will consider the journey of a grant maker and consider whether the model developed by the Whanganui Community Foundation embodies good community development principles and processes and good grant making practice. The thesis will also examine whether this model is peculiar to only the community in question or whether there are wider lessons for other grant makers.

Grant makers come in many forms and cover a wide spectrum of interests and philosophies. On one hand there are those small philanthropic foundations set up by a benevolent individual with a passionate interest in a narrow field through to large foundations endowed with funds that could be considered to be public money that cover a wide spectrum of activity with the intent of bettering society as a whole. What responsibility do such organisations have to society and community? Is good intent enough? How do grant makers need to work to ensure that communities are better places to live in for all people?

This thesis is based on the premise that a community development model is a possible structure within which a grant maker can work in order to deliver a valid service to the community that meets community needs and encourages a stronger, more just and sustainable community. It is important to consider the arguments both for and against such a premise. If the community development model is valid then it is also important to consider how such a model might be expressed in practice and what the implications for the grant maker might be. This question has evolved from the researcher's role as CEO of the Whanganui Community Foundation over the past eight years. Therefore the researcher is an insider and has published in this area. Where no reference is noted, the reader can infer that it is the author's opinion.

This chapter will consider the context within which the grant maker operates and includes some discussion of both grant making and community development. Within the context of the grant maker definitions that are appropriate to the Aotearoa New Zealand environment will be discussed and finally the thesis structure will be explained.

Societal Context

The sectors making up society can be thought of as government, the business sector or business interests, and the community sector, also known as the voluntary, not for profit or third sector. While each sector has distinct characteristics and culture the sectors do have some overlap and the sectors often work together towards common goals. Grant makers can be found fulfilling roles in each of these sectors and it is possible for a grant maker to position itself within each or all of the sectors. Grant makers are often in the position of having the freedom to situate themselves where they choose. For many the requirements of a trust deed or constitution will create a predisposition to work within a particular sector and this will be overlaid with the philosophies of the staff and board of the grant maker. This sector would normally be the community sector but decisions made or processes used by the grant maker may create a culture that has more in common with the government or business sectors.

Government Sector

For grant makers, participation in the government sector may be through the "Selleys[1] theory" of grant making or by aligning with government policies or initiatives. Such alignment may be through subscribing to a government initiated contracting and accountability framework. In New Zealand the grant making sector contributed almost $400 million to the community or third sector in 2001 out of a total $1634 million (Robinson and Hanley, 2002). The balance being contributed from individual donations, corporate sponsorship and government contracts. When compared with the total government spending in this sector ($15.035 billion) (Treasury, 2001) it is a fraction of 1%. These numbers make it clear that it is impossible for the grant making sector to fill all of the gaps. More importantly there are philosophical reasons why alignment with the government sector may be a less

---

[1] Selleys No More Gaps is a building product that is used to fill gaps. The term is used to describe funding to top up the amount of government funding available.

than optimum position for a grant maker. It would mean that the grant maker's vision would be determined de facto by the government rather than the trustees in response to the needs of the community and this may or may not correspond to the real needs of the community. Because of election cycles governments take a shorter term view which may work against long term visions of social justice and may not include the truly unpopular or cutting edge causes. Governments are also risk averse and do not wish to be seen to fail (Burkeman, 2002). Many of the advances in society have occurred because of risky positions being taken.

The contracting and accountability approaches of governments through the advent of Rogernomics or its equivalent have encouraged a competitive low cost regime. (Cheyne et al, 1996, Kelsey, 1995). Poverty, abuse and disadvantage are still with us and there is scant evidence to show that the nature of government interventions over the past 20 years has made a significant difference overall.

Partial funding such as the funding regime of Child Youth and Family may further reduce the ability of community organisations to operate well through requiring compromises in service delivery in order to fit the programme to the funding available or significant effort being diverted into fund raising.

Evidence appears to be emerging that specific targeted interventions that address situations of multiple risk are more effective than piecemeal short term approaches. This would involve interventions that integrate areas such as health, welfare, education, recreation and other sectors (Jacobsen et al, 2002). Such interventions are considerably more expensive but more likely to empower clients and result in positive long term behaviour change (Jacobsen et al, 2002). Thus the contracting regime that rewards low cost interventions may be less cost effective in the long term. Where grant makers subscribe to the low cost approach and attempt to ration funding on the basis of the delivery cost of programmes rather than looking at the likely effectiveness there is a reinforcing of current government policy.

It is a bolder and riskier step for grant makers to make grants to an alternative approach than to top up a government funded programme. Moreover it could be argued that a legitimate role of the community sector is to be involved in the areas where there is community need but no government policy. That is the community

sector is actively adding to social policy through its activities. This is not to suggest that the role of the grant maker is to subvert government policy. However there may be occasions where a proposal that is supported by a well researched and reasoned analysis indicates that there is an alternative to the current practice. Indeed there may also be occasions where risk taking is justified in order that new philosophies can be trialled or activities that push the boundaries of social policy can exist. In these cases the grant maker has a responsibility to ensure that such approaches are carefully evaluated and the resulting information disseminated (Brown et al, 2000,Burkeman, 2002).

It is not unusual for new ideas to be funded initially by the grant making sector and private funding and then to become mainstream activities that attract government funding once they are proven. The issues of Maori health services and Restorative Justice stand out as examples.

It is clear that some philanthropic giving may not be seen as supplementing or complementing the State. Following the downfall of Communism a number of United States based foundations were active in giving to institutions that were attempting to rebuild civil society. The 2002 Annual Report of the Charles Stewart Mott Foundation shows a total of over \$US20million being granted to Central Eastern Europe and Russia to promote civil society (Charles Stewart Mott Foundation, 2002). Vaclav Klaus, a former Prime Minister of the Czech Republic was opposed to tax relief for philanthropic giving on the grounds that it subverted the democratic activities of the State (cited in Burkeman, 2002).

Local government is often keen to work with the grant making sector. Many local governments see the resources of the grant making sector as a potential source of resources to supplement the resources of local government in providing community facilities. It is important that grant makers are clear about the extent to which they will supplement local government resources and the philosophy that underpins such decisions.

Business Sector

For grant makers participation within the business sector may involve subscription to the principles of the market. This subscription would take the form of

encouraging business practices within community organisations such as inappropriate forms of strategic planning, governance and management split, competitive and hierarchical employment practices, competition for government contracts and accountability as well as seeing outcomes based results in quantitative terms that measure more about efficiency of delivery than about quality and sustainability of results. The intention of the promotion of such practices becomes critical; few would dispute, for example, that sound planning process within an advocacy campaign would not enhance the likely success of the plan. However it can be argued that accountability requirements that create a hierarchical power relationship between grant maker and grant seeker, rather than adding value to the grant seeker, ultimately weaken the power of the community. The first example would position a grant maker within the community sector, while the second would position the grant maker within the private sector. Capacity building has become a recent buzz word and provision of professional development, mentoring services and similar activities is an area that some grant makers are seeing as a potential role. Professional development that promotes managerial concepts (business sector concept) or advocacy and community development (community sector concept) are likely to have very different impacts on the community.

If one believes that strengths based practice and respectful relationships between organisation and client are important, the existence of a competitive and hierarchical environment are likely to undermine such practice as well as inhibiting a reflective approach through pressure of time. This is not to suggest that community organisations and grant makers should not be managed effectively and efficiently, however it is important that the processes, systems and concepts are considered critically to ensure that they are consistent with approaches that value community.

Community Sector

Participation by the grant maker within the community sector may be characterised by either a community development perspective, or a charity model.

The researcher believes that the charity model is premised upon a patriarchal, noblesse oblige philosophy which is underpinned by the view that the benefactor will dispense largesse and in return the recipient will be grateful. Allied to this are

Victorian concepts of the deserving poor, remnants of which still linger within society, and while they may bolster the sense of being generous on the part of the donor, ultimately undermine the recipient and the community in general.

While programmes, especially those that are targeted and government funded have received a large amount of evaluation and assessment the area of evaluation that is lacking in New Zealand is an independent expert critique of aspects of the operating environment such as the legislative framework that reflects social policy (Jacobsen et al, 2002). There is often critique of the legislation and policies of previous governments by incoming governments but independent and expert critique is confined to academic research that must be funded, invariably by government who determine the parameters of the research. This suggests a role for the grant making sector in funding such studies. The work of the Joseph Rowntree Foundation (Joseph Rowntree Foundation, undated) in Britain in commissioning, funding and disseminating research into housing practices, policies and legislation has been influential as has the research and dissemination on crime and justice of the Esmee Fairbairn Foundation (Esmee Fairbairn Foundation, 2002). To date, in Aotearoa / New Zealand there has been no social policy research that has been commissioned by grant makers and made public.

Grant Making

Most grant making has focussed on funding the delivery of programmes and projects. There is an argument to be made for funding areas that underpin the structure of communities. Brown et al (2000) make a convincing case for the promotion of active citizenship in their book *Rhetorics of Welfare*. The promotion of active citizenship would include encouraging generosity of time, money and spirit as well as strengthening participation in the democratic institutions of communities through generic voter education, developing disempowered groups to facilitate their participation in democracy, promoting public debate on community issues and other strategies.

It is clear that, while many grant makers would consider that they are firmly part of the community sector, the reality may be that they are also operating in the government and business Sectors.

A considered approach must pose the question; Is the grant maker part of the community sector or should it sit alongside the community sector as part of civil society, or is there a fertile ground in the midst of all three sectors that the grant maker must occupy? While it may be difficult or uncomfortable to sit at the intersection it is an area that has considerable potential for grant makers.

Community Development

Ann Jeffries (2000) postulates that good community development is dependent on two elements. These are the extent and nature of association and awareness in communities: and decision making processes and participation practices that impact on them.

What does this mean for a grant maker who wishes to use a community development approach and what will their activities look like? It is my opinion that they will embody the four principles listed below.

Those grants that are made will be for projects that are designed to empower the ultimate beneficiaries. It will be important to ensure that the organisations to whom grants are made have a philosophy and processes that encourage reflection, empowerment, and participation. Projects and programmes that are funded should be designed to promote long term systemic social change rather than place a loving band aid across the problem.

The grant maker will provide support for community organisations that enables them to develop in ways that are consistent with good community development. As part of skills development / capacity building it will encourage the learning of skills that will enable community groups to create the structures and processes within the community that will lead to a quality of life, increased participation and self determination

The grant maker will exercise community leadership around facilitating dialogue about important community issues where appropriate. And will, where the

community would be vulnerable, be prepared to advocate on behalf of the community.

The grant maker will operate in a way that listens to what is important for the community.

As a consequence of this manner of operating there is potential for the grant maker to find itself at odds with other institutions in society. It is not a path for the faint hearted.

Definitions

The issue of definitions used in the grant making sector are problematic in the Aotearoa New Zealand environment. Most writing has been from overseas and there are distinct differences between countries. For some terms there are complex legal definitions that, while useful for legal purposes, need some explanation for the uninitiated. For this reason definitions have been related to the Aotearoa New Zealand context and expressed in lay language. Where possible references have been given to show the derivation of these definitions. In other cases the terms are currently being debated within the sector with no conclusion and no publications as yet. In this situation I have tried to convey the debate as accurately as is possible.

Terminology within the grant making sector also varies from country to country. In the United Kingdom, where the concepts as understood in the western world originated, the term philanthropy is used in the context of the giving of donations, typically of money to a deserving cause. Charity would generally define the delivery of services to those who are in need. Philanthropic giving can be by a one off donation or through the setting up of an endowed vehicle which has perpetual life. The Greek origin of the word, philanthropy, implies a love of mankind and this motivation is often associated with the use of the word.

It is interesting to note that to be described as philanthropic the gift would be large; the rich are philanthropic and those of more modest means give to worthy causes. While it is true that many philanthropic gifts are given to humanitarian causes the concept of a deserving cause, as defined by the donor, may also include causes that

those who are better off benefit from disproportionately. These would typically include ballet, art, music (but usually only opera and symphony orchestras), museums, education (usually universities), health, often for research, and missionary work, which has become less common of recent times (Hodgkinson, 1997).

Research regarding giving in the United States shows a distinct socioeconomic pattern with those who are richer being more likely to give to the arts, universities and hospitals while those who are less well off are more likely to give to welfare causes (Hodgkinson et al, 1990, 1997). The less well off also give a higher proportion of their disposable income, that is the income left over after the necessities of life, such as shelter, food, energy and necessary clothing have been provided for.

The terminology in the United States is very different, charitable giving is to those organisations that seek to alleviate symptoms of need (grants to provide food parcels for the needy) while philanthropic giving is to those organisations that seek to identify and address the causes of need (funding research into the causes of food poverty). Most grant makers self define themselves as philanthropic.

Within the Commonwealth countries, and to a lesser extent in the United States, there has been a move away from both of these terms. Victorian concepts of charity that stressed the concept of the deserving poor are now seen as unenlightened, patronising and disempowering. The term grant making is preferred as a more values neutral term.

Since 1970 there has been a growth in the number of legal vehicles set up to distribute to the not for profit sector. While most utilise the charitable trust as the legal vehicle not all of these have a trust as their legal structure, for example charitable companies and to a lesser extent incorporated societies have been used. Some have expressly chosen not to gain charitable status in order to be free of the restrictions imposed by the legal definition. Nor are they all endowed, for example, the setting up of organisations to distribute the proceeds of national lotteries or corporate sponsored foundations. They are no longer set up solely by the wealthy with the statutory trusts in New Zealand and the world wide growth in community

foundations being examples of new forms of grant makers. The term grant making is used as an all encompassing term to describe the activity of granting donations by an institutional donor, as opposed to an individual donor. Just as the term charity has value connotations so too does the term philanthropy and many prefer the term grant making as a more neutral term. An important question to ask is that if we see Victorian charity as unenlightened, patronising, and disempowering, how will the grant making of today be seen in a further 100 years?

Use of terminology in New Zealand is variable but it would appear that the term grant making is tending to gain currency with philanthropy being reserved for private foundations as opposed to statutory trusts or those where there is a perception that the funding comes from more "public sources" such as gambling proceeds. There is also considerable ambivalence over the use of the word charitable with a growing movement wishing to use the word only in its strict legal sense and context, and preferring terms such as community or voluntary organisation to charitable organisation.

Philanthropy

The act of giving donation(s) to a party independent of the donor with the objective of increasing the public good. The Concise Oxford dictionary definition includes the words "1 a love of mankind. 2 a practical benevolence esp. charity on a large scale (Oxford University Press, 1990).

Charity

The Statute of Elizabeth (Charitable Uses Act 1601) has defined an organisation as charitable if it is set up to carry out any of the following purposes

(a)   The relief of poverty

(b)   The advancement of education

(c)   The advancement of religion

(d)   Any other purpose which benefits the community, but is not covered under the other three headings.

It should be noted that clause (d) must be within the spirit of the three preceding clauses and is not a catch all phrase. This definition is also reflected in New Zealand taxation legislation. This definition is currently under review both in New Zealand and in other Commonwealth jurisdictions (Tax and Charities

Working Party, 2003). The researcher was a member of the Tax and Charities Working Party.

Grant maker

An institutional organisation that exists to make grants to community based organisations that have the objective of increasing the public good.

Not for profit sector

A grouping of organisations that exist with the primary aim of addressing the needs of either the wider community or the needs of members typically in the areas of welfare, recreation, spiritual needs or education. It does not have owners to whom any surpluses are returned instead applying surpluses to the common good. In the United States the term non-profit sector is used, and in Canada the voluntary sector.

Community sector

Used interchangeably with the not for profit sector, third sector or voluntary sector. The term community is thought by some to be descriptive of the qualities of the sector.

Voluntary sector

Again, used interchangeably with the not for profit sector or community sector. In past generations this sector existed because of voluntary gifts of time. Over recent years this sector has become increasingly professionalised and many feel that the term does not adequately honour the professionalism of the sector.

Third sector

The third sector is often used to define anything that does not fall within the government and business sectors. It can be considered to be wider than the community sector.

There is considerable debate about the terminology with good arguments being raised in favour of all of the above terms.

Foundation

Salamon and Anheier (1997) define a foundation as having the following characteristics; Non membership based organisation, private entity, self governing, non profit distributing entity, and serving a public purpose.

Most foundations or trusts have some form of endowment from which they derive income, or have an ongoing income from a regular covenant (such as some company foundations) or solicit donations from the community in order both to receive operating income and build up an asset base (such as many community foundations).

Foundations typically choose either to support others in order to achieve their objectives or to deliver services directly. Foundations generally fall into three categories; grant making foundations that often have some form of endowment and engage in grant making for specified purposes, operating foundations that operate their own programmes and may also do some grant making; or mixed foundations which have both a grant making programme and also operate their own programmes.

In New Zealand the use of the term foundation has become more prevalent in recent years. The foundation is based upon a founding deed or constitution that gives the entity both form and purpose. It will typically have some permanence of organisational structure such as a board of trustees, relative permanence in its goals or objectives, and meaningful operational parameters.

Foundations are usually outside the institution or control of government. Moreover they do not exercise statutory authority in order to carry out their objectives. Foundations have autonomy and control over their own governance procedures. They have their own separate financial accounts in that their assets and expenditures do not form part of government accounts or corporate balance sheets

Trust
A legal structure created by a settlor whereby property is transferred to a trustee or trustees to be held in trust for the benefit of the beneficiaries for objects set out in the trust deed. Many grant making foundations are charitable trusts although those wishing to operate outside the scope of what is considered charitable may choose to

forgo charitable status in favour of freedom to pursue other objectives. Prime examples would be a trust set up to advocate for social or legislative change, or a grant maker wishing to make grants to sporting or other recreational organisations (Trustee Act 1953).

Perpetual Trust

A trust which is set up as a public trust to benefit the community at large or a significant section of the community. In contrast to a family trust which has a maximum lifespan of 80 years a perpetual trust will exist indefinitely or until the trustees choose to wind up the trust (Trustee Act 1953).

Endowment

Property settled on a trust or foundation from which it derives income to be used for the benefit of the beneficiaries; "assets, esp. property or income with which a person or body is endowed" (Oxford University Press, 1990).

Grant

An amount given, usually in response to a request for which there is often a clear expectation that the amount will be spent for a specified purpose. There is a trend for the term grant to be used in conjunction with institutional sources of funding.

Donation

A donation can be defined as a gift or contribution. It will normally have no conditions attached. The term donation is more likely to be used to describe gifts made by individuals. There are criteria used for taxation purposes to define a donation that is deductible or rebateable.

Funder

Any body that provides funding for a community organisation. This term is wider than grant maker and includes for example central or local government agencies who would provide funding by way of contracts.

For the purposes of the thesis the following terms will be used:
- grant making, because it is a more values neutral term that avoids the connotations of charity or philanthropy. The term grant also carries the

implication that this grant offers more discretion than a contract. The term funder is a wider term which includes contracts between government departments and community organisations. Such contracts are often more about achieving government policy than community aspirations and as such are outside the scope of this thesis.

- community sector rather than voluntary to recognise that much of the work in the sector is paid and professional, rather than not for profit sector which defines what the sector is not, rather than third sector which many feel relegates the sector to third place and which is not descriptive. The term community sector is a positive description of the nature of the sector

- foundation rather than trust because it avoids the need to differentiate between the legal sense of the word trust and the generic use of the word. It is recognised that legal vehicles are not always trusts and can be incorporated societies or charitable companies. As well the term foundation seems to becoming more widespread.

Thesis Structure

Chapter 1 Introduction

The introduction has set the context and defined the parameters of the research.

Definitions within the grant making sector are not generally agreed so it is appropriate to discuss the common terms, including a justification for the choices of terms where alternatives are available. Many of the terms used within the grant making sector give subtle messages about values and philosophy. Terms chosen from alternatives have been selected to reflect a community development philosophy.

Chapter 2 Literature Review

The literature relating to the two areas of study, grant making and community development is documented and discussed along with other relevant areas such as organisational capacity.

Chapter 3 Exemplary grant making processes and practices

There is no theory of grant making. Instead the study explores what is generally accepted as exemplary practice and documents the dilemmas grant makers face in making both philosophical and operational decisions about grant making. A sample set of guidelines describing good grant making practice that relates to this chapter is included as appendix one.

Chapter 4 Community Development Theory and Practices

In contrast with the area of grant making there is well developed theory of community development which is included. Because of the nature of the thesis this chapter also includes material about the practical application of community development principles.

Chapter 5 Case Study

The case study is included as part of the context within which the thesis is set. The Whanganui Community Foundation is used as a case study of a grant maker that has worked to try to implement a community development framework. The case study will examine the journey of the Foundation as it has gradually come to a greater understanding of how it needs to operate to be true to the community development model. It will also examine how the Foundation has linked the theory and practice.

Chapter 6 Methodology

The methodology for the research presented a number of issues and these are described including justification for choices made. Ensuring rigour while being an insider raised a number of concerns and these are discussed.

Chapter 7 Results of Interviews

This chapter documents and discusses the results of the interviews. Common themes and differences are explored. The chapter is organised to reflect the questions asked in the interviews.

Chapter 8 Analysis of information contained in the literature, theory and interviews.

The material from the literature review, exemplary practice grant making and community development theory is used to assess how a grant maker might operate if a community development based practice model were to be used. This is then

compared and contrasted with the results to determine the degree of consistency between what the literature and theory suggests and the views of the interviewees. Where appropriate material from the case study is used to illustrate points made. Material from the case study is used as examples.

Chapter 9 Conclusion

This chapter brings the thesis to a conclusion and recommends the types of activities a grant maker will be involved in if a community development model is followed. It also examines the model developed in the case study and suggests further development for the future.

Chapters two, three and four will examine the relevant literature. Chapter two will give an overview of the literature while chapters three and four will consider grant making and community development respectively.

Background

For as long as humankind has lived in community giving to others has been a feature that has helped to create a sense of belonging (Mauss, 1990). The issue of mutuality or expectation of reciprocity has been an important part of that giving; a form of insurance. The growth of philanthropy over the past few hundred years has brought a new dimension to giving in which the element of mutuality or expectation of reciprocity has been less prominent or more removed from the donor. Instead, the expectation of benefit is for the total community or society and not for the individual or their descendants at some future point in time (Godbout, 1998). It is the view of the researcher that philanthropic gifts have covered the spectrum from truly inspired community development to social control. There are examples of grants that have enabled colonised people to regain self esteem and greater control of their situation to donations given with conditions that have advantaged sections of communities to the detriment of others.

Of particular interest is the role that women have played in philanthropy and the role that philanthropy has played in the lives of women. Prior to the women's suffrage movement one of the few avenues of leadership open to women was in the area of philanthropy and many of the women who went on to become involved in leadership learned many of their skills in the philanthropic world (McCarthy, 1990). Not only did they learn skills but many also were confronted with the stark realities of life for women and this concientisation of these women played an important part in their later more political careers.   These women were often involved in the lives

of disadvantaged women and this led to the establishment of schools and work cooperatives which were designed to empower and encourage independence. The combination of giving both money and time was powerful and led to a more enlightened approach by these early philanthropists. As contact between philanthropists and disadvantaged women grew the level of patronising behaviour declined and a community development approach emerged (Scott, 1990). This raises the possibility of replicating this dynamic. New Zealand has not seen the scale of philanthropic activity experienced in some other countries. This may be a function of the relative youth of New Zealand. In 1990 when Sir Roy McKenzie initiated the formation the New Zealand Association of Philanthropic Trusts, now Philanthropy New Zealand, he was joined by Graeme Sutherland and John Todd representing the only other larger philanthropic trusts. Several other private philanthropic trusts have been formed since but today the majority of grant making in New Zealand comes from trusts formed following banking and energy sector reform or from gaming trusts (Robinson and Hanley, 2002).

The emphasis on philanthropy as an expression of personal benevolence has meant that there has been little research until very recently. One may speculate about the reason but it is likely to be a combination of not interfering in the right of individuals to spend their money in the way they see fit, coupled with real difficulty in obtaining data. The fact that philanthropy has largely been the domain of women may have also had some influence (McCarthy 1990). Much of the earlier published information has focussed on how to run a philanthropic organisation in an effective manner. Major contributors to the literature on best practice have been the Joseph Rowntree Foundation, York, The Centre for Philanthropy at Johns Hopkins University in Baltimore and the membership associations of philanthropic grant makers such as the Council on Foundations in Washington D.C. or Association of Charitable Foundations in London. A number of large grant makers such as the Ford and Kellogg Foundations have also been prepared to make their own documentation available to other grant makers. More recently the Amerhurst Wilder Foundation has published a number of resources for both grant makers and community organisations that are designed to encourage sound and thoughtful practice some of which will be referred to in the next two chapters.

Grant Makers and Community Development

In considering the links between community development and the role of grant makers the researcher has been able to find very little directly relevant literature despite extensive searching and requests to others working in the philanthropic field. There is some practice that comes close such as the work of the Bertelsmann Foundation in Germany, the Winston Salem Foundation in North Carolina, United States or some community foundations. What is available mostly centres on brief articles and covers only a single aspect rather than taking a broad view.

The potential of grantmakers and philanthropists to take an active role in community development is a topic about which the writing is relatively recent, sparse, and tends to be confined to conference papers[1], distributed only to participants, and short industry magazine or journal articles. There has been little critique of this work. Grant makers are often the group in a community where independent discretionary resources are to be found and there is sometimes an expectation from the community that these resources should be used wisely for the benefit of the community. While there is sometimes the temptation to distribute funding in such a way as to bring a warm glow to the Boards, it is hard to find a defensible rationale for this approach. Because funding is scarce it is important that it has maximum impact. It is the opinion of the researcher that a community development approach is one model that will ensure that projects and programmes are well considered and responsive to the real need of the community concerned. There is less adulation; in fact it could be considered that the grant maker has succeeded when others take the credit, showing a real sense of community ownership for the results.

Grant makers need to be very careful as the power they have over resources means that grant seekers are at least reluctant to be seen by the grant maker as having a different view (Leat 2000). Connor and Kadel-Taras (2003,12) quote a senior executive of a US national foundation:

"Forget what we think is really going on in your town and forget what we think are really the strengths and challenges we face, we'll just tell you whatever you need to hear so you'll send the check" .

---

[1] For this reason page numbers are not available for many references

22

This puts an onus on grant makers to build trusting relationships that will allow communities and organisations to be open without fear of losing funding.

The past decade or so has seen an increasing devolution of funding from government to communities together with some devolution of decision making to local communities. This has been coupled with an increasing access to information and technology which enables communities to be more informed about problems and solutions than ever before. The community, business and government sectors have also begun to work together more and this gives potential for integrated solutions (Connor and Kadel-Taras, 2003). They advocate three broad categories of activity for funding organisations:

Fund Communities. Funders have a role in providing funding that allows communities to determine the nature of the issues they face and to come up with appropriate solutions. This may include meetings, research, and capacity building.

Fund Systems. This involves funding the infrastructure required for sound service delivery and collaborative approaches.

Be the Change You Wish to See. This means behaving in a way that is congruent with the funding strategy and structuring operations in such a way as to support the strategy.

Lester Salamon (2003b), Director of the Centre for Civil Society at Johns Hopkins University believes that there is a very important role for grant makers that sits alongside the grant making activity. The major emphasis of this ancillary role is strengthening the community sector. The first role he advocates is promoting giving, both of money and time. The intended impact of this giving is to provide the sector with a degree of independence from both political and commercial pressures and thus a greater degree of freedom to be able to respond to social issues. It also creates a greater sense of citizenship and connectedness to community on the part of the donors, which in turn strengthens the community. He suggests that the area of encouraging and soliciting donations from individuals has become highly specialised and that there is a role for grantmakers in becoming expert in the process of facilitating donations of both time and money and in raising awareness of informed donating. Allied to this is promoting and celebrating the concept of being generous which is also an important role for the grantmakers and their umbrella

organisations. While many community foundations have been very successful in encouraging donations there has been a tendency for wealthy donors to place conditions that are a reflection of their own interests rather than community priorities (Anheier and Leat 2002). In the United States a large proportion of donated money goes to support the arts, universities, hospitals and faith based activities (Hodgkinson, 1990, 1997) . This can run counter to good community development.

The second role Salamon advocates is that of investing in organisations through being prepared to fund or commission research into effective programmes and approaches, and disseminating this research where appropriate to government decision makers, other funders and the general public. While Salamon does not mention community organisations they are also an important target for dissemination of such research. This is a different function from the evaluation of the effects of single donations for accountability purposes. He states that another form of investment is that of providing education and training for not for profit organisations in order to improve effectiveness in service delivery, management and governance and to promote the grant making sector so that it is seen as a desirable career path for young people. These second and third approaches are widely supported by other writers (Connolly and Lukas 2002, Connor and Kadel-Taras 2003, Porter and Kramer 1999, Timmons 2001, Wiley 1997).

The final role that he advocates is that of fostering partnerships both within the community sector and between the community sector and other sectors. This is closely allied to creating networks of mutual trust and reciprocity that underpins the concept of social capital. He suggests that we should view civil society not as a sector but as a reflection of the relationships between sectors.

Donald Kelly (1997) contends that there are four basic approaches to improving a community. The first is to improve the lives of individual members of the community. In New Zealand there has been an accepted view, perhaps even an unwritten social contract, that the role of government is to provide a welfare safety net for individuals while the role of the community sector is to enhance the quality of community life (Boston et al 1996, Cheyne et al 1996). From this perspective the only valid role for the community sector, including grant makers, is to advocate for sound policy to ensure the safety net is appropriate. Kelly (1997) contends that the second role is enhancing the physical environment, thirdly, improving the local

economy and lastly, enhancing the life of the community itself. It is his view that when the spirit of the community is high individuals feel more connected and have a greater sense of belonging which translates to higher levels of commitment, engagement and altruistic behaviour. It is interesting to note that recent writing on altruism has suggested that it does not exist, rather people act from a sense of enlightened self interest in creating the style of community in which they or their descendants might wish to live (Lyons 1997). Two prominent philanthropists have said:

> *The goal is not to be the richest guy in the graveyard. I don't care how much I'm worth when I'm dead. How do I make myself feel good? The only way I know to make myself feel good is to make the world better. Don't mistake that for altruism, its egotism. Call it engineered egotism. - Larry Ellison of the Oracle Corporation* (cited in Burkeman, 1999, unnumbered).

> *The truth is I am not a humanitarian....I detest foundations in the conventional sense. My motive has never been charity. You could even say it was self interest. I wanted to further those societies where people like me could live in peace. George Soros, financier* (cited in Burkeman, 1999, unnumbered).

Kelly (1997) goes on to argue that there are nine building blocks that need to be in place to ensure strong and vibrant community. They are physical infrastructure, natural environment, economic, organisational, quality of life, social, cultural, philosophical and spiritual. He contends that it is therefore important that the energy and resources that a community has at its disposal must be strategically directed at activities that will increase the devotion of members to that community. While Kelly's arguments sound attractive, when examined carefully they provide little direction as to a strategy for a grant maker to contribute to community development.

In contrast Eisenberg (1998) believes that true development comes from members of communities seeking to transform the nature of their communities through lobbying and advocacy to change the basic structures of society and the role of grant making or philanthropy is to provide the resources to make this possible. This may be either by grants which enable the purchase of the materials and services necessary to advocate or by providing professional development to community members which makes their advocacy more effective. While there is an undoubted

need to empower communities to be able to advocate for themselves Eisenberg does not suggest any other areas where grant making or philanthropic resources can be directed in order to build stronger and more vibrant communities. This approach is more in line with the idea that community development should be a means of helping communities develop the capacity to make informed decisions rather than imposing solutions. Eisenberg does not suggest that there is any role for the grant maker to take an active role in advocacy, rather it is to provide resources.

Dorothy Ridings (1997,1-3), CEO of the Council on Foundations in the United States, suggests that there are four imperatives for Foundations in building community. Firstly, to act as facilitators in bringing together disparate groups to find common ground on issues that impact on communities and enhancing decision making by providing a range of perspectives. Facilitation of informed decision making can be a role that both enhances community but also allows the grant maker to come to a better understanding of communities. Secondly, to inform communities about what is happening in the not for profit sector and to be a champion for a sector that is often overlooked or underrepresented in media coverage. Foundations, because of their role, are often well placed to have an overview of what is happening in the community sector. They also have resources and influence that can make publication possible. The third role is in helping to influence social policy that impacts on communities. Where communities are beholden to central or local government for substantial proportions of their funding it is often a risky business to engage in debate with those funders about public or social policy. She suggests that grant making foundations have the independence and overview that can enable them to participate in that debate. This is certainly an argument in support of the view that grant makers sit independently outside of the three accepted sectors of society thus being seen to have the independence necessary to be credible in such discussions. This is counter to the view of Eisenberg (1998) that communities should advocate for themselves. Finally there is a role in supporting the people who are working at the cutting edge in communities to encourage participation and social change and putting them in touch with others who can also offer support.

The area of foundations and social justice is closely aligned to the concept of grant makers working from a community development perspective. Emmett Carson of the Minneapolis Community Foundation contends that one of the most effective things a foundation can do is to support communities affected by injustice to develop organisations and structures (cited in Heller, 2003). Heller (2003) suggests that foundations can promote social justice by supporting organisations and institution building, engaging with government, and building alliances.

As well as considering the literature that integrates grant making and community development it is also possible to consider both components and this is my intention. There are four main areas of literature the researcher feels are applicable to this study; firstly there is the material that focuses on the social environment of the grant maker and suggests possibilities for strengthening communities, such as the social capital literature or civil society literature. Secondly the material that is concerned with grant making or philanthropy. The third area is concerned with community development as it relates to both the projects and the manner in which organisations choose to operate. The final area deals with the measuring of organisational capacity or efficiency.

Social Environment

When considering the nature of the environment within which the grant maker operates there are two major schools of thought: firstly the social capital movement which is centred on Harvard (Putnam, 2000) and secondly the civil society movement which is centred on Johns Hopkins University (Salamon 1994, 2003a). A common feature of both is the lack of a specific definition for either social capital or civil society. Much of the analysis of social capital has been focussed at state level (The Social Capital Community Benchmark Saguaro Seminar, 2000), however, there have been other studies that have attempted to measure social capital at the county level (Galper, 2000), albeit that the factors that have been measured in order to gauge the level of social capital may be a very broad approximation. Social capital is a concept that is qualitative in nature and the attempts to make relative measurements have to date relied on quantitative factors, for example, levels of voting or numbers of community organisations to assess civic participation. While these statistics are readily available and allow for comparisons they should be seen as an indicative measure of such a factor as participation, and can deny other ways

that people may participate in communities, such as through informal mechanisms. The studies of civil society, while wider in scope, have tended to focus on nations such as the comparative study of civil society in different countries being undertaken at Johns Hopkins University to which New Zealand has recently subscribed (Salamon 2003a). While neither provides an ideal framework for understanding the environment in which the grant maker operates, the social capital studies are closer to the community level than the civil society studies. An alternative view is that civil society is a wider concept and that an understanding of social capital may suggest the tools by which social capital may be built thus enhancing civil society. It is certainly easier to influence the level of social capital in a community than to change civil society, notwithstanding the fact that community organisations or voluntary associations are an important component of civil society.

Putnam (1993) presents compelling evidence that the level of social capital is declining in the United States. Many of the same factors are at work in New Zealand society. There is anecdotal evidence of reduced volunteering and less communication between neighbours. Given the many advantages of high levels of social capital it is essential for the future of community that these trends are reversed.

Coleman describes social capital as:

> ...the durable networks that form social resources through which individuals and groups strive for mutual recognition. As such social capital is the necessary infrastructure of civic and community life that generates "norms of reciprocity and civic engagement" (La Jolla Institute, 1999,3).

> The mechanisms through which civic engagement and social connectedness produce better schools, faster economic development, lower crime, and more effective government are varied and complex...Social capital within a community provides a unifying framework and context for interaction. It is precisely this type of face to face practice of democracy extolled by de Tocqueville that helps develop an individual's commitment to the common good and promote a greater sense of community (La Jolla Institute, 1999,4).

The generally accepted factors which promote higher levels of social capital in communities include;

- Civic participation
- Leadership (not necessarily in traditional forms)
- Trust and reciprocity
- Shared vision
- Communication
- Cooperation
- Neighbourliness and care for those who are disadvantaged (Putnam, 1993, 2000, Putnam and Feldstein, 2003).

This list provides criteria for assessing some aspects of applications for donations. In addition it is possible to initiate activities that will directly enhance social capital. Professional development for community organisations, opportunities to hear speakers that will encourage the shared vision of communities, opportunities to meet and discuss issues within the community and taking a public stand on important community issues are some of the possibilities.

The concept of civil investing also has strong connections with both social capital and community development. The term implies that the grant maker is not merely making a grant but is investing in the well being of the community with an expectation of a return on that investment. The term seems to imply that the values of business are directly transferable to the community sector.

A relatively new term is active citizenship (Brown et al 2000). It is postulated that citizens have rights by virtue of their citizenship and that as a consequence there is a corresponding responsibility to be active in community or society. At a basic level this implies the responsibility to vote and perform other civic duties but it is argued that where citizens feel a sense of responsibility to build a better society or community this will result in active citizenship, displayed through being political such as lobbying or signing petitions, volunteering to help community organisations, helping out during a civil emergency or helping ones neighbours (Brown et al, 2000). The literature stops short of considering how a grant maker might support

active citizenship. This is an area where a grant maker wishing to adopt a community development framework could well find inspiration.

Richard Florida, in his book *The Rise of the Creative Class* (2002), postulates that society and community has undergone a fundamental shift as a result of the rising phenomenon of the creative class. This class is made up of people who routinely use a high degree of applied creativity in their work, including researchers, scientists, engineers, architects, computer industry workers, social and community development workers, designers and artists and some higher level managers.

The extensive research of Richard Florida (2002) has shown that there are three distinctive values that characterise this group. Firstly, individuality which is demonstrated in a desire to live life according to their own rules and throwing off the old structures of the work place such as dress codes, and traditional corporate culture. Creative class people are also keen to live in vibrant communities where there is abundant stimulation. Their loyalty is not to their employer but to their profession or career.

Secondly, meritocracy, which is demonstrated by a self generated imperative to perform and to be recognised for ability, effort and results. Surveys have shown that this factor rates far above remuneration in determining job satisfaction.

Finally, diversity and openness is an important value of the creative class. Florida makes the point that it is no accident that within the creative class there is a greater proportion of a number of sub groups of society, these include gays and lesbians, immigrants, and those who may have an alternative view of life. However it should be noted that it is a diversity of the elite, highly educated and creative people.

Florida discusses the paradox that creative people like to live within vibrant communities and the research of Robert Putnam in *Bowling Alone* (2000) which shows that as diversity has increased the level of social capital in communities has declined. While accepting that the value of individuality is not conducive to community building he has also shown that where diversity and tolerance exist side by side there is not the same decline in social capital. In fact within the creative class the emphasis on judging on merit rather than on race, gender, class, sexual

orientation or other factors creates a high degree of tolerance within the creative class. It is less certain whether this tolerance, especially when linked to notions of merit, is extended to others outside this class. In fact there is little evidence of social connections outside the class.

Florida suggests that the three Ts of technology, talent and tolerance are essentials for a vibrant community. He uses the example of universities as vibrant communities where all three are found in abundance.

In discussing the decline in social cohesion as evidenced by the breakdown of the nuclear family or the decline in civic groups Florida warns against trying to mitigate the effects of the rise of the creative class. He writes

> *While such concerns are serious and legitimate, they are not necessarily harbingers of disaster. Social disruption is quite natural in periods of economic transformation. History shows that the biggest mistake is to try to forestall change or reverse it* (Florida, 2002,323).

Florida appears to be suggesting that we should let the market determine the nature of community rather than taking a more interventionist community development approach. He does however suggest that unless members of the creative class take a positive approach to helping to build social cohesion they could find themselves living "uneasy lives at the top of an unhappy heap" (Florida, 2002,xii). While accepting that intervention can have serious unintended consequences it is the opinion of the researcher that often allowing market forces to determine the future results in those who are most disadvantaged in communities bearing a disproportionate share of the consequences and is not consistent with a community development approach. It may also be that facilitating community development in communities where creativity is encouraged may result in the best of both worlds.

Grant Making and Philanthropy

Grant making incorporates some elements of a gift to the community. Writers such as Marcel Mauss (1990) and Jacques T Godbout (1998) argue that the disinterested gift rarely exists. Gifts carry with them a cultural expectation of reciprocity. This is not always a return in the mercantile sense of an exchange of goods or services

between donor and donee but there can be an expectation that the goods or services will be delivered to some third party. This is clearly the case with grants to the community where there is an expectation that the organisation will use the grant to further the interests of the community. This is an important issue for Maori grant seekers where the concept of koha carries cultural connotations of future reciprocity to the donor. In order for Maori to feel comfortable about applying for grants there needs to be a clear understanding that places the grant in a social contract framework where the reciprocity is not to the donor but to the community (Robinson and Williams 2001).

That is why we set up a shrine of the Graces (Charities) in a public place, to remind men to return a kindness, for that is a special characteristic of grace, since it is a duty not only to repay a service done, but in another time to take the initiative in doing a service oneself (Aristotle, Nichomachean Ethics, 1133BC, 3-5).

Until the advent of community foundations in the United States, Canada, Western Europe and United Kingdom, most of which have developed in the past ten years, philanthropy was largely delivered by benevolent individuals, often by way of bequest. The same holds true in New Zealand except that statutory trusts[2] have largely taken the role of the community foundations. Many communities have also had a tradition of fundraising for community projects and even national causes. At a community level these have often created social capital as people work together. It is less certain what larger fundraising events have achieved. A recent newspaper article noted that despite some success in alleviating starvation at the time since the Band Aid fundraiser which raised $24 million internationally in 1984 there are now twice as many Ethopians facing starvation (Sunday Star Times, November 7 2004: A19).

Of more recent times there has been a growth in critiques of philanthropy. The main format for such critiques has been by way of lectures, conferences and papers. The growth of new wealth especially in the technology area has led to a new breed of philanthropists with "new" money. These people have often brought their

---

[2] Grant making trusts created by statute from reform of either the banking or energy sectors.

entrepreneurial and strategic skills to bear on their giving, thus creating a whole new paradigm around strategic philanthropy. They have also been critical of much traditional giving, arguing that it has achieved little in the way of transforming communities for the better (Kazarian 2002).

These wealthy individuals appear to derive considerable satisfaction from their giving but others have raised important questions about the overall impact of their activities suggesting that to give money to causes without having a real understanding of the issues through active grass roots involvement may result in unintended consequences or that the sum effect on society of the way the money was generated compared to the impact of philanthropy may be negative (Anheier and Leat, 2002, Burkeman, 1999), Examples may be where the generation of the wealth to be given to the community causes adverse environmental or social effects and the donation does not fully compensate. United States research into giving and volunteering shows that the proportion of discretionary income (tax paid income after basic living costs have been met) given to charity decreases as income increases, thus the wealthy give a smaller proportion of what they have. Coupled with this is the finding that issues that are supported through giving change from welfare and social programmes which are supported by lower income people to the arts and museums, higher education and medical research which are supported by the wealthy (Hodgkinson, 1990, 1997).

Strategic Philanthropy

The fact that economists have begun to take an interest in the grant making world is a reflection that the sector has now reached a size where there is some discernible impact on the economy. This may be through the dollar value. The values of the market and the community sector are different and there is potential for the application of community principles to undermine market principles through the dissemination of opposing values and vice versa. Porter and Kramer's research (1999) shows that there are four ways that a Philanthropist can add value to a community (in order of increasing effectiveness).

- Selecting the best grantees. This means having systems that are able to determine which of a number of competing programmes in the same area is most effective per dollar spent.
- Signalling other funders. This involves sharing of information and systems.
- Improving the performance of grant recipients. This involves 'capacity building' through education and working with individual organisations on specific areas of performance.
- Advancing the state of knowledge and practice. The dissemination of research and best practice information promotes development of both grant makers and community organisations. (Porter and Kramer, 1999).

Porter and Kramer (1999) describe this approach as strategic philanthropy. It is underpinned by a cost benefit approach and one of the analyses used is to compare the tax benefit foregone by the government with the benefit delivered to society. Another view is that strategic philanthropy encompasses such practices as capacity building, collaboration, management efficiency programmes, restructuring, and foundation value creation practices (Kazarian 2002). Both of these models are very business oriented. These approaches contrast with the view that strategic philanthropy is about taking a strategic approach to social change. Typically proponents of this view would argue that strategic philanthropy is characterised by the following:

- A desire to promote social change around a specific issue.
- A commitment by the grant maker to take a longer term approach, often 3 to 10 years.
- Use of a variety of techniques that would typically include, grant making, commissioning and disseminating research, engaging with policy makers and politicians and marketing of learnings with a view to changing community attitudes or social policy (Anheier and Leat, 2002, Hines, 2003).

Barry Gaberman of the Ford Foundation sees strategic philanthropy as

…moving away from grant making as an end in itself, and beginning to think about developing strategies to solve problems, seeing grants as pieces of activity that implement strategy (Gaberman 1999 unnumbered).

The Pew Foundation (undated) in a report on their website list 10 criteria for strategic philanthropy:

- Well defined goals
- Discernible impact on a problem
- Responds to a ripe opportunity and is timely
- Has appropriate partnerships
- Is simple in design
- Allocates an appropriate amount of resources
- Approaches a problem on multiple fronts
- Is ambitious yet feasible
- Considers core competencies, internal as well as external
- Aims to show progress in 3 to 5 years (Pew Foundation, undated).

These latter perspectives are more closely aligned with a community development approach. However there are dangers inherent in strategic philanthropy. Strategic philanthropy can be a major force for positive structural change in society as exemplified in the work of the Joseph Rowntree Foundation in influencing housing policy in the UK and in promoting peaceful resolution of violence in Northern Ireland (Joseph Rowntree Foundation, undated) or the work of the Esmee Fairbairn Foundation in reducing criminal recidivism (Esmee Fairbairn Foundation, 2002). In contrast some of the most successful examples of strategic philanthropy have been the support of new right principles of diminished welfare delivery and the promotion of traditional definitions of family in the United States that has been supported by systematic communications strategies funded by the conservative philanthropic sector (Anheier and Leat, 2002, Covington, 1997). Thus, it is clear that this approach to strategic philanthropy has potential to be a power for good or ill, often depending on the values perspective of the donor. It raises very important questions. How do grant makers know that they are doing the right thing? In a world where donees are often obsequious in their praise of grant makers, where is the reality check? How is accountability to society and communities to be achieved? And what are the rights of communities to have input into grant making? Who decides to whom grants will be made and for what purpose and from where or from whom is the mandate derived? These are very fundamental questions that a grant

maker with a commitment to community development will struggle with and these questions are not often discussed.

Julie White of The Trillium Foundation also advocates a strategic approach. In *Building Caring Communities* they advocate that there are Five Capacities that build community and that there are 10 things that funders can do to support them (White, 1997).

The Five Capacities are:
1. An abundance of Social Capital
2. Strong connections with the outside world
3. Willingness and capacity to welcome and integrate newcomers
4. Ability to adapt and innovate
5. Capacity to collaborate

The ten ways in which funders can support are:
1. Fund collaboratives – it is important to reward cooperation and synergistic development.
2. Provide long term funding – organisations need some certainty if they are to embark on projects that require people input (No one ever changed life chances with a building).
3. Support innovation and risk taking – encourage new ways of doing things.
4. Support information and infrastructure – Including access to the internet, good library facilities, access to expert speakers etc.
5. Encourage public discussion and involvement – support for civic processes and informal processes especially those that involve marginal groups.
6. Fund systemic change – its no use putting band aids on all of the time. Programmes and projects that change fundamentals in communities are important.
7. Support the local economy – supporting local economic development initiatives as well as buying locally (note that this activity may be outside the scope of many charitable trusts).
8. Support comprehensive community services – supporting and celebrating diversity is important and it is dangerous to make value judgements about the

contribution to communities of alleviating poverty compared with sport or the arts and culture.

9. Encourage learning – funders can play a valuable role through dissemination of ideas and research.
10. Support leaders – People make things happen and buying "thinking space" for these people can result in renewed vigour (although what some leaders need most is a rest!!) (White, 1997 unnumbered).

Another strand of the literature around grant making falls into the best practice category. Codes of practice have been developed by a number of umbrella organisations such as the Association of Charitable Foundations in the United Kingdom. Such codes are underpinned by the concept of treating grant seekers in a respectful manner that does not abuse the power of the grant maker. This good example from the United Kingdom is included in Appendix 1 (Association of Charitable Foundations, undated).

Community Development

The World Health Organisation defines community development as follows:

A method of encouraging collective action by communities to define their own needs, plan and carry out local development initiatives, work through social and economic change, identify and access needed resources and build capacity to act on their own behalf. (World Health Organisation, 1986,1).

The contribution of early activists and writers (Friere, 1972, Gramsci, 1971, Guiterrez, 1973, Miranda, 1974) who challenged the accepted view of development will be discussed in Chapter 4 along with the later work of Fay (1987) who outlines four stages through which a community will take control of its own situation, the theory of false consciousness, the theory of crisis, the theory of education, and the theory of transformative action where the oppressed develop strategies transform their situation.

Education can be a transforming element of community development allowing communities the insights that are required in order to transform themselves. This

suggests that an important role for the grant maker is to work alongside and support oppressed and disadvantaged communities to gain the tools through which education can occur. This is more fully discussed in Chapter 4 along with Munford and Walsh-Tapiata (2000) who discuss the relevance of this theory to indigenous populations, especially Maori in Aotearoa New Zealand.

Community development is usually thought of as being a constructive process but there are many examples of oppressed peoples choosing war or revolution as a strategy to escape oppression.

There are parallels between critical theory and decision making theory. Mintzberg (cited in Stoner et al, 1985) describes the following stages in effective decision making which are compared with Fay's community development theory (Fay, 1987):

- Define the problem, in which it is important to ensure that underlying causes are identified rather than merely acknowledging the symptoms. This stage relates to the first two stages and the early part of the third stage of Fay's theory.
- Develop criteria for a successful solution and understand their priority and relativity. This is also embodied in Fay's third stage
- Generate alternative solutions which is part of the theory of Transformative action
- Evaluate the alternatives using the criteria, again part of the theory of transformative action.
- Choose a solution, again part of the theory of transformative action.
- Implement the solution, again part of the theory of transformative action.

Ife (1995) examines how the use of language subtly conveys power which can be used to oppress. He discusses the idea that both education and empowerment are essential for community development to occur.

Munford and Walsh Tapiata (2000) take a practical approach to community development and provide a number of useful ways of that will lead to positive social change. These are discussed more fully in Chapter 4.

Zehr (1996) suggests that the way we look at communities has a subtle effect on them. She writes that it is important to be very aware of the nature of community processes and that community develop practitioners need to use strategies that build rather than disempower communities.

Kretzmann and J McKnight (1993) have coined the term, ABCD[3] to describe a strengths based community development model that utilises the resources of the community.

In September and October 2003 the writer undertook overseas study for the purposes of learning about how grant makers can be more responsive to their communities from overseas grant makers. Many of the grant makers visited were using a community development model, or elements of a community development model. The resulting report entitled Building Strong Communities: Exploring the role of grant makers in community development highlights the following key points. (Timpany, 2003c)

"Community Development can be described as the process by which communities strengthen themselves. There are usually five components to the process:

1. *Becoming aware that there is an issue that needs to be addressed*
2. *Understanding the nature of the issue and how it impacts on the community*
3. *Understanding the criteria for successful solutions*
4. *Generating possible solutions and choosing appropriate and effective solutions*
5. *Implementing the solution*

Community Development is rarely an orderly and structured process, rather it is often iterative, convoluted, frustrating, exasperating and wonderfully, gloriously rewarding. Often it occurs when community workers with their hearts in the right place do the right thing intuitively, and the dynamics and theory are understood later.

---

[3] (Asset Based Community Development). (Assets are resources not just tangible assets)

Grant makers come in many forms, endowed foundations and trusts, community foundations and operating foundations to name a few. Traditionally grant makers have become involved in the process at the end when, as part of implementing the solution, they are asked to provide funding.

The possibility of grant makers having an involvement at all stages of the process opens up a new world of grant making that has the potential to enrich communities and to ensure that the scarce resources available to grant makers are used as effectively as possible.

- *Sound planning may take longer but pays off in the end result.*
- *A community is likely to make better decisions if they are well informed about the issues before making their decisions.*
- *Using multiple strategies to achieve an outcome increases the chance of success. This will usually mean that grant making is only one of the tools employed.*
- *Working with compatible partners increases the chance of success*
- *Evaluation is important. Good grant makers are not afraid to expose their own activities to external expert evaluation.*
- *It is important to have an underpinning model of social change and a process to effect the change. Many overseas grant makers are using a community development model for some or all aspects of their work.*
- *Because social change is a long term objective grant makers need to be prepared to commit to longer term funding commitments.*
- *Good grant makers are prepared to invest in research at all stages, pre project, as an integral part of projects and post project.*
- *Well qualified, experienced and enthusiastic staff are often very important in the process of sound community development* (Timpany 2003c: 3,4).

Organisational Capacity

There are many writers from the management field who have written on assessing the factors that are present in effective organisations. The Council on Foundations in the United States has published a checklist for grant makers (Kibbe et al, 1998)

that itemises the factors to consider in assessing the capacity of an organisation to deliver sound and sustainable performance. However it is fair to say that most books on grant making focus on the evaluation of the project or programme with only scant reference to the organisational capacity of the grant seeker. The work of Daniel Goleman (1998) in assessing emotional intelligence as a predictor of organisational performance has particular relevance to organisational efficiency. (Likewise does Porter and Kramer's research (1999) on adding value through philanthropy, which measures the effectiveness of different philanthropic strategies using a cost benefit analysis.) The Centre for Effective Philanthropy has also published papers designed to encourage good performance. Through understanding the stage in the life cycle of a community organisation the grant maker can encourage development so that the organisation is able to grow and better meet the needs of its beneficiaries (Simon and Donovan, 2001).

Conclusion

For a grant maker to adopt a community development framework requires a complex set of attitudes that are consistent with the principles of community development and a wide variety of skills including knowing when to take a leadership role and when to support and even when to step back. Implicit within the idea of a community development focussed grant maker is the need for high quality grant making. Such grant making should respect the grant seeker and be responsive to the real needs of communities.

The following two chapters will examine the more pivotal issues of this chapter in greater detail; firstly grant making and then community development.

Exemplary Grant Making Processes and Practices   Chapter 3

One of the institutions that is allowed to function in an open and democratic society is the grant making foundation. Such foundations do not appear in totalitarian regimes. The dictatorial state cannot, it appears, cope with the threat presented by foundations, and paradoxically many democratic states cannot function without them. One of the first actions of Adolf Hitler after gaining power was to abolish those organisations that would not submit to control, among them many philanthropic foundations. In post communist countries there has been a need to rebuild the institutions of civil society including grant making foundations (Charles Stewart Mott Foundation, 2002) It would therefore seem that there is an important role for such institutions in contributing to a strong community and civil society.

Steven Burkeman (2002) contends that it is desirable for there to be a social contract between the state and grant making foundations with three major elements. The first element relates to the length of the electoral cycle and means that governments will focus on achieving the change that can take place within the term of government. Because foundations are not constrained by electoral cycles they are free to pursue long term social change goals. Secondly is the unacceptability of risk taking by governments. There is a role for grant makers in supporting risk and innovation through pilot programmes or projects and through initiatives that work for social change. The third issue arises from the fact that elections are often won or lost on the swinging vote. Typically this vote is characterised by self interest and moral conservatism. Such people are unlikely to support rights for ethnic minorities, homosexuals or children for example. Until vulnerable or minority groups are seen by political parties as able to influence election outcomes their issues are unlikely to be addressed. Therefore there is an important role for grant makers in supporting social change and rights for vulnerable groups in society. Burkeman (2002) further contends that governments should support foundations through taxation status and by giving them the freedom

to exist. And in return foundations should be open and transparent around these three elements of the social contract.

While Burkeman (2002) contends that the contract is between government and grant making foundations the argument can be extended to include three parties; the government, the community and the grant making foundation. Indeed one could argue that because governments are averse to providing the three elements Burkeman suggests; namely long term goals, risk taking and support for the vulnerable, that the community looks to grant makers and community sources to fulfil those expectations.

Anheier and Leat (2002) have carefully examined the role of the grant making foundation in relation to innovation and social change. They maintain that in order to be responsive to the real needs of communities it is important that proposals have been developed in such a way that they reflect a community development process. Grant seekers are likely to be the largest source of grant making innovation within a foundation, given that in theory and in practice they are likely to be closer to the real needs of the community. They suggest that there are four reasons why this may not happen. Firstly, community sector grant seekers may not adequately reflect the real needs within communities. In larger organisations this may be because of the bureaucratic inertia. In many organisations the increasing reliance of government contracting requires that organisations subtly subscribe to the prevailing government view and over time cease to question that view. It becomes more difficult to question the view when that view becomes pervasive within the community psyche. Still others are so busy dealing with immediate and overwhelming need that the time to step back and reflectively consider new and innovative approaches does not exist. It may also be that the rates of pay in the community sector are not high enough to recruit highly qualified individuals unless they have a real passion and sense of altruism.

Secondly, it is suggested that community organisations may tailor their applications around what they believe are the priorities of the funder. While understandable, this can lead to an institutionalised dishonesty in which grant seekers attempt to gain funding that will allow them to cross subsidise the real needs of their beneficiaries afterwards. This results in a vicious circle where the signals that

funders require from grant seekers to be truly responsive are not given, thus leading funders to have a distorted view of community need. When applications based on the grant seekers view of what grant makers believe are approved the view is reinforced. This is not in the best interests of the community.

Thirdly, the language frequently used by funders to discourage grant seekers who apply for projects or programmes that are outside the stated priorities can be off putting. This does not encourage grant seekers to take risk for fear of alienating the grant maker.

Finally, grant making is an inherently risky business and grant makers are not keen to see negative publicity about failures in grants. This encourages grant makers to stay with the tried and true. This can be achieved in working with those grant seekers who have developed a reputation for delivering what is required with the unintended consequence that innovative applications may be overlooked. It is the experience of the researcher that very often applications from new organisations lack professionalism in the presentation or the project is lead by one person or a small group with considerable passion and insight but very few skills that would be likely to lead to a successful delivery. It is also difficult for funders to distinguish between the truly insightful programme often led by consumers of a service and the "disaffected bee in the bonnet" approach. This situation is most often found within the disabilities area, especially in mental health, and poses real problems for the grant maker in assessing the quality of the application. The experience of the researcher is that being fair to both established and new grant seekers is one of the more challenging aspects of grant making.

What then are the strategies that can be used to ensure that the foundation remains open to the grant seeker in a manner that builds strong community? The following is a list of actions that was prepared by the researcher for a Philanthropy New Zealand Forum for Funders (Timpany, 2003a). The fourteen points made below caused some unease initially but the material is gaining acceptance. Anheier and Leat (2002) have developed a similar list to encourage responsiveness to the innovative grant seeker.

Be open about priorities. Guessing priorities should not be a glorified power game between grant seeker and grant maker. Foundations have limited resources and cannot fund all proposals and this is understood by grant seekers. It is clearly a waste of effort to complete a grant application when there is clearly very little chance of success. A respectful and honest relationship with grant seekers demands that a grant maker be clear about their priorities and where appropriate the reasons or principles that underpin the priorities.

Be very clear about criteria and no more restrictive than is required by the trust deed, constitution and legal requirements. Arbitrarily restrictive criteria serve to encourage dishonesty on the part of the grant seeker as they try to put together "creative" proposals. Restrictions on the funding of core costs such as wages, rent and other administrative costs result in these items being hidden within other categories. Likewise project rather than programme funding results in existing programmes being reframed as new projects to try to access the funding required to survive.

Reserve a fund for innovative proposals. This need not be a large portion of the grant making budget but will often require an associated fund to ensure independent expert evaluation of pilot projects and programmes or innovative proposals.

Provide mentoring and organisational development opportunities for those with passion but a lack of skills. Skills can be taught but passion can not, so passion wins every time. Recognise the life cycles of organisations and that passion cannot be sustained indefinitely. It is important that when passion diminishes there are sound organisational practices in place to ensure that service delivery is supported by sound organisational disciplines.

Be prepared to fund to subvert government policy or to try new approaches. Provide assistance to organisations in learning how to put together a funding application or proposal. This can be done either by funding seminars or workshops about fundraising or by one to one discussion.

Fund time out for community organisations to enable them to raise their heads above everyday problems and think about new possibilities. The organising of conferences and seminars that expose personnel working in the community sector to stimulating and provocative ideas are an important mechanism in encouraging lateral responses to community need. Where these are held within communities they allow many different organisations to attend and network and are more likely to result in coordinated and congruent responses to community issues. Likewise funders can fund community organisations to attend conferences organised by other providers. Another strategy is to fund study leave and pay for relief staffing.

Have very clear protocols around declining of applications. If possible this should include declining personally followed by a letter. Where appropriate giving information that will help in finding an alternative source of funds or framing a future application may be given. It is also important to remember that organisations should not be given hope of future funding when there is no hope.

Be brave about taking risks. If we don't have any failures we are not taking enough risks. Of course failures are not a desirable outcome in themselves, nor proof of good practice on the part of the grant maker but are an opportunity to learn and refine the processes of assessing proposals. Without failures there is the danger of becoming self satisfied, an all too common problem in the grant making world.

Consider marketing. It is important that the branding of a grant maker is congruent. Consider what messages are given by the stationery used. Does the board room have furniture designed for flexibility or status? Are the walls decorated with photographs of chairmen from the past or community art or photographs of community projects? Organisations give subtle messages and it is important that these are congruent with the advertising.

Give clear and unambiguous messages to the grant seeking community about openness to innovation. It is important in giving these messages that due consideration is given to both the explicit and implicit messages. It is not honest for a grant maker to say they wish to be innovative or are interested in innovative proposals and to behave conservatively.

Foundations should make full use of available research about the needs of communities and where appropriate should consider commissioning research that will enable them to better understand the nature of need, effectiveness of interventions, and the community or social dynamics that give rise to need. Such information should be made available to the community in order to encourage insightful and well considered interventions and to inform other funders.

Seek external experts to give guidance about the likely efficacy of new approaches. This does beg the question of whether the academically inclined expert or the consumer is the best person to give advice. It may be that both approaches are required.

Keep believing. Imagine what might happen in communities if the creative processes that are sometimes applied to the grant application were channelled into service delivery. (Timpany, 2003a 5 - 7)

It is the opinion of the researcher that the preceding points, if implemented will help the grant maker to develop an honest relationship with grant seekers. It will also lead to applications being granted that will help to build strong and resilient communities.

Easterling et al (2003) also have lessons for funders which cover two areas; sharing decision making with grantees and helping from outside the community. They suggest that it is important that the funder has an authentic commitment to a community based model including being open to ideas from the community that may not, on the surface, be consistent with the grant maker's ideas and exhibiting a willingness to enter into dialogue around such issues. They also contend that it is important to consider what areas are absolute bottom lines for a funder and within those constraints to allow maximum flexibility to the grant seeker to achieve its objectives. They suggest that the areas over which the grant maker will choose to exercise control include whether or not to fund a particular application; including considering the programme strategy of the grant seeker and the process of decision making, planning, or learning that the grant seeker has chosen to develop the strategy. The last point is important in that if the process used to develop a

strategy has been inclusive and is reflective of community needs there is a greater chance of success.

There are other views about the role of the grant maker. Another view is that of Joel Orosz, a United States based practitioner and writer, (2000). He makes four statements about the role of foundations in society:

- Foundations should primarily concentrate on philanthropy (root causes) as opposed to charity (meeting immediate needs).
- Foundations should primarily concentrate on supporting innovation as opposed to supporting ongoing programmes.
- Foundations should primarily concentrate on leveraging funds as opposed to being the sole funder.
- Foundations should primarily concentrate on helping good ideas get a trial as opposed to funding tested and proven approaches.

For each of these statements there are opposing arguments. While there is merit in looking at root causes it is also important to remember that if people's basic needs remain unmet there is little or no space in their lives to become involved in community activities. Many cultures see people in an holistic and integrated manner recognising that what happens in one area of a person's life will impact on others. There is a lovely saying in grant making "I was hungry and you did some research and I was still hungry" (Anonymous).

Support for innovation can lead to new insights about effective interventions and it is important that well researched innovation is funded, together with funding for independent research. On the other hand foundations who make innovation a criteria for funding appear to encourage dishonesty. Grant seekers will dress up important projects and programmes in new and different ways in order to obtain funding. One must ask the question: why is it more important to fund projects and programmes that may or may not work over those that we know will work? An innovation focus often means that foundations will fund projects for a short time before moving on to the next innovation. Social change requires long term intervention and it can take time for the project to begin to show significant

progress. An innovation focus can mean that projects falter through lack of funding before results become apparent.

It is important that foundations work with other funders both in putting together funding packages and in disseminating information about successful projects and programmes to each other. Where multiple funders are involved there is less risk to community organisations if an individual funder pulls out. Moreover if funders want to talk about the merits of collaboration it is important that they model the behaviour they advocate. The contrary view is that throughout history there have been those who have backed risky projects that have been hugely influential in creating social justice. Often they are a lone voice in support of unpopular causes and we would all be poorer if they had waited for others to agree to co fund.

It is difficult to see the difference between the second and fourth points. Orosz cautions strongly that those involved in grant making need to be careful, self critical and self aware to ensure that their actions and decisions are truly responsive to the needs of communities and societies. "No people do so much harm as those who go about doing good" according to Mandell Creighton (Cited in Orosz 2000:38). This message is seen as very important to grant makers who must at all times be aware of the down stream consequences of their grant making.

Orosz (2000) has some salutary advice for grant makers and suggests that they consider whether they are prone to the following temptations:

Believing the flattery – It is in the interests of grant seekers to develop positive relationships with grant makers and it is tempting to enjoy the flattery rather than recognising the self serving nature of this approach.

Surrendering to the whims of arrogance – it is important not to believe the flattery that tells grant makers that they are infallible. This can lead to grant makers believing that they have all of the answers and cannot learn.

Surrendering to cynicism – There is a temptation to consider that all compliments, even the well meant, are insincere.

Regarding the Foundation's money as your own – It is important to see the capital and income of the Foundation as existing for the benefit of the beneficiaries rather than as money that can be dispensed to achieve one's own goals for a community.

Doubting the worthiness of all applicants – It is important to ensure that the criteria to assess applications are robust. In an attempt to ensure fairness some grant makers adopt a strictly analytical process that can mean it is difficult to find any grant seeker who measures up. Thus there is a temptation to believe that all grant seekers are deficient. This can mean that the cutting edge, but not well presented applicant is discounted and an approach that has potential to add much is lost.

Finding value in all applicants – The opposite is that grant makers want to be kind to everyone and have trouble turning down applications.

Taking the easy way out - For many grant makers the sheer volume of work coming across the desk is sometimes overwhelming. It is tempting to procrastinate on the difficult phone call or letter or to skim read grant requests. This is not helpful in establishing quality relationships (Orosz 2000: 40 -44).

For many grant makers the environment is not one that provides accurate feedback. The researcher believes that for this reason it is important that grant makers put mechanisms in place that will help to ensure that they reflect on their practice. The case study in Chapter 5 which describes the independent review of the Whanganui Community Foundation is one possibility, along with supervision, peer discussion with others in the sector, discussion with non client grant seekers about their experience and advice to grant makers, and reading of provocative material.

Anheier and Leat (2002) is a good example of material designed to provoke honest self reflection. They pose a number of dilemmas for grant makers which are included at Appendix 2. The list is comprehensive and may prove uncomfortable to reflect upon. Nonetheless if grant makers are to be truly responsive to the communities they serve it is important to consider such dilemmas carefully. The experience of the researcher is that, in the grant making world, it is impossible to be all things to all grant seekers and there are choices to be made. There are grant

makers who claim to be neutral and, in the opinion of the researcher, this is a choice of the status quo which may or may not be desirable for a community. The list of dilemmas contributes to the questions that must be asked as a grant maker determines a philosophy.

While the first community foundations have been in existence for a considerable period there has been a considerable increase in their numbers more recently. Some community foundations take an active role in their communities and are highly responsive to the needs of their communities while others are more responsive to the needs of wealthy donors and focus on building a large endowment.

Community Development Role of Community Foundations

Community foundations have had rapid growth throughout the world over the past few decades, both in terms of the number of community foundations and their funds under management. A community foundation solicits funds from a community and manages them through investment and distribution so as to benefit the community. Typically funds donated by the community to a community foundation take a number of forms:

- Unrestricted Funds that can be used for any purpose such as administration, pass through to community organizations or endowment building.
- Pass through Funds where the individual or organization donating the funds requires the community foundation to manage the distribution process that may include research, drawing up agreements with recipients and monitoring.
- Donor Advised Funds where the donor has determined the philosophy of distribution and the community foundation carries out the wishes of the donor.
- Donations to specific purpose funds such as scholarships, children's needs or cultural activities.

In all cases the community foundation acts as an intermediary between the donor and donee which gives rise to a number of advantages;

- Small donations can be aggregated so that the amount received by a donee is an effective amount.
- Donors can have the community foundation as an intermediary monitor and evaluate the use of a donation which many donors find difficult.
- A fund can be created that will remember the donor in perpetuity that is more cost effective than other methods.

Over and above these advantages for the donors the existence and activities of a community foundation help to create a climate of giving and generosity within a community. There is also the potential for wealthy donors to become more involved in the life of their communities, especially if the community foundation takes a proactive view to this possible role of encouraging a broadening of donor interests. It is not unusual for the donor to become involved in the organisation, often contributing expertise or influence.

Some community foundations take the view that their role is to service the needs of donors and create an easier and better way for donors to give. They are concerned with encouraging the giving of donations so as to build an endowment. Others take the view that their role is to be more involved with the community and to match donors to the needs of the community. Another group sees a role in helping communities to develop and where appropriate takes a lead in bringing communities together around issues of importance to the community. Often a donor or donors fund the process and at the end of the process the community foundation may solicit funds from interested donors to try to implement the solutions that communities have developed.

The Canadian experience of community foundations has been highly community development focused. The umbrella body, Community Foundations of Canada has compiled a comprehensive range of resources and provides ongoing training for its members that encourages both exemplary practice and a community centred approach (Community Foundations of Canada, undated).

A very small number of community foundations are also involved in social policy development and advocacy. A prime example of this is the Minneapolis Foundation

which has organized campaigns around homelessness and trying to prevent cuts in government funding to community organisations (The Minneapolis Foundation, undated, Timpany, 2003c,14). The Hamilton Community Foundation in Canada (Community Foundations of Canada, 2004, Timpany, 2003c,15) has also run a campaign designed to change public attitudes to racism in their community which has involved both public education and grants designed to strengthen racially based organisations. Another example is the work of the Winnipeg Community Foundation in a disadvantaged neighbourhood of Winnipeg (Community Foundations of Canada, 2004). Typically these programmes are long term and multi faceted.

Community foundations are more likely to be involved in aspects of developing communities that are wider than the grant making role of most endowed or income grant making foundations.

Conclusion

While there is no theory as yet in the area of grant making there is a slowly growing body of writing that challenges many of the previously comfortable practices of the sector. As the sector moves from the previous Victorian views of charity to more enlightened grant making it is important that this challenge continues and a body of theory is established. It is interesting to note that the history of community development theory is reasonably recent and that a useful body of theory has been developed over the past three decades. The researcher would be delighted if such theory developed in the grant making sector.

The next chapter will examine community development theory, processes and practices.

For a grant maker to have a community development focus they must be aware of, and practise exemplary grant making. While this process that is respectful of the grant seeker is important, it is also necessary to understand the way that communities work. The grant making process is often focussed on the individual grant seeker. If we are to work towards building stronger communities this will also involve an understanding of how community organisations work with other organisations and institutions within the community and the processes that will result in stronger, more resilient and sustainable communities. This chapter will examine the concept of community, and consider the theory and practice of community development and also begin to look at these concepts from the perspective of the grant making sector.

What is Community?

The term community has multiple meanings.   It can refer to geographic location, people working together towards a common goal or people with some form of psychological tie that binds them together. An example of each style of definition is below. The definition required will often be situational.

Definitions include:

...people that live within a geographically bounded area and who are involved in social interaction and have one or more psychological ties with each other and the place in which they live (Christenson and Robinson, 1989:5).

Community is whatever sense of the local common good citizens can be helped to achieve. This perception of community is an achievement, not something

given by reason of geographic residence. It is not fixed, it changes as a result of experience or purposeful effort. It may even shift according to the problem that catches the attention of the citizen (Biddle and Biddle, 1965:12).

Community is a feeling that members have of belonging, a feeling that members matter to one another and to the group, and a shared faith that members' needs will be met through their commitment to be together (McMillan and Chavis, 1986:7).

What is Community Development?

Definitions tend to fall into two categories, those that emphasise the process of bringing people together, building networks, and improving community capacity while others focus on the achievement of improvements in the community. The following definitions illustrate the various perspectives used:

An educational approach which would raise levels of local awareness and increase the confidence of community groups to identify and tackle their own problems (Darby and Morris, 1975, cited in Christenson and Robinson, 1989:14).

Community development is the process of local decision making and the development of programmes designed to make the community a better place to live and work (Huie, 1976, cited in Christenson and Robinson, 1989:14).

The following definition integrates the two previous approaches:

Community development aims to educate and motivate people for self help; to develop responsible local leadership, to inculcate among the members of rural communities a sense a sense of citizenship and among the residents of rural areas a spirit of civic consciousness; to introduce and strengthen democracy at the grass-roots level through the creation of and / or revitalisation of institutions designed to serve as instruments of local participation; to initiate a self-generative, self sustaining, and enduring process of growth; to enable people to establish and maintain cooperative and harmonious relationships; and to bring

about gradual and self chosen changes in the community's life with a minimum of stress and disruption (Khinduka, in Cox et al., 1979:12).

Closely allied concepts are community organising and community building which can be considered to be components of community development. Definitions are as follows:

We conceive of community organising as a long-term relationship-building and capacity building process that attempts to identify, include and build upon a range of key resources, both internal and external to the community....The process includes: the identification of key local resources, the gathering of information about the community context, the development and training of local leaders to prepare them to serve effectively as representatives of the community and as full partners in an initiative, and the strengthening of the network of the various interests both internal and external to a community (Joseph and Ogletree, 1996:22).

Another connection to community development is that of community competence, the result of community development. This definition is helpful in that it could be used to assess a community. However it should be noted that it is possible for a community to behave competently on some issues and less competently on others.

A competent community is one in which its various parts are able to:
- *Collaborate effectively in identifying the problems and needs of a community*
- *Achieve a workable consensus on goals and priorities*
- *Agree on ways and means to implement the agreed-upon goal*
- *Collaborate effectively in the required activity* (Cottrell, 1976:8).

While community development processes are generally thought of as being positive, constructive and empowering, there is nothing in the above definitions that would rule out war, revolution or other violent activities.

The empowerment of communities is an important strand in community development and has its origins in Marxism and Socialism with their emphasis on both power and political action which in turn influenced writers from Central and

South America who were part of the liberation movement. Friere, Guiterrez, and Miranda were among the leading writers. These writers challenged those well meaning people who had attempted to 'develop' underprivileged communities with the message that true development needed to be driven by those affected who had insights that the privileged may not understand. They assert that good community development empowers rather than patronises; an important lesson for any grant maker (Friere, 1972), (Guiterrez,1973), (Miranda, 1974). At the same time Gramsci was defining power in communities as the manner in which ideas and beliefs in societies serve to solidify the power of the ruling classes and exclude the oppressed. Oppression by ideas is as powerful as physical oppression. In fact if the oppressed believe the ideology it can be even more damaging (Gramsci, 1971).

These ideas influenced Critical Theory and post structuralism and post modernism. Fay outlines four stages, which he describes as theories, through which a community will take control of its own situation (Fay 1987).

- The Theory of False Consciousness examines the way that power in a society is reflected through ideas, beliefs and structures and the manner in which these are transmitted and disseminated so that the oppressed believe them.
- The Theory of Crisis in which a crisis occurs, often as a result of increasing disparity which causes growing dissatisfaction, and leads to reflection on how the situation occurred. During this stage the oppressed will understand that the problems are structural rather than personal.
- The Theory of Education occurs as the oppressed come to terms with the causes and understand that there are means to move out of their oppressed condition.
- During the Theory of Transformative Action the oppressed develop strategies transform their situation.

Education is an essential element in critical theory as it is only through critical reflection and critical analysis that an understanding that will lead to meaningful action can occur. Indeed if we are to avoid violent methods of empowerment it is important that communities understand fully the consequences of any actions that they may take and have learned the lessons of history. Thus education can be a transforming element of community development allowing communities the insights

that are required in order to transform themselves. This suggests that an important role for the grant maker is to work alongside and support oppressed and disadvantaged communities to gain the tools through which education can occur.

While recognising the potential of community development processes to bring about positive social change and greater social justice they can just as easily lead to revolution and war when one oppressive group is replaced with another more oppressive group. There are many examples of colonised groups using war to overthrow the coloniser and substituting a different form of oppressive regime (French, 1986).

New Zealand has seen petitions, land occupations and other forms of protest as Maori have sought to move out of an oppressed state. The process that led to these protests reflects the stages of critical theory and is common to many indigenous populations (Munford and Walsh Tapiata 2000). Aotearoa New Zealand has been fortunate that there appears to be some change occurring in social policy and community behaviours that, while challenging and uncomfortable for some people, is peaceful.

Many of the themes in Critical Theory are also found in Poststructuralism / Postmodernism where issues of power are central to the analysis. Language and culture are often the instruments that are used to convey power. Where there is institutionalised injustice the community development practitioner has an important role in helping people understand that they are victims of structures and policy rather than having personal defects that lead to their situation.

A social justice model of community development requires that rights are publicly understood, adequately guaranteed and enforced and that people know their rights and feel able to exercise them (Ife 1995). This implies both education and empowerment are important factors in community development.

In order to be involved with community development from a practical perspective there are a number of factors that must be present. Munford and Walsh Tapiata suggest the following factors:

- In the Aotearoa/New Zealand context no community development practice can be truly valid without an understanding of the Treaty of Waitangi as the founding document of New Zealand and the subsequent history that has led to popular discourses that need to be challenged.
- Community development practitioners need to have an awareness of their own issues to avoid "dumping" on the community. If community development practitioners have unresolved issues they are in danger of seeing community issues through a distorted lens.
- Because so much of community development is about power relationships there must be a good understanding of the dynamics of power.
- Making a difference with communities requires a commitment to being an agent for social transformation through educating, empowering and providing access to resources.
- A vision of social justice is an essential element that underpins community development practice.
- The group needs to be seen as the paramount unit in community and the role of the community development practitioner is to always come back to group processes and group decision making that is inclusive.
- Above all there must be respect for the right of the community to determine its own vision and future. While this is often a long and complex process respecting this right will mean that the journey with a community will result in sustainable community development. (Munford and Walsh-Tapiata 2000)

Community development often involves having to work creatively, being a facilitator and accepting that solutions cannot be imposed and short cuts taken. Kenny (1994) argues that it is not an easy or comfortable process and requires a high degree of self honesty and awareness from the community development practitioner.

Mary Ann Zehr (1996) suggests that the way we look at communities has a subtle effect on them. This relates to ensuring that as community development practitioners we do not subscribe to discourses that can be disempowering. She proposes a way of looking at communities involving three points;
- Notice the connective structures, ad hoc and informal groups, not just big and formal structures.

- Be aware of community processes, not just legislative, official and programmatic ones.
- See people as citizens solving problems, not just clients.

John Kretzmann and John McKnight in their book *Building Communities from the Inside Out* (1993) use an approach that is parallel to strengths based approaches in counselling and social work and have coined the term, ABCD (Asset Based Community Development). This is an attractive approach in that it avoids the negative connotations so often associated with deficit models where what is wrong is ascertained and strategies are formulated and implemented to fix the problem. They suggest tools such as a capacity inventory that lists the talents and skills that are available to a community. They also give attention to the thorny issue of including and mobilising the talents and skills of those in communities who are often the "invisible voices". The approach can work on a macro or micro level; that is the community can create a capacity inventory or an individual organisation can compile a list of its own resources that can be used for community development. This approach, when applied to a grant maker, would mean that the grant maker will consider all of the resources it has that can be used for the benefit of the community such as money, intellectual capital, connections and influence and other assets such as building and equipment. When compared with Mary Ann Zehr's (1996) points above it can be seen that connective structures and community processes could be considered to be assets within this concept of an asset. Moreover the concept of seeing people as citizens solving problems links well with the idea of mobilising the "invisible voices."

Community development is a process that leads to the empowering and strengthening of communities. It is often slow and iterative rather than having a sequential flow. It is important that the process is controlled by communities and that it recognises the diversity of community. Advocacy is a central tool of community development. The issue of advocacy often brings groups into positions where governments are challenged. In many countries there is a restriction on advocacy if community organisations are to receive charitable taxation status or government funding. Derrick (1993) comments on this issue as follows:

The trend of governments to fund only those groups who support government policy or are passive and uncritical is a form of social control that is totalitarian.

Healthy debate, criticism and the empowering of people, not systems and structures, are the very essence of true democracy, community growth and development (Derrick 1993:14).

Rinku Sen (2003), a young community activist from the United States describes the practical reality of community development. She is very clear about the need to adequately research issues and to be aware of what is going on in communities. This involves coming to an understanding of the dynamics of communities and how those dynamics impact on members of the community.   Understanding though is not enough, there needs to be a commitment to action. She describes the process as follows:

Progressive activists can be most successful if we focus on two things: paying attention and taking action. One of these without the other limits our success. There are many ways to organise our people, to gain attention for our issues, to enforce existing social justice policies, and to make new policies that count. We can choose from a huge variety of tactics and organisational forms. But those choices have to be guided by a real understanding of what is going on around us and of how our people are affected now and will be in the future…..Paying attention is about being self conscious in the best sense- having a heightened awareness of what's going on with us and around us…

Without a commitment to taking action that will improve conditions, we don't demand the kind of information we need to make changes, and we become paralysed by what we know.   To avoid being bothered government and corporations often send us the message that things cannot be different. Capitalism cannot be reformed. Prisons cannot be closed. Child Care cannot be subsidised. Racism cannot be eradicated….

We have to do better. Something can be done to reverse the injustices caused by capitalism, racism, and we have to do it. No one else will do it but us.   And once we have done it we will have to do it again (Sen 2003: 183,184).

Having considered the community development process it is important to consider what we wish communities to develop into.   Social Capital is a concept that

describes the factors that will be present in strong communities. The following section considers the relationship between community development and social capital.

Community Development and Social Capital

Together with financial capital and human capital, social capital is a resource that society and community can utilise to build strong communities. The understanding of concepts of social capital has changed over the past century from a focus on social capital in small groups such as families or community organisations to now have applicability to larger social units such as large communities or even society as a whole. The concept can be applied at many levels. While there is debate about the precise definition, the following elements are generally thought of as being elements of social capital (Putnam, 1993):

- Civic participation
- Leadership (not necessarily in traditional forms)
- Trust and reciprocity
- Shared vision
- Communication
- Cooperation
- Neighbourliness and care for those who are disadvantaged

In the context of the grant maker it is important that there is a view about what makes for a good community and then a social change model that can move a community from where they are towards a better community. There is well researched evidence to show that communities with high levels of social capital enjoy many benefits, including better health status, higher educational achievement, lower levels of crime and faster economic growth. (Putnam 2000). These are all attributes that most citizens would see as worth aspiring to.

Views on what makes a "good" community will be many and varied and are subject to individual values. The adoption of the concept of social capital as a view of a good community has many advantages as follows:

- There is a well critiqued body of literature that describes the concept.
- There has been considerable work done on assessing levels of social capital in communities.
- The concept is inclusive enough to include a variety of values and has been used successfully in a wide variety of different cultures.

Major disadvantages of social capital are;

- It describes a good society without offering a way to get there. A high level of social capital with its attendant benefits is the aspiration rather than the pathway.
- Social capital can have both positive and negative aspects. Both groups working constructively to increase the wellbeing of communities and gangs involved in criminal activity could be demonstrated to have high levels of social capital.

In describing the ideal society I believe that there is a need to add a further a requirement to Putnam's list above that focuses on working for social justice.

If we consider the components of social capital and community wellbeing separately it becomes clear that the process of community development is compatible with achieving higher levels of social capital.

Civic participation

Civic participation occurs when citizens feel that they are engaged with their communities and that action on their part will make a difference. The process of communities working together to develop shared understandings of the social dynamics that affect them, strategising to find ways to improve their condition and implementing those strategies is part of civic participation.

Leadership (not necessarily in traditional forms)

As people become involved in decision making and implementation they will develop an intuitive understanding of leadership. During the education phase the community may also undertake training to enable them to better achieve their goals.

Trust and reciprocity

Trust and reciprocity develop in communities where people come to an understanding that the community members feel a sense of obligation towards each other and recognise that actions for the good of the community increase the likelihood that in times of need their needs will be met by others in the community. Community development processes that bring people together to understand the nature of issues in the community, and to find and implement workable solutions increases the belief that the community is capable of meeting the needs of its members.

Shared vision

One of the key aspects of community development is that members of the community will work together to develop a shared vision for the community. This will happen thorough citizens coming to deeper understandings of how they can work together to achieve a richer community that will provide more benefits for its members.

Communication

There are two aspects to social capital; bonding social capital which involves relationships within a community, and bridging social capital which involves relationships between communities with different characteristics. Such different communities may be defined by geography, socioeconomic status or field of interest such as education and business communities. Both forms of social capital are important. Frequently communication is a natural part of the process of community development within communities (bonding social capital) but it often takes intervention to encourage communication between communities (bridging social capital). The community development practitioner is able to play an important role in recognising readiness to communicate between communities and facilitating that interaction.

Cooperation

Cooperation will occur when individuals and organisations within communities understand that they are able to achieve more by working together than by working

alone. Community development processes that encourage the group gathering of information, discussion and decision making will lead to greater cooperation.

Neighbourliness and care for those who are disadvantaged
Many of the aspects of social capital are intertwined. For example components such as trust and reciprocity and communication will impact on feelings of neighbourliness. This component can operate on two levels, firstly the direct provision of care for those living in one's neighbourhood and secondly the desire of communities to ensure that those who are disadvantaged receive appropriate care. The first situation will be impacted by community processes that allow citizens to get to know their neighbours and the second through education processes that allow citizens to understand the nature of their community and the social dynamics that affect it.

Community wellbeing
Part of the community development process involves communities strategising to increase their levels of wellbeing and implementing those strategies.

Social Justice
Social justice will be a term that is understood differently by different groups and it is important that communities are able to determine their own view of social justice that does not involve other communities suffering as a result of social justice promotion. Many community development writers and practitioners would claim that the purpose of community development is to promote greater social justice.

Conclusion

This chapter and the previous chapter have discussed material on community development and grant making respectively. The next chapter will move on to consider a case study of the Whanganui Community Foundation, a grant maker that has moved from being a traditional grant maker to one with a community development focus that has become more involved in the life of the local community sector.

This case study examines a journey of a grant maker that has moved from "feel good" philanthropy to a more considered approach that uses a model based on community development principles.   This thesis will explore whether the journey has embodied good community development principles and processes and good grant making practice.   The thesis will also examine whether this model is peculiar to only the community in question or whether there are wider lessons for other grant makers.

Whanganui Community Foundation

The Whanganui Community Foundation began life as a statutory community trust formed from the privatisation of Trust Banks.   It has a board of ten trustees appointed by the Minister of Finance after consultation with the Foundation.   The researcher has been associated with the Foundation since its inception in 1988, firstly as Chair and since 1997 as the Chief Executive.

Much good community development begins with serendipity and intuition that is then refined through reflective practice and an application of theoretical principles. Such was the case with the development of a community development model within the Whanganui Community Foundation, then the Trust Bank Wanganui Community Trust.   What began as a one off marketing exercise became a community development programme.

In 1997 the Foundation undertook an analysis of donation patterns considered in conjunction with Social Deprivation Index statistics (Department of Internal Affairs, 1996) which indicated that funding could be better targeted towards addressing the causes and effects of social deprivation rather than the current mix of donations which was highly sport and buildings oriented, while the welfare component was dominated by what could be described as establishment charities.   That is not to say

that sport and buildings should not be considered, but that there should be a clear understanding of how the donation will be applied to build a stronger, more just and sustainable community. The issue arose of how to get the message to those groups that were most likely to be working with the target market. There were two issues, what was the marketing medium most likely to reach these groups and what was the message? Experience suggested that traditional methods such as newspapers would be more likely to reach the more "establishment" style market that was already over represented in donations statistics and, further the subtlety and complexity of the message was limited by the medium.

The messages to be conveyed were firstly that the Foundation was interested in social justice and social change, secondly that there was an understanding of the issues faced by the target market, thirdly, that the Foundation was accessible to a wider constituency than had previously been considered and finally that the Foundation did not have a predetermined position on the solutions and social interventions to what are complex and multi faceted social problems.

The eventual strategy was to hold a conference around the theme of building a strong community. Early decisions made were that there would be no compromise on the quality of speakers. It was important to underline the message that the Foundation valued the sector dealing with social issues, and that it should be free so that there was no barrier to participation and moreover there was an intuitive understanding that this was a gift to the community. It was however seen as an untried position and the board of trustees was very clear that this was a one-off experiment to be thoroughly evaluated before the next steps were determined.

There was consultation with the Iwi[1] over speakers and protocol. Invitation and registration forms were sent out with a request to pass forms on to others who may be interested. It was considered that 50 to 60 participants would be very successful. By the day there were 180 registrations proving that there was receptiveness to such a concept. The Iwi made the offer that they wished the powhiri[2] and other protocol to be their gift to the Foundation in response to the gift to the community – a very humbling experience.

---

[1] Local indigenous Maori tribal organisation
[2] Welcome

The speakers came from a range of perspectives and backgrounds and espoused a very broad range of views. In retrospect it can be seen that this strategy was a highly successful mechanism for soliciting innovative grant applications. The focus on building strong communities gave a message about the priorities of the Foundation. It provided an opportunity for community organisations personnel to take time to be stimulated, reflect, and hear of new ideas. It showed that the Foundation was prepared to take a risk and move into uncharted territory. It disseminated useful information and research about community needs from a variety of perspectives.

Such was the success of the day that the Chairman felt moved to promise more conferences; evaluation seemed to be redundant. It appeared clear that this strategy was satisfying an unmet need in the community sector.

However, despite the outstanding success, it was by no means clear what the exact nature of the unmet need was. A further invitation was sent to participants inviting them to a follow up afternoon to discuss what the next steps might be. From that meeting it was obvious that there were two professional development needs that were largely unmet; firstly a need to be stimulated and inspired by new ideas which in a provincial community are not easily accessible and secondly a need for skills training. On top of the promise of further conferences the Foundation agreed to provide training in generic skills but saw the issue of specific training as an area to be addressed through the grant making programme.

The other issue discussed was the perception that the community sector does not have a high profile and those present expressed the view that the sector is not properly valued by the wider community. To this end the Foundation agreed to buy advertising space in the local newspaper and contract a journalist to write up success stories about community organisations, both to raise the profile of the sector and to enhance the value of the sector. The third issue was that participants had valued the opportunity to get together and network. The Foundation agreed to set up forums from time to time where organisations could discuss issues of common interest and get to know each other. For many of the organisations present there was an excitement about being listened to and heard, coupled with

the Foundation being clear and straight about what it was prepared to do and what it saw as falling outside its role. It should be acknowledged that the provision of professional development is an important issue in a provincial community where access to training often means travelling to a major centre. The Foundation has taken the view that it is important to engage professional development presenters who are leaders in their field. Too often the community sector makes do with second rate and second hand. The provision of first rate speakers gives an important message about the status of the sector.

Since the first conference another has been held as well as workshops on governance, strategic planning, fundraising, employment, advocacy and lobbying, financial management, strategic leadership and charities legislation. Many workshops have been repeated because of their popularity. As well there have been meetings for the purpose of networking and exchanging information. The initial response of the community was one of gratitude and many expressed that they felt privileged to have the opportunity to attend professional development activities. Many recounted talking to colleagues in other parts of New Zealand who were envious of what was provided. Some five years later there is a sense that this is just what the Foundation does and there is an expectation that this is a normal part of their activities. Many participants feel comfortable about making suggestions about workshops that they would find useful.

Some two years later the proportion of donations going to the welfare sector had increased from 11% to over 40% by value of donations distributions and is currently around 50% of donations (Trust Bank Wanganui Community Trust, 1997, Whanganui Community Foundation, 2000, 2004). Of equal importance was the impact of the community development activities on the quality of service delivery, innovation, collaboration and disciplined practices. Community organisations now talk about having a higher expectation of themselves. While hard to measure there is ample anecdotal evidence of substantial value to the community.

A recent comment was made by a community worker about how much easier it was to change jobs because she did not have to make new networks, despite moving from an organisation focussed on education to an organisation focussed on disability support.

There are now numerous examples of organisations working together. One example is of four organisations working together to enable a professional development programme on strengths based approaches to happen. Another is of collaboration between a sporting facility and youth services organisation.

In early 2001 a decision was made that, in view of the experimental nature of the Foundation's activities, there should be a review undertaken. It was seen to be imperative that an independent expert be engaged as the potential power relationship between a funder and beneficiaries may lead to unreliable results if the Foundation undertook the review itself. Genevieve Timmons of Melbourne was chosen to undertake the review. She has extensive international experience and is a graduate of the Johns Hopkins Philanthropy Fellows Programme. She was chosen because of her independence, previous experience in evaluating grant makers and because of her ability to call on international best practice in making recommendations. Genevieve was given the freedom to contact whomever she chose and free access to all records. She undertook an extensive process of focus groups, individual interviews, and questionnaires with both successful and unsuccessful applicants from all sectors of the community as well as other funders and local authority leaders. Before committing to the exercise trustees and staff were clear that whatever the outcome there was a commitment to publish a summary of the results and what would be done as a result of the recommendations. This was a courageous position but an essential element in maintaining faith with the community, made easier in the event because the results were very affirming. This was done in the annual accountability report published in the local newspaper.

The objectives of the review were threefold; firstly to reflect on the progress of the Foundation in meeting the expectations of the communities it serves, from the perspective of a representative selected group of involved organisations, secondly to identify Foundation activities that are valued by the these organisations in the communities served, and which they wish to see more of in the future, and lastly to present new options and challenges for trustees and staff of the Whanganui Community Foundation as they planned their future role and directions (Timmons 2001).

The results surprised the Board who expected that grant making would be seen as most important. The community ranked the community development activities and capacity building as the most important activity of the Foundation, followed by access to the Executive Director to draw on her knowledge, skills and experience, and lastly the grant making activities. Many of the recommendations were centred on the enhancement of the community development function. An important lesson was that a grant maker has many assets other than money that can be used to enhance community.

Major reasons for the value placed upon the community development activities were firstly relevance of the activities to the training needs of organisations, secondly, the generation of creative and integrated solutions as a result of exposure to new ideas, thirdly the value to organisations of networking opportunities which increased cooperation and collaboration and finally the sense of being valued and cared for. (There are always chocolate bars, disprins, pads, biros or similar in conference packs and these were hugely appreciated). There is a real need to care for those in the community who do the caring.

Since the review trustees have adopted a new strategic goal of creating a giving community and culture of generosity. Initiatives to date have included facilitating the establishment of an independent Volunteer Centre, and establishing a funded Youth Grantmakers Committee. Also planned are the setting up of a service to solicit donations and advise donors on informed giving to encourage a greater sense of citizenship and connectedness, and a marketing campaign to encourage giving. A challenge grant which matched dollar for dollar donations towards the cost of an MRI scanner has both encouraged the community to give to an important community asset but has also highlighted the awareness of the role health services play in a strong community. The service will also encourage corporate giving and volunteering. Generosity of spirit, time and money are all seen as essential elements of active citizenship. An involvement of donors within community organisations is seen to have concientisation potential. A campaign entitled Practise Random Acts of Kindness will begin in early 2005 that is aimed at encouraging members of the community to improve the quality of life in the community by small acts of kindness to others.

The focus on building social capital has led to two initiatives. Firstly a conference about social capital where two hundred community participants heard from experts and were able to work in a facilitated session to consider how the concept could be used in their organisations. The second initiative was designed to build bridging social capital and is achieved through the holding of lunches around ten times a year. The invitees are chosen from arts, business, education, environment, health, central government, local government, health, sport and welfare sectors. Each is asked to speak briefly about the important, exciting and challenging issues facing their own organisation as well as their perception of the important issues facing the community. Discussion is always rich and spirited. The linkages made are proving to be helpful in community networking. There is also evidence of a greater understanding of the wider environment being taken into account in planning in most sectors.

In conjunction with the Wanganui District Health Board the Whanganui Community Foundation has embarked on a project to consider strategies to improve the well being of children in the community. This will follow a community development process, firstly working with the community to develop an understanding of the issues the community wishes to address. It is planned to involve people from a variety of sectors including health, education, welfare, sport, and justice. Information will be disseminated through a conference and the publication of a booklet describing the status of children within the community. A facilitator will work with both sectoral and intersectoral groups to develop objectives and strategies for the community. Funding and service delivery can then be aligned to the priorities of the community.

In mid 2004 the Foundation asked a group of community organisation personnel to develop a new purpose statement for the Foundation. The statement developed is as follows:

The Whanganui Community Foundation exists so that people of the Whanganui region are connected with their communities and experience greater well being.

It was a bold move to allow the community to develop the purpose statement, but for the Foundation the result reinforces the philosophy that the Foundation has developed and adds legitimacy to its operations. It is also a strong message to the community sector that the Foundation is committed to being responsive and having an open approach to the community. While a large risk, the process will have further developed the open and trusting relationships that are valued. The statement from the community used different words but expressed the purpose statement that trustees had worked on. It was a useful check that the views of both trustees and community were aligned. The resulting purpose statement is a useful framework within which to make decisions and in retrospect it is interesting to note that past decisions reflect the purpose well. The statement also gives a clear framework for accountability reporting.

This purpose statement also makes explicit what may have formerly been regarded as an implied social contract between the Foundation and community. It would also appear that the nature of the developing relationship between the Foundation and community has resulted in a shift from an expectation of giving donations to community organisations to a much wider community development focussed role. It is clear that the grant making function has moved from being the primary focus to being one of a number of strategies.

As a grant maker the Whanganui Community Foundation has been clear that its role is to facilitate rather than to determine community priorities. This has been done through providing information, encouraging collaborative and holistic approaches through networking and responding to resulting grant applications. Competition in the sector has been reduced and collaboration increased considerably by rewarding cooperation rather than competition.

The Whanganui Community Foundation has built a relationship with Iwi over this time. At present there are three kaumatua[3], Archie Taiaroa, Julie Ranginui and John Maihi, who are consulted as issues requiring input arise. Maori trustees are nominated to the Minister of Finance for consideration after Iwi consultation processes. The relationship recognises that the skills of investment and distribution which are important to Iwi can be learned within the Foundation while Maori

---

[3] Elders

trustees bring an important perspective to decision making. The mutuality of this relationship is valued by both parties.

The Whanganui Community Foundation has been recognised both nationally and internationally for the work it has done as a grant maker exploring new ground. The Foundation describes the process as a journey of discovery and new insights that has by no means reached a final destination. The journey to date has been one of challenge and excitement and sheer hard work that has been ultimately rewarding for both the community and the Foundation.

The focus on community development began almost by accident and has been refined and developed as a result of research, reflection and conversation. The case study shows that the adoption of a community development model by a grant maker can have positive results for a community.

Having considered the literature that inspired and informed the case study the next chapter will consider the methodology used to determine whether the community development model has wider applicability to grant makers and how the work of the Whanganui Community Foundation can be further enhanced.

The Research Journey

Community development is often a journey of intuitive action. The learnings from this process can then be reflected upon and assessed against theory to refine practice. A practical knowledge thus gained should result in more responsive practice with less likelihood of unintended consequences. As an experienced practitioner in the sector there was a sense of having moved steadily towards a community development focussed model but that there would be considerable benefit to be gained from undertaking the discipline of scholarly research. The researcher has made presentations and conducted workshops both in New Zealand and overseas and the preparation process has been useful in encouraging reflection and development. It was hoped that the research would expand this process and bring new dimensions and insights that could be translated into better practice.

The research objectives were formulated as follows:

- To gather information relating to the theory and practice of grant making and community development.
- To analyse information relating to potential roles of grant makers / philanthropic bodies in contributing to community development.
- To develop a model of grant making that contributes to community development.

In formulating the research questions Patton (1990) says;

There is no rule of thumb that tells a researcher precisely how to focus a study. The extent to which a research question is broad or narrow depends upon purpose, the resources available, the time available, and the interests of those involved. In brief, these are not choices between good and bad, but choices among alternatives, all of which have merit (Patton, 1990, 23).

Ethical Issues

Before interviews took place ethics approval was sought from the Massey University Human Ethics Committee (Appendix 3). It was recognised that the main potential area of harm for interviewees would be reputational. The submission to the ethics committee contained assurances that those participating in the research would not suffer negative consequences as a result of their participation. Process and an outline of the questions to be asked were part of the application which was granted.

Because the main risk to participants was reputational the researcher chose to send drafts of the results and analysis chapters to the interviewees rather than copies of the transcripts. When material is presented in a particular context different nuances and inferences may be drawn compared with what might be the case in a different context. Moreover because some of the interviewees were also published it gave the opportunity to reflect on how the published work had been presented both in association with the interviews and other published work. The interviewees sometimes had multiple roles in relation to the researcher; participant, colleague and friend. It is easy when talking with a friend for there to be shortcuts in language or references to common experiences. Several interviewees took the opportunity to tidy up quotations to make them more easily understood, while not changing the original intent. Interviewees responded to the two chapters with a generosity that included making very helpful observations about content and structure, an added bonus!

While there are protocols that are designed to ensure the safety of participants over and above these protocols is a wider responsibility that requires a frame of mind on the part of the researcher.

> *All social research is potentially liable to influence social policy, once its results are made available. Arguably this gives all social science researchers a moral responsibility to consider the effects that their research might have upon vulnerable groups in society, even if the research was not conducted in a conscious attempt to influence policy (Finch, 1986,2)*

The role of the practitioner / researcher provides a number of challenges. While it is a pretence to think that any social research can be totally objective there are extra issues to be considered when the researcher is a member of the group being researched. Tolich (2001) makes the point that the insider can also be considered to be the "insighter" and as such has valuable perspectives gained from personal experience that allow for a more discerning analysis of information. In addition the researcher will also have an inside knowledge that will allow for easier access to and consequently the selection of information rich participants.

Insider Research

While acknowledging these obvious benefits from insider status it must also be acknowledged that there is a fine line between insight and bias and that insider knowledge of participants may allow the choosing of interviewees who have a similar viewpoint to the researcher.

In order to guard against bias the researcher chose two samples to interview, one from a grant making perspective and the other from a community development perspective. It was expected that even if the grant making group had the same bias as the researcher the community development group could have a different perspective and the differences could then be explored in the research. In the event there were no discernible differences in the interviews that could be ascribed to being part of either sample. Those involved in grant making were from outside New Zealand, mostly because there has been little academic work in Aotearoa / New Zealand. This also gave the advantage of being exposed to the grant making culture of countries other than Aotearoa / New Zealand. Finally those who were chosen needed to meet the criteria of being academics or leading grant makers and to be recognised as being leading and provocative thinkers. I acknowledge the contribution of these interviewees to my own practice and their ability to provide stimulating and provocative challenge.

Tolich (2001, 60) quotes Shane Town who wrote;

I wanted to acknowledge the shared experience/s I had with the participants. In disclosing my own motives for the research and the history I was able to

make my theoretical approach, methodology and analysis transparent to the participant (Town 1999:79).

The point made here is important, that is that where there is the potential for bias the open disclosure of involvement allows the reader to make their own evaluation of any possible bias.

Interviewees from Aotearoa / New Zealand were chosen on three criteria:

- Knowledge and experience of grant seeking
- Knowledge and experience of community development theory and practice.
- They must not be potential grant seekers from the organisation for which the writer works.

The last criterion is important from an ethical perspective and overall research integrity perspective. It would be unfair if an interviewee who was also a grant seeker from the writer's organisation gave information in the course of the interview that would not be available normally to the interviewer and this information either prejudiced or advantaged the interviewee's organisation. Diana Leat often says that for a grant maker there is no such thing as a bad lunch nor a sincere compliment(Leat, 2000 unnumbered). Because of the power that comes with controlling resources, many grant seekers will often tell the grant maker what they think the grant maker wants to hear. Had this happened there would be potential to compromise the quality of the information. Choosing interviewees from outside the area of operations of the writer's organisation avoided this issue.

The other area of concern is that I developed the model used in the case study which was then refined in discussion with trustees over time. There is a tendency for a higher level of commitment to models that we develop ourselves and a greater difficulty to consider them critically and objectively. Self delusion is a constant possibility. Two measures have been taken to try to protect against this self delusion. Firstly the Foundation's commissioning of an independent review to assess the effectiveness of the organisation and solicit feedback from the community and secondly supervision where the role of the supervisor is to critically question philosophy and practice.

On a wider level the research was also designed to ensure that the model was rigorously evaluated against theory and the views of the interviewees, recognising that self honesty is important to future progress.

Access to participants was gained because of previous personal contact. I spent six weeks on a study tour of England, the United States and Canada in September and October 2003. This gave the opportunity to spend time with each of the interviewees. Contact was made with each of the interviewees prior to leaving New Zealand. If the study tour had not made it possible for the interviews to be conducted personally telephone interviews would have been used. The wealth of knowledge and experience of each of the overseas participants meant that the information and perspectives they brought to the research was well considered and insightful. It is disappointing that this level of academic knowledge and experience was not available in New Zealand as the impact on practice of New Zealand's unique bicultural environment could not be easily explored.

When I looked for theory against which to assess community development based grant making practice there was little to be found. There was material around community development theory which needed to be translated into grant making culture but very little material that combined grant making and community development. For this reason the areas were considered separately and the Analysis chapter was used to integrate this material along with the interviews.

The Analysis chapter proved a challenge with four of the interviewees being writers against whose theory the interviews were compared. In these cases the interviews with the particular writers were not compared with the material from their interview except where there was evidence of further thinking on the area that emerged during the interview or where other comments added to the theoretical material.

Research Framework

"There are no perfect evaluation designs, only more and less useful ones" according to Patton (1990). When undertaking research there is not a formula that can be fitted to all situations. Rather the research questions must be carefully formulated and these will then dictate the nature of the methods to be

used. In this case the main reason for undertaking research is to improve the quality of practice both in the researchers own organisation and in the grant making sector. Improvement in practice will come about from an added clarity of philosophy and for this reason the material collected will be more qualitative than quantitative.

Patton (1990, 15) notes that within a university context there is an hierarchy of research with high status being given to more quantitative forms of research and lowest status being given to qualitative forms of research such as formative research and action research. Status is not the same as validity and he also notes that the status hierarchy is reversed in the real world setting.

Babbie (1989, 39 - 53) describes the processes of deductive logic, which starts with theory and moves to observation and inductive logic which begins with observation and moves to theory. In practice there is an interaction between the two processes with an alternation of induction and deduction. In this case the research is mainly inductive, that is the observations are made and conclusions induced, but there is also some interplay with deductive processes.

Palfrey et al (1992) use the following questions which are to be addressed in policy research

- When is an evaluation needed into particular policies?
- Who should carry out the evaluation, and how?
- What information is to be collected, from whom, and how?
- What criteria are to be used in assessing the information, and how are they to be weighted?
- How, and to what extent, are the results of the evaluation to be acted upon?

While these questions suggest a useful framework they are more aligned to quantitative than qualitative research. For this reason the concept will be used but the questions modified to reflect the nature of qualitative research.

It can be argued that these critical questions, or their equivalent, are also applicable to other forms of social research. They will be used as the framework for this chapter.

When is a study needed into particular processes and practices?

The decision to undertake the research was made because of two factors; firstly the dearth of information about this area and secondly because the area of grant making is one where to date there has been very little critical analysis of the role of the grant maker. It is clear that there is a lack of understanding on the part of many grant makers about the sector, or sectors, in which they operate. While most would claim to be part of the community sector, the reality is often different with many filling the gaps left by government part funding of services and programmes or the adoption of business models that emphasise the need for structures and disciplines that are more suitable to the attainment of commercial objectives than community objectives. It was therefore seen to be important to consider what the role of a grant maker might look like if a community development framework and values underpinned the operations.

Another reason for the research is the need for more research into grant making practices. There are few grant makers who have a clear model of social change that underpins their activities. While many would claim to be there to "make a difference", the question "how will you make a difference?" is difficult for most to answer.

Who should carry out the study, and how?

I was unaware of others doing research on this topic, or of any discussion within the grant making sector that addressed the issue. As a practising "philanthrocrat" with an interest in community development who has moved down this path to some extent it was felt that it would be advantageous to informed practice to research the topic. Moreover as a philanthrocrat there is access to and knowledge of resources that may not be available to those outside the sector. A passion for the topic is always a strong motivator. Passion does however carry with it the potential for self delusion and the researcher has put in place several strategies to try to prevent this. These have included clinical supervision where the role of the supervisor has been to ensure honesty and lack of self delusion. A purposeful choice of interviewees with a strong understanding of community development and sound independent thinking also meant that during the interview process there was potential for disagreement. A choice of interviewees with grant seeking and community development experience who have the potential to have a very different perspective from

grant makers meant that if I was looking though a grant making lens that ignored the perspectives of grant seekers it would become apparent.

What information is to be collected, from whom, and how?

Information collected falls into five categories;

- Literature which was collected from a variety of sources including journals, books, conference papers and websites.
- Theory. This thesis aims to find material at the intersection of community development and grant making. Community development theory is widely available but to date there is no material on grant making theory. For this reason material has been included that describes exemplary practice in grant making.
- Interviews.
- The case study showing one example of a community development focussed grant maker.
- Prior knowledge of the researcher.

Bell and Newby (1976) assert that there must be a relationship between episteme and techne; that is it is not possible for social research to be a purely technical exercise. Without a sense of feeling there is no possibility of the flash of insight. The ability to add such flashes of insight often comes through interaction with people and is less likely in document based research. For this reason the inclusion of interviews with individuals helped to gain practical insights and perspectives that would complement the writing in the area. The experience of this research is that while the theory and information provides a useful framework and valuable information it is the interaction within the interviews and the richness of comparing a set of interviews that provides that spark of insight.

The sampling method combines two approaches within the purposeful sampling process. The first is critical case sampling where the participants are chosen because they are able to make a point clearly or are important in the scheme of things. The second is criterion sampling where participants must meet a defined set of criteria (Patton, 1990, 174 – 176).

Two sets of interviews were undertaken. The first were with academics and leading grant making practitioners. These people all have considerable experience and are highly regarded in the sector. They were chosen because of their thoughtful contributions to the field of grant making and because they have considered related issues. The interviews attempted to ascertain whether the conclusions that could be drawn from the literature review, community development theory and exemplary grant making practice were valid and had the potential to advance the practice of grant making as well as considering potential roles that would complement grant making and enhance and support the activities of community organisation beneficiaries. All interviewees were based outside New Zealand. The grant making sector in New Zealand is small and there are currently no academics or consultants in the grant making sector within New Zealand. Those chosen were known personally to the researcher and are people who have provided stimulating and robust input into many of the cutting edge debates within the international arena. The researcher was fortunate to obtain funding in 2003 to spend six weeks overseas studying grant making. While the purpose of the grant was not directly related to this research it provided an opportunity to meet with a variety of grant makers. This allowed for face to face recorded interviews.

A purposeful sample was selected as the intention was to gain an informed perspective on issues that underpin the grant making process. An initial decision was made to interview three people, all of whom have very wide experience in the grant making sector. Two were from the United Kingdom and one from the United States. The choice of two countries was to ensure that if there was a marked difference of philosophy that appeared to have a regional basis then this would emerge. Had this occurred it would have been important to have interviewed a further person from North America to test whether this was regional or personal. Because the international community is not large and there are a limited number of people writing, most read the work of others carefully and this would suggest that views on what constitutes good grant making would be reasonably consistent. In the event there was a high degree of consistency. A subsequent interview was carried out in Canada when an opportunity to collect information rich material presented itself.

The second group interviewed were community development practitioners with practical knowledge and experience of the grant seeking environment. All were based in New Zealand. This group was chosen as having an insight into the

needs of grant seekers rather than grant makers and thus able to provide a reality check that the potential roles of the grant maker would be accepted by the community sector as supportive and empowering rather than a patronising imposition. While many community development practitioners in New Zealand are found within local authorities these people were not considered as they have little first hand experience of grant seeking. Many local authorities do some grant making or similar activities and this was seen to defeat the intention. Finding other people with an in depth understanding, knowledge and practical experience of community development as well as grant seeking experience proved to be difficult.

Because the research looked at the intersection of grant making and community development it was important that groups of interviewees with interests in both grant making and community development were selected. The information gathered could then be analysed to ascertain whether the perspective of the interviewee would lead to a different outcome.

The researcher wished to know if potential community development focussed activities would enhance and support the activities of community organisation beneficiaries and whether current practice was seen to be supportive of a community development approach.

Because the thesis was based within New Zealand it was considered that at least one of the interviewees should be of Maori descent and all should have a commitment to a Treaty of Waitangi based practice model. While many of the commonly held values ascribed to the community sector have their equivalence in Maoridom there are also differences. For example, concepts of whanau, hapu and iwi are similar to the concept of community, volunteering and the sense of obligation or duty, and the grant, gift and koha all have many elements in common but there are also differences and so an absolute equivalence cannot be assumed. For this reason it is important that the sample allows for the inclusion of views that reflect the bicultural nature of Aotearoa New Zealand.

A purposeful sample was chosen as, again, the intention was to gain an informed perspective on issues that impact on grant seekers. A decision was made to interview three people, all of whom have an understanding of community development and knowledge and experience of the grant seeking process. Two interviews were carried out with Pakeha practitioners and one

with a Maori practitioner. This was to ensure that if there was a marked difference between ethnic groups then this would emerge. Had it shown up it would have been important to interview a further Maori practitioner to confirm or dismiss the view that differences in perspective were related to ethnicity rather than personal perspectives or experience. It would be unusual in Aotearoa New Zealand to find a community development practitioner who did not have a reasonable commitment to Treaty based practice so it was expected that there would not be notable discrepancies within the sample.

It was decided to use the same questionnaire for both samples so as to allow direct comparability between the samples. Questions were chosen around themes and were constructed from material that arose from the literature.

All interviewees gave written consent to be interviewed and to be identified. The option of confidentiality was available but was not chosen by any of the interviewees.

Those interviewed were:
International Academics and Leading Grant Makers

Steven Burkeman, a former Trust Secretary of the Joseph Rowntree Charitable Trust, York, United Kingdom, which is recognised as one of the most influential and social justice oriented grant makers in the United Kingdom. Steven now runs a private consultancy specialising in the philanthropic sector. He is a well known international speaker and has published a number of articles.

Dr. Doug Easterling of Winston Salem, North Carolina is currently Professor of Public Health at Wake Forest University, North Carolina. He has a long experience in advising a diverse range of organisations in the grant making sector and has written extensively in this area as well as speaking internationally.

Dr Diana Leat is a United Kingdom based academic who has written extensively about the philanthropic sector as well as undertaking private research for specific organisations within the sector. She has also spoken internationally many times. Diana currently holds a senior position at the London School of Economics.

Monica Patten is President and CEO of Community Foundations of Canada. Under her leadership Community Foundations of Canada has promoted exemplary grant making practice and has also been involved in projects to promote social justice and neighbourhood grant making projects.

In Aotearoa New Zealand the community development practitioners chosen were:

Sue Bradford, M.P. who has a long history of working with disadvantaged groups from a community development perspective. She retains a connection with several community based groups involved in seeking to achieve a greater level of social justice.

Dr. Robyn Munford is a Professor of Social Work at Massey University, Palmerston North. Her areas of academic interest include community development, disability and women. As well as her academic work Robyn has also had considerable experience in the community both in paid and voluntary capacities.

Dr Leland Ruwhiu lectures at Massey University. He is interested in the use of sport as a community development tool for young Maori and is actively involved in the Highbury Whanau Centre, working with urban Maori youth.

The researcher has been involved in grant making since 1988 and has had a particular interest in community development. During this period she has been involved in both governance and then management of a grant making organisation. She has also had opportunity to observe the operation of other grant making organisations both in Aotearoa/New Zealand and overseas.

What methods are to be used in assessing the information?

Information collected was analysed in groups of questions and compared across all interviewees. Because the first group of interviewees came from a grant making perspective and the second from a community development perspective it was important to look for similarities both within and between groups. This was important as a mechanism to ensure that conclusions were robust and not biased by the perspective of the interviewees. Where there was agreement between both groups that would add validity to conclusions based on that

information. Information from both groups was accorded equal weight. Acting from an informed base means being informed both by those who have an analytical perspective and those who have a more emotional perspective. In both groups there was a lovely balance of values based information and sound analysis.

How, and to what extent, are the results of the study to be acted upon?

Information learned will be used to inform practice by the writer. It will also be available to others who may be interested in the approach.

Conclusion

This chapter has discussed issues relevant to the methodology chosen for the research. This included ethical considerations, the samples chosen and the insider status of the researcher.

The following chapter will consider the results of the interviews which will then be compared with the literature in the subsequent chapter.

Introduction

Seven interviews were conducted, four with academics and leading practitioners of grant making from overseas and three in New Zealand with people who have a good understanding of both community development and an experience of grant seeking. This was done in order to be able to contrast the views of grant makers and grant seekers. Both samples were purposeful samples. A semi structured interview process was used. The interview questions have been used to structure this chapter. The views of all seven participants will be presented under each heading.

Community Development

The first question of the interview related to a definition of community development. This was done to ensure that information given later in the interview could be assessed in the light of the definition being used.

Community development can be seen as a process rather than a theory and as such is situational and guided by philosophy rather than rules. The respondents identified some key principles. The common theme of all but one of those interviewed was a definition of community development that emphasised a bottom up approach and stressed the importance of respecting the rights of those affected by disadvantage to make their own decisions and to control their own destiny.
Doug Easterling defined community development as follows:

The most important part is communities stepping into their own power. That means people taking responsibility for their own well being and deciding for themselves in an informed way how to make progress towards their own objective. And that involves a lot of consciousness raising. It involves developing skills, becoming leaders, then moving beyond the individuals to

developing networks that allow groups to do the things that individuals can't do on their own, such as sharing ideas and developing a common purpose.

The interviewees agreed that it was situational and that there was no one size fits all approach. There was a consistent theme that in order for community development to be effective it needed to recognise that communities do not operate as isolated units, nor can there be a compartmentalisation of aspects of community life. Thus it was seen that cultural, economic, environmental, spiritual and welfare aspects of a community can not be developed in isolation and that there needs to be an integrated approach. Sue Bradford, Robyn Munford and Leland Ruwhiu pointed out, arts and culture, the environment, sport or other areas are often the vehicles through which community development is achieved. Leland Ruwhiu noted in particular the role that sport played in working with Maori youth. He said:

First they make a connection with the sport and then they make a connection with the whanau who are there helping... We are now seeing rangitahi (youth) moving on to university education at Massey. I hope that one day we will sit round the table together and I'll learn from them too.

Linkages were made to the concept of social justice as the ultimate objective of the community development process. One interviewee, Diana Leat, made the point that there was evidence in the United Kingdom that an approach that worked at targeting politicians and changing public opinion in order to promote legislative change had considerable impact. In this situation the Foundation concerned had listened carefully to many voices from society, and had done substantial research to determine both the effectiveness of current social policy and community opinions. With this information it was using its power and influence to create social change from the top down. This was underpinned by the view that there is often a cultural gap between those with power who shape society and communities and those who are disadvantaged. This can take the form of differences in language used, ways of behaving, dress, and many other small but significant behaviours. It was felt that as grant making foundations often have access to influence and resources there is a responsibility to listen carefully to the voices of those who are disadvantaged and to act as a broker on their behalf and as a resource to help

them gain the skills to be able to advocate on their own behalf and to open doors for them.

Despite the belief that a bottom up approach was important there was general agreement that a community development practitioner who could act as a facilitator or catalyst in a community could be a very positive aspect of the development process. Robyn Munford cited Gramsci and discussed the role of the community development practitioner as follows:

> *Gramsci calls the community development worker the organic intellectual. And they are the ones who have had maybe the privilege of formal learning that enables them to know the nature of society. I think there is a role but it is about how you do that role. It is about, for a start, knowing that oppression is many faceted. It is about understanding multiple subject positions, that just because people are oppressed in one way they may not be in another and you harness that to bring about change.*

Most made the point that those communities that are disadvantaged in society are often unaware of the institutional nature of disadvantage and need to understand their own strengths so that they can begin to take a greater control of their lives. It was seen that the community development practitioner had an important facilitative role to fill. The reasons for this were that:

- the process is often faster with a community development practitioner who is able to see in from the outside with a greater clarity than those who are in the position and is therefore able to carefully guide the community to a realisation of its issues faster than they would come to that realisation themselves, if they ever come to that realisation.
- a community development practitioner who is aware of potential problems can often help the community to find solutions that will bypass those problems. A skilled practitioner will often have knowledge and experience of similar situations and is therefore in a position to anticipate the crisis points and help the community to avoid those crises.

- a practitioner is able to provide teaching and coaching so that processes learned become replicable in other situations where a community development practitioner is not available to the community.
- a community development practitioner is able to help the community become aware of its own strengths and thus enable them to gain the confidence to develop those strengths.

There is a fine line between a bottom up approach which involves a community development practitioner and a top down approach. What distinguishes the two different approaches is the role played by the community development practitioner. In the situations referred to above it is clear that the role of the practitioner is facilitative rather than decision making.

Grant Makers working from a community development model

Those interviewed were asked if they were aware of any grant makers who operate out of a community development model. Neither those interviewed internationally nor those interviewed in New Zealand were aware of any who used a community development model to underpin all of their activities and decisions. Despite this all were able to give examples of grant makers who operated in a manner consistent with a community development approach in some aspects of their operation. Within the United Kingdom the Joseph Rowntree Charitable Trust and the Joseph Rowntree Foundation, both of which have a strong Quaker ethos were cited by Steven Burkeman and Diana Leat as were the Esmee Fairbairn Foundation and the Northern Rock Foundation. In Canada a number of the well established community foundations and in the United States the Winston Salem Foundation, the Community Foundation of Greater Greensboro and the Minneapolis Community Foundation use community development principles. In New Zealand those mentioned were the JR McKenzie Trust, Projecta Foundation, Whanganui Community Foundation, The Tindall Foundation and the Lotteries Grants Board in conjunction with the Community Development Group of the Internal Affairs Department. It was also noted that it is often individuals within organisations who promote a community development approach through the way they interact with the community. This means that a community development approach may be dependent on the personnel involved and could be lost if there are changes in

personnel. Community development activities took many forms and included supporting community development:

- through the grant making process, especially by those grant makers who had an emphasis on social justice. This will usually take the form of being prepared to make grants to those groups that are often marginalised by society and are trying to make sustainable changes in the lives of particular groups of their beneficiaries.

- through the dissemination of relevant information. This includes commissioning and dissemination of research on issues relevant to the community or the dissemination of material that is sometimes difficult or expensive to obtain. A very strong example of this was the work of the Joseph Rowntree Foundation which has commissioned research into a number of social issues and has disseminated this information in a brief four page form and by way of full reports, targeting both social service agencies and policy makers.

- through capacity building for community organisations. This is done either by direct provision of relevant seminars, workshops, conferences and networking opportunities or by funding grants for community organisations to be used for those purposes.

- through the provision of advice or mentoring services to community organisations. Grant making trusts have often seen most situations that can befall community organisations and have the benefit of learning from observation and experience. They are in a position to be aware of effective strategies to cope with many of the situations they may face. Some grant makers are also prepared to make grants to pay for professional advice.

Over and above specific activities there is an attitude to community that permeated the organisations named. This is characterised by a respect for communities, a desire to work alongside those communities and to understand the real needs so as to be responsive to them.

Is a community development model a feasible model?

All but one respondent, Diana Leat, agreed that it was a feasible model for a grant maker and all considered that it was desirable for grant makers to have some form of model that guided their decision making. There was general agreement that too many grant makers have either ill defined or no social change models and this is often reflected in their decision making. It is sometimes difficult to discern any pattern or strategy when evaluating grants and activities of some grant makers.

Diana Leat's dissenting voice is important in that the ideas that underpin her views are very useful and instructive for grant makers. She said:

> *I think that notion that social change comes solely or even primarily from the bottom up is highly debateable. And I think that's being increasingly recognised. I think it's been one of the dominant myths of the voluntary sector that has just been taken for granted and I think if you look around at who are being the most influential foundations in Britain in terms of making changes they would not typically be those who are operating solely or primarily from the bottom up.*

Given that grant makers can influence social change then there must be a careful consideration of the responsibility that brings and an understanding of the dynamics that can be used by grant makers to work for positive social change.

The issue was raised as to the authority or legitimacy of a grant maker to decide that it will promote social change, which must underpin the whole idea of a community development model. The other side of that coin, also raised, is that grant makers, who hold positions of influence and privilege in society should not be allowed to use that privilege and influence to maintain a status quo that leaves many communities in positions of disadvantage.

Doug Easterling made the point that a community development approach would fundamentally change the way that grant making staff spent their time. He said:

So a lot of it is going out and just being supportive..... being supportive not just in terms of helping organisations to understand the process of applying for grants, but also in helping with problem solving and trouble shooting. It means giving people a place to bounce ideas off and things like that...

If grant makers are to develop trusting and mutually respectful relationships it will take time, energy, and lots of listening. Leland Ruwhiu also made the point that it is important to sit down and talk together and that even if there are differences of opinion there is an understanding that both are coming from positions of integrity and that is a good place to begin to trust each other. He said "If I know people come from a place of integrity I can start to work with them."

Processes and criteria used to assess grant applications

The experience of the researcher is that this is an area many grant seekers find problematic. The question was asked for two reasons, firstly to gain useful information that could improve grant making processes and secondly to find out if there were distinct differences between the grant making and grant seeking perspectives. In response to the question about useful criteria to use in conjunction with a community development model it was agreed that there needed to be flexibility and that it was also important for the grant maker to be very clear about areas of priority for funding so that grant seekers could understand the funding environment.

Participants were asked if they felt that such an approach would lead to a situation where some programmes or projects would be more likely to be funded than others. In response many made the point that community development happens in a multiplicity of ways and that it would be expected that a wide variety of programmes and projects would be funded encompassing, welfare, sport, the arts, community celebrations and many others.

The question "Do any criteria currently used by funders negate a community development approach?" elicited a strong response from both groups. A number of current widespread practices by grant makers were felt to work strongly against the interests of grant seekers and ultimately against grant makers in that such an

approach was seen to create an environment where grant seekers would choose to be dishonest with grant makers in order to achieve the funding required. Examples included hiding core costs within projects so that they would be funded or reframing and rephrasing existing projects in order to fit within innovation criteria. All felt that this meant that grant makers would fail to receive the signals required from grant seekers about real community needs and make them less able to respond to community priorities. Examples of unhelpful criteria and grant maker activities included:

Refusal to fund core costs such as wages, rent, energy, and communications. Steven Burkeman, formerly Trust Secretary of the Joseph Rowntree Charitable Trust, says:

> Ruling out core costs is, sometimes at least, done for the glorification of the funder. So the funder can say "look we funded this" because the core is not something that you can take photographs of.

Core costs are seen as being essential so that there is an adequate base to support service delivery.

Short term funding. Where organisations do not have a reasonable degree of certainty around future funding, planning becomes difficult and retention of key staff is more difficult. There is no suggestion that future funding should not be dependent upon performance, but that there should be a reasonable expectation that funding is predictable.

Outcomes based funding. This is often the case where there has not been very careful consideration of what constitutes realistic and appropriate outcomes. Often time periods for social change and funding periods do not coincide and even when they do there is the vexed issue of causality. Furthermore the evaluation process which decides whether outcomes have been achieved often embodies power issues that hinder honest and respectful communication between grant maker and grant seeker.

"*Anything that squelches learning*" – this delightful phrase from Dr. Doug Easterling is underpinned by the idea that good practice is reflective, thoughtful and deliberate. Where the grant maker locks the grant seeker into a series of predetermined key performance indicators designed to assess progress it is likely that these key performance indicators will override reflective practice and that grant seekers will continue with service delivery rather than go back to the grant maker to renegotiate if service delivery is less than optimum.   The dominant mindset becomes achievement of negotiated key performance indicators rather than reflection on the needs of the end users and how best to service those needs. An emphasis on outcomes may also encourage service delivery that is safe and thus discourage new approaches.

Rigidity -   In the course of implementing a programme or project it may become clear that there is a need to look at alternative ways of achieving the same broad goal. It is important that grant makers are open to approaches from grant seekers to vary the terms of the donation. Rigidity in insisting that the terms of the original grant are complied with can lead to less than optimum outcomes for the organisation concerned.   Good grant makers often spend time with community organisations talking through such issues which can lead to greater clarity, insights and learnings.

Meddling – there is a fine line between being supportive and involved and being in there with all the answers telling community organisations how they should be doing their work.   Grant makers need to respect that grant seekers usually know a lot more about their field of expertise than grant makers who are required to have a broad brush knowledge about a large number of social issues.

Sue Bradford noted the requirement from some grant makers for groups to show how they will become self sufficient.   Where groups serve the needs of the profoundly disadvantaged the reality is that they will always require funding.

Sue Bradford also noted that few grant makers are prepared to fund advocacy and that advocacy is often a key factor in achieving social change. She noted the need to find good definitions for advocacy.

Leland Ruwhiu was concerned that grant makers often set up processes that reward competition. Working together in a collaborative manner is an important aspect of strong communities.

Unnecessary bureaucracy and faceless staff were seen as problems. Both of these hindered a good relationship. Grant seekers knew that a certain amount of form filling and accountability were inevitable but where there was no opportunity to dialogue about what the grant maker was really looking to find out there was a sense of power issues making the relationship difficult.

There was no difference between the views of grant makers and grant seekers.

Advocacy

The issue of advocacy is central to much social change. Participants were asked about the role of grant makers in advocating for the community. No one stated that grant makers should not advocate for the community but all felt that there needed to be some boundaries.

All answered that any advocacy should be restricted to generic community or society issues and that specific issues should be addressed by the organisations concerned unless the grant maker had some deep knowledge or had been requested to advocate by those directly impacted by the issue, especially in situations where there was some vulnerability.

Sue Bradford saw a role in advocating on macro issues such as the structure of the sector, and its funding or the division of responsibilities between the community and government sectors. She also saw a role for grant makers in facilitating introductions and funding or providing training for community organisations in media skills, advocacy or other relevant training. This view was echoed by Robyn Munford who noted that the grant maker should remember the old adage of doing no harm. Sue Bradford added that if a community organisation requested for a valid reason that the grant maker advocate on its behalf then there would need to be some very careful thinking about whether this would be legitimate action.

Robyn Munford also discussed the role for funders in putting groups with similar concerns in touch with each other to add strength to the advocacy process.

Steven Burkeman felt that there was a role for grant makers as advocates for the community, but with the strong proviso that it must be transparent, informed and accountable and above all done with the blessing of those affected. He cited work done recently in the United Kingdom where grant seekers were recognising the access to power that can come with a grant maker and the desire for that influence be used on behalf of the community. He noted that there are often culture gaps between those in power and those who are most disadvantaged and that the grant maker can often bridge that gap. Those culture gaps may be around behaviour and manners, language, ethnic culture or many other possibilities.

Doug Easterling noted the restrictions in the United States around advocacy that was related to legislative change but saw a role in educating communities about the issues, especially in helping community organisations to disseminate their concerns to the wider public.

Diana Leat felt that in the majority of cases community organisations, and their representative bodies should take responsibility for their own advocacy. This view was also expressed by Monica Patten.

Leland Ruwhiu was another who felt that the ideal situation is where the community is able to advocate for itself and that the role of the grant maker is to stand with and empower rather than to act on the community's behalf.

Advice to a grant maker

Interviewees were asked what advice they would give to a grant maker who wished to work from a community development based model. This question elicited some profound material.

Sue Bradford advised that the grant maker should have a deep knowledge at all levels of the organisation about what community development really is. She urged that the grant maker ensure that the criteria used for making decisions be

consistent with community development and finally suggested that grant makers consider funding advocacy because while delivery of services is important in alleviating symptoms, in the long run advocacy was more likely to change negative situations.

Focus was extremely important for Steven Burkeman. That means doing research carefully and understanding what issues the community feels deeply about. He noted that however a grant maker may see their role in the community, grant seekers are likely to see the grant maker through a money lens. Mitigating this can occur through the grant maker taking an active interest in the sector which means reading the same magazines and journals, going to conferences to build up knowledge and by sticking with the issues chosen. It is focus and deep authority and being out there doing the learning which helps to ensure that the grant maker is seen as part of a "community of concern", rather than a mere funder.

Doug Easterling's advice was that the grant maker must really believe in the community development model. The philosophy must be compatible with practice and if the grant maker does not have this belief then there will be frustrations and an inability to walk the talk. He advised being very clear about values and being prepared to live them. He noted that only about one in ten grant makers is really positioned to utilise a community development approach and the rest will continue to focus solely on their own goals and perspective. He suggested that the foundations that actually practise community development give their grantees permission to do things that challenge funders and this can have negative repercussions if grantees challenge other grant makers who are unable to accept the approach.

The grant maker should thoroughly understand the model of social change, be that community development or any other model in the view of Diana Leat. The grant maker needs to understand the nature of the issue, what potential solutions there are to the problem and what interventions are needed to get from A to B. She suggested that the grant maker needs to get information from a range of sources and the notion that "..talking only to those who are directly impacted by the problem is a very dangerous strategy" because social change is often driven by the powerful rather than the powerless.

Robyn Munford commented that it was critical to know the community well, to understand the profile of the community and be in touch with what is happening. She also said that the grant maker needs to know about community development and be really clear about their own value base and accept that their own value base is one particular view of a desirable community. They also have to be visible, they have to be seen and if they are saying that they are using a community development approach they have to understand what they means and be able to articulate it.

"Never fail to take seriously the place of the community" was the advice offered by Monica Patten. She noted that as well as money, grant makers can take on a community leadership role that allows them to bring people together to discuss issues and build trusting relationships and this role is equally important. She said:

"Ask your community – it is simple but even more profound. So ask the community and all of those other things that we talked about earlier, the trust and so on they all play into it but that for me has got to be really fundamental. You can't be anywhere else. You know the damn thing that gets in the way for grant makers is money."

Leland Ruwhiu was adamant that dialogue was important and that means building relationships with people. He was also concerned about the amount of paperwork required by funders that does not result in good accountability. "We are accountable to our own whanau and they will always hold us to account". He felt that grant makers can utilise such processes rather than requiring further paperwork. He was also keen to see grant makers move to reward collaboration rather than competition and saw that this would fundamentally change the relationship with the grant maker. He said:

..we are fighting for the same putea (fund). We see a natural tendency to be at loggerheads with each other because we vie for the same funding. Well what happens when an organisation or a group of organisations decides that we're not going to buy into that any more and will support another organisation that has a kaupapa (philosophy) that looks after our whanau (family/community) in

a particular stage in their development. When people start doing that it changes the dynamics of our relationship with any funding body or statutory funding organisation, or the local statutory organisations who says this is how this work shall be done.

Conclusion

Choosing two different samples allowed for comparison to both highlight areas of difference between grant makers and grant seekers and between New Zealand and overseas samples. A further area of interest was whether there would be a difference between the views of Maori and non Maori. As would be expected there was a strong Maori emphasis on the place of relationships between grant maker and grant seeker. This emphasis on trusting and mutually respectful relationships was a factor that was raised by all interviewees. Had there been distinct differences between the samples further interviews would have been required to isolate the reason for the difference. That is, was the difference because of geography or a difference in perspective between grant maker and grant seeker or was there an ethnic issue underpinning the differences? The interviews showed a remarkable consistency of approach and any differences were as a result of individual perspective. While there were shades of perspective the very strong similarities add to the credibility of the findings.

In the next chapter the material from the literature, exemplary practice and theory will be compared with the material from the interviews and also the practical experience outlined in the case study.

Analysis of Information Contained in Literature, Theory and Interviews   Chapter 8

Introduction

There are those who contend that there is nothing new under the sun. However it is when we look at existing information in new ways or in conjunction with other information that we are able to develop new insights. In this chapter the theoretical material will be compared with the results of the interviews to ascertain where there is agreement and difference and to gain a greater depth of understanding of exemplary practice. While the analysis chapter compares the literature and findings of the interviews to deduce some conclusions there is also some new material included to substantiate or illustrate the points made. Much of this material is taken from the interviews where responses did not fit into the research question format.

Material was analysed by considering firstly what the theory said was good practice and then comparing the results of the interviews with the theory. This was done as it could be assumed that published material has been developed over time and has been subjected to critical scrutiny and discussion which has led to refined and generally accepted theory. If a community development role is compatible with the theory one would expect the responses from the interviewees to be consistent with the theory and to provide some insight as to practice.

Social Context

Burkeman (2002) contends that there ought to be a contract between the state and foundations one element in which is an expectation that the grant maker will take a longer term perspective than democratically elected governments can, and will support risk, innovation and vulnerable and minority groups; it is in return for this that foundations should receive their tax privileges and other supports from the State.

There was agreement with the concept of a social contract though the term social contract was not mentioned explicitly. Respondents were clearly in agreement with the elements of the contract suggested by Burkeman. Monica Patten saw a clear role in ensuring that all sections of the community were included. She said "There's a principle around diversity for example... reaching communities that are not normally reached." She also commented on the need for longer time frames as follows:

Community development involves taking risks, making the circle bigger.... You don't do that in a four month funded project. I think that short termitis is a huge barrier to community development and that is for government and non government.

Sue Bradford noted that social change needs to be a long term process and it is important that funding have some certainty. She said; "Social change is a long term process and needs a long term funding commitment."

While many grant makers prefer not to fund risky and sensitive issues such as advocacy, Sue Bradford saw it as being one of the most worthwhile areas for funding. She said "Not funding advocacy is an important issue. It is important to be prepared to fund campaigns that promote positive social change."

Sue Bradford also suggested the flowing important roles for a grant maker:

- Providing professional development that will strengthen the organisation and make it better able to reach its own goals more effectively.
- Providing professional development that expands horizons through providing opportunities to be exposed to new, stimulating and provocative ideas.
- Providing opportunities for networking.
- Providing independent facilitators to help communities work through solutions to community issues.
- Providing good quality background information on issues so that communities can use that information as a basis to inform their decision making.

Diana Leat's view that the grant maker should have a view of a good society and a social change model that will allow the grant maker to move closer towards that good society is also consistent with the views of Burkeman.

Connor and Kadel-Taras state that there should be three broad areas of activities for a grant maker that is interested in being responsive to the social change needs of the community.

- Funding communities – this means investing in processes that involve communities determining their own issues and solutions.
- Funding systems so that organisations have the appropriate infrastructure to deliver sound services and programmes.
- Behaving in a manner that is congruent with the stated philosophy of the organisation. (Connor and Kadel-Taras, 2003 19 -49)

Funding communities. All of those interviewed were of the view that sound processes were essential to good community decision making and that there is a role for grant makers to both fund such processes and where appropriate to provide services to support such processes. This may take the form of providing professional development opportunities for community organisations or access to professional expertise. There was also a strong theme that grant makers must be prepared to provide funding for the long term. Interviewees from the community also stressed the interrelated nature of community and the importance of not compartmentalising activities nor of excluding areas of activity from funding criteria. The Maori world view of seeing the community as an holistic whole, rather than a series of components as expressed by Leland Ruwhiu fits well with the Connor and Kadal-Taras approach. Both Robyn Munford and Sue Bradford were very clear that it is important to see communities as a whole and recognise that communities involve at least health, welfare, education, recreation, environment and spirituality, arts and culture. Activities that could be classified as welfare may be delivered directly by social workers but the importance of using activities such as sport or the arts as a vehicle to deliver social services or to create new understandings and linkages in communities must not be underestimated.

All interviewees were critical of grant makers that fund only bricks and mortar and are not prepared to invest in social and intellectual infrastructure. The idea was expressed that social change is usually achieved through the interaction of

people and that promoting social change usually involves people who have the ability to inspire or motivate rather than buildings or equipment.

Several interviewees stressed the importance of "walking the talk". Grant makers are not immune from the situation where the values statement says one set of values and actions convey a different set of values. Steven Burkeman is clear that if a grant maker believes in the concept of community then there is a need to be involved in the issues that the community is involved in, sometimes as a learner and others as a leader. This involvement will give important messages to the community and help to develop relationships based on respect and trust and will also mean that it is less likely that the shallow but immaculately presented application will succeed.

Munford and Walsh-Tapiata (2000) describe the principles that are involved in community development. Their approach provides useful and practical information for those interested in community development and provides the following framework for analysis.

The community development practitioner must have a commitment to social justice which means, in practice, working with those in a community whose rights are denied or minimised. Within this there is a special subset relating to indigenous rights. The Treaty of Waitangi needs to have a central place in community development within New Zealand. Because the Treaty has not been fully observed during the post colonial history of Aotearoa / New Zealand there have been structures and practices that have disenfranchised Maori. A community development approach that recognises the right to self determination is required to guard against well meaning perpetration of further disadvantage.

Power issues underpin much disadvantage and the community development practitioner needs to have an understanding of how power is transmitted through practices and structures. Community development is not social work and the practitioner needs to hold the group as the central unit in all that is done. This means utilising group processes and decision making models that are inclusive. Above all it must respect the right of a community to determine its own future. This requires a clear self awareness on the part of the community development practitioner to ensure that the community agenda is not influenced by personal issues or values.

The role of the community development practitioner is to facilitate social change through educating, empowering and facilitating access to other resources.

Treaty of Waitangi

No interviewee during the course of the interviews mentioned the Treaty of Waitangi directly. Despite this many of the comments would be consistent with working in a way that is sensitive to the Treaty of Waitangi.

A subsequent e-mail from Doug Easterling after reading the draft of the results and analysis chapters contained the following insightful comment;

> *In fact, if I were the authors of the theory[Munford and Walsh-Tapiata 2000], I would raise up the Treaty as an exemplary model for the principles that go into the community development approach -- rather than treating it so much as a defining principle (which to me should be more generic and applicable to other countries).*

Sue Bradford was clear on the importance of talking to the community to determine priorities. She stressed the importance of listening to "all of the community, not just those who are able to make themselves heard easily." Both Robyn Munford and Leland Ruwhiu were clear that a community development approach would recognise the multiple perspectives and multiple strengths of the community. In Aotearoa New Zealand this would involve understanding and respecting the implications of the Treaty of Waitangi for society and communities.

It has become clear through the literature and interviews that there is a considerable degree of congruence between a Treaty of Waitangi based approach and a community development approach. Thus a community development practitioner is likely to operate consistently with the Treaty of Waitangi and a community organisation with a commitment to the Treaty of Waitangi in its practice would be likely to follow sound community development principles. This does not however mean that if a community development approach is followed the grant maker can disregard the Treaty of Waitangi. The relationship between the Iwi and Whanganui Community Foundation as

described in the case study is one example of how a grant maker is using both a community development framework and recognising the need to respect the Treaty of Waitangi.

Dumping

In discussing community issues that a grant maker may choose to concentrate on all respondents were clear that it was important that the grant maker listen to the community to determine which issues were appropriate. Choosing which issues to concentrate on would also require the grant maker to be clear about their own motivation and their own legitimacy. Thus there is a fine balance between "dumping" and choosing an issue that the grant maker feels passionate about and has energy to pursue. The important issue is that the passion of the grant maker and the needs of the community are aligned. In both her writing and her interview Diana Leat cited the influence of a group of large United States foundations who have pursued a right wing agenda which has encouraged tax cuts and the cutting of welfare spending resulting in an upward movement of wealth. Steven Burkeman said that it is important that the grant maker ensures that their passion is properly directed. He said:

I think that the way you square it is that you don't leap in to doing it without the research and you have to be open that the research may show that your passion was misplaced.

Power

The issue of the quality of relationships between grant maker and grant seeker came through strongly. The motives of grant seekers and grant makers were a little different. Grant seekers were keen to ensure that there was good communication that allowed them to ensure that the grant maker understands the nature of their needs. Grant makers felt that having trusting and respectful relationships better allowed them to understand the real needs of the community and to be more responsive. The power dynamics underpinning evaluation processes were also discussed and it was felt that evaluation processes that encourage reflection, learning and new insights need to be encouraged in contrast to the approach that measures what happened against what the outputs or outcomes stated in the grant application. Doug Easterling warned against "being very rigid in terms of here's your initial plan, here's your

objectives and we're going to judge whether you've been successful solely in terms of those objectives."

Having money and influence are also ways in which the grant maker has power and all interviewees were very clear about the need to use those resources for the benefit of the community after carefully understanding the needs of the community through consultation with a variety of stakeholders and research. This is consistent with the ABCD approach to community development of Kretzmann and McKnight (1993) and sits well with the view of Diana Leat that there is a definite role for grant makers in using their resources to advocate for social change.

In response to Diana Leat's comments about the need to consult widely, and not just with those directly affected, Doug Easterling made the following observation;

> *I was particularly taken with Diana Leat's comment that grantmakers need to consult not only with "those who are directly impacted by the problem" but also those in power -- that is, those who are in a position to either cause or alleviate the problem. I agree with her that one of the most valuable and impactful strategies open to a foundation is to enter into honest, "equal" conversations with people in power -- and then to use this leverage to strive for change at the larger systems level. Foundations have an unparalleled opportunity to operate at both the micro (community-level) and macro (state or national) levels, and to actually walk back and forth between these worlds, possibly even building bridges. I don't believe many foundations have the skills and sensibilities to take full advantage of these opportunities, but it's a great path for reforming the philanthropic sector.*

Empowering

The commitment to educating, empowering and providing access to resources is a pivotal area for grant makers. It is important that the processes used and decisions of the grant maker empower rather than patronise the grant seeker. It is too easy for grant makers with their access to power to become detached from communities. Because of the power imbalance grant seekers will be loath to challenge the view of the grant maker. Any approach by the grant maker that requires the grant seeker to be less than honest with the grant maker in

order to access resources needs to be challenged. That is not to say that grant makers should fund anything and everything but that their criteria should be fair, responsive to community need and transparently conveyed to grant seekers. The access to resources may seem to be obvious on the surface, but aside from the monetary resources of the grant maker there are many other resources such as influence and information that may be equally valuable to the community. Both grant makers and grant seekers saw that there were roles outside of a narrow definition of grant making that could be useful to the community. Both Doug Easterling and Monica Patten talked about the role of community foundations in facilitating discussion within the community around important community issues.

The role of the grant maker in disseminating research, information and ideas was one that was discussed by most interviewees and which has been widely promoted in literature.

The role of the grant maker in providing professional development, either directly or through grant making, was also seen as an important role by many of those interviewed.

Social Justice

All of the interviewees saw a role for grant makers in promoting social justice. Steven Burkeman saw a key role of grant makers in promoting social change. He said:

> I don't actually think that foundations should be in the business of ameliorating poverty. They should be in the business of changing the circumstances which give rise to it in the first place.

Sue Bradford agreed seeing the funding of advocacy for social change as a high priority for grant makers.

Diana Leat was noted that many grant makers, while sympathetic to issues of social justice, do not have a consistent practice. She said:

> I think that what one of the things that most foundations do not have is any clearly articulated set of values about the nature of a good society and even

more do not have any clearly articulated theory of social change with which they work so they mainly respond to requests for grants that they receive and some of them might well be for empowering ...

She was very clear about the need for an understanding of what makes a good society and a clear social change model that would guide decision making to work towards a better society.

Group as the central unit

Grant makers work within taxation legislation that requires for charitable taxation status that the public benefit test be fulfilled. This means that a reasonably large section of the community must be able to benefit from the activities of the grant maker. While there is a legal imperative there also needs to be a philosophy that the interests of the group are paramount. Leland Ruwhiu kept coming back to the concept of listening carefully to and respecting the whanau (extended family, in this case, not necessarily blood relations) as the central unit of community. While this concept is consistent with Maori values it also sits well with an understanding of community.

Rights of community to determine its own future

This issue is linked back to avoiding dumping on the community. Several of the interviewees recognised a role for the grant maker in providing facilitation in order to help the community develop its own vision. Both Doug Easterling and Monica Patten talked about the role of community foundations in helping communities make informed choices about the futures through the community convening process. This can involve both facilitation and providing appropriate information and research to inform the decision making process.

Sue Bradford and Robyn Munford talked about the role of the grant maker in the provision of professional development activities for the community that both provided skills and exposed the community to stimulating and provocative ideas.

Easterling et al (2003) concur with the approach of Connor and Kadel-Taras (2003) and Munford and Walsh Tapiata(2000). Their lessons for funders cover two areas, sharing decision making with grantees and helping from outside the

community. They are clear that while there is much decision making that can be shared there are areas such as decisions about whether or not to fund an application that must remain with the grant maker to ensure compliance with philosophy and legal obligations.

After granting funds to a grant seeker the issue of evaluation arises. The evaluation process is seen as important to ensure that not only is there appropriate accountability but that it also encourages reflective practice that results in learning. While accepting that appropriate evaluation can help to strengthen organisations it was also felt that the grant maker must think carefully about the style of evaluation to ensure that it does not become a power or paper shuffling exercise.

The grant maker has an important role from the outside in helping to strengthen community organisations. This will include fostering more deliberate and comprehensive planning, offering assistance around complex technical issues, usually through grants to obtain expertise, encouraging networks between grantees in order to ensure information is shared and collaboration is encouraged.

General Theories and Exemplary Practice

While some theory is strongly aligned to a community development approach other theory is of a more general nature and applies equally well to grant makers working from an approach other than community development.

Salamon (2003b) advocates three different but complementary activities for a grant maker:

- Encouraging generosity of time, money and spirit so that the community sector is not beholden to either government or commercial pressures and can operate in a manner that is responsive to the real issues in the community.
- Investing in and disseminating research about community issues and the effectiveness of different interventions.
- Providing capacity building for the community sector by funding or providing professional development opportunities that enhance service delivery and also governance and management.

Points 2 and 3 are also advocated by other writers such as Wiley (1997), Porter and Kramer (1999), Timmons (2001), Connolly and Lukas (2002), and Connor and Kadel-Taras (2003)

Two of the interviewees, Doug Easterling and Monica Patten who have strong knowledge of the community foundations sector both talked about the role of the grant maker in encouraging generosity. Both agreed with Salamon that such funding can free community organisations from a need to be beholden to the government or private sectors and that this is an important role of the sector. They also cautioned, as did Diana Leat, that sometimes where funding is obtained from wealthy donors there is a sense of being beholden to the donor, and the donor may assume a position of influencer in the community. Thus, there was seen to be a role in educating wealthy donors about aspects of the community and effective interventions into social issues that may not be a part of their lives. Through this route not only the money but also the influence of donors can be harnessed for the benefit of the community. Many would also claim that the experience for the donor is deeper and more satisfying.

Doug Easterling and Monica Patten also saw the encouraging of generosity as having the potential to create a community with a greater sense of awareness about community issues and ownership of those issues, and as enhancing levels of social capital within communities.

It is clear that there is some agreement with Salamon on this point but interviewees would caution that the grant maker must be careful that they do not exchange a situation where the culture of government or business dominates the community for a situation where the culture of wealthy donors dominates and determines priorities for the community. They would also see that there is an opportunity to educate wealthy donors who may prove to be powerful allies.

Quality information was seen as pivotal to the grant making process by all interviewees. Underpinning this is the need to generate information of many sorts for the grant maker. Both Diana Leat and Robyn Munford stressed the responsibility of the grant maker to share this information with others. Steven Burkeman made it clear that it is incumbent upon the grant maker to be well informed, both through formal research and through informal processes. A

112

word of caution was sounded by Robyn Munford, who noted the potential for grant makers undertaking evaluation and research on the community sector, and especially on the effectiveness with which community organisations have used grants, to become involved in power issues. Care needs to be taken in the design, implementation, interpretation and future uses of the evaluation and research to ensure that the grant maker does not use information gathered as an instrument of power. Both Robyn Munford and Leland Ruwhiu were concerned that grant makers consider carefully the administrative issues the grant maker imposes around accountability reporting. Both were clear about the need for community organisations to be transparent and accountable but questioned the value of much of the information requested by some funders.

Monica Patten discussed the role of community convening which is undertaken by community foundations in Canada and in some areas of the United States. This is a process by which community foundations facilitate dissemination of information and discussion around important community issues with a view to encouraging the community to develop effective strategies to deal with their community issues. The two elements of disseminating information and bringing communities together using constructive processes to discuss issues are important and both need to be present.

Several of the interviewees saw a role for grant makers in either funding or directly providing capacity building opportunities for the community sector. This may take the form of conferences, seminars and workshops, the provision of mentoring services or the provision of professional advice. It was further noted that when the grant maker is able to demonstrate through being seen to understand the issues facing the community sector that they are responsive to these issues there is a relationship of trust built up that enhances communication. The professional development activities of the Whanganui Community Foundation as outlined in the case study is a good illustration of this point.

Joel Orosz highlights the seven deadly temptations of grant makers as follows:

- Believing the flattery
- Surrendering to the whims of arrogance
- Surrendering to cynicism
- Regarding the Foundation's money as your own

- Doubting the worthiness of all applicants
- Finding value in all applicants
- Taking the easy way out

The second and fourth items were reflected in the interviews. It was seen to be a responsibility of grant makers to ensure that they were well informed on two levels, firstly to be aware of current knowledge about effective social interventions but also to be aware of the perspectives of the community. The ability to identify on both a head and heart level and to find a balance will keep grant makers humble.

The Pew Foundation (undated) in an article on their website list ten criteria for strategic philanthropy. Strategic philanthropy is premised in the concept that the role of the grant maker is to work strategically to effect positive change in society and communities. The criteria are used below to structure the comments of interviewees.

Well defined goals.

Diana Leat, Steven Burkeman and Doug Easterling all stressed the importance of the grant maker being very clear about what they were trying to achieve and also understanding the processes that would result in the achievement of goals. The concept of working with communities to help them formulate their own goals was also seen as important by Doug Easterling and Monica Patten. Sue Bradford, Robyn Munford and Leland Ruwhiu acknowledged the need for a clear sense of direction and felt that it was important for grant makers to both listen and research carefully and become well informed so that the goals that were set were consistent with community aspirations.

Discernible impact on a problem.

Sue Bradford was clear that there is a very important role in supporting advocacy as a means of promoting long term social change as compared with the usual approach of grant makers in providing services that alleviate suffering, but do little to address the root causes of social or community problems.

Responds to a ripe opportunity and is timely.

The idea that little change will take place until a community is ready for the change underpinned much of the comment by interviewees.

Has appropriate partnerships.

All of the grant making interviewees recognised the need to work collaboratively with others. This is important in terms of congruency with values – one cannot talk about the importance of community and work in isolation – and also recognises that the grant maker will often need the resources and expertise of other organisations in order to be effective. Leland Ruwhiu noted that it was important that community organisations work together for the benefit of those they serve and commented on the tensions that can arise when grant makers set up systems that encourage competition rather than collaboration.

Is simple in design.

This was not commented on by interviewees though on the surface it appears to be inconsistent with "approaches a problem on multiple fronts" below.

Allocates an appropriate amount of resources.

Sue Bradford, Robyn Munford and Leland Ruwhiu all stressed that it was important to consider whether an organisation would be able to complete a project or programme within the funding that was allocated. If there is insufficient funding it is a recipe for failure that will usually be blamed on the organisation rather than being seen as a function of insufficient funding. The idea of funding partially but requiring full outcomes was an activity of some grant makers that was not well received by grant seekers.

Approaches a problem on multiple fronts.

Diana Leat talked about the importance of talking to people with a range of perspectives on an issue and stressed that talking only with those directly affected could be misleading. Having multiple perspectives will generate multiple strategies. Steven Burkeman and Doug Easterling both talked about the importance of grant makers recognising that they had far more resources

than money. Influence, skills and contacts are all valuable resources to community organisations that allow for multiple interventions. This is consistent with the Treasury report in New Zealand that found that interventions that work on a number of fronts are more likely to be successful (Jacobsen et al. 2002). These findings also stress the need for longer term interventions, a point that was made by all of the interviewees as being consistent with good grant making practice.

Is ambitious yet feasible.

There was no statement relating to this point.

Considers core competencies, internal as well as external.

Several of the interviewees commented on the importance of good professional development and capacity building within community organisations and saw the provision of such training either directly or through grant making as a desirable activity for a grant maker. None, however commented on the use of an assessment of capability as a criterion for grant making.

Aims to show progress in 3 to 5 years.

Several of the respondents noted that social change is a longer term process than the annual funding cycle.

Community Development perspectives

The Critical Theory developed by Fay (1987) has been described in previous chapters. If a grant maker is to work from a community development focus it is important to consider whether this model is compatible with Fay's theory.

Most interviewees saw community development model as a feasible model for a grant maker but with different emphases. Diana Leat, asserts that it is important that grant makers have a model of social change and felt that any model, as long as it is well considered is important, she expressed reservation that a bottom up model alone would be effective in promoting social change. She made the point that social change is multi faceted, complex and long term. Others, especially the group of grant seekers, Sue Bradford, Robyn Munford and

Leland Ruwhiu felt that the community development model, with its emphasis on empowering the less advantaged in communities was at least as valid, if not more valid, than other models of social change. All were clear that the philosophy underpinning community development of respecting and responding to the real needs and aspirations of the community was important.

How the community development model can be translated into practice was more problematic. Traditional community development theory focuses upon the disempowered empowering themselves. While there is some theoretical justification for this approach, all interviewees felt that there is a place for catalysts in the community development process. Diana Leat pointed to the effectiveness of those with influence and resources in changing social policy, both in a positive and negative manner. The difference depending upon whether those influencing were working from a position of having thoroughly researched the issue, or whether there was an element of personal philosophy.

Robyn Munford cited Gramsci who calls the community development worker the organic intellectual. These are the ones who have had maybe the privilege of formal learning that enables them to know the nature of society. She noted that;

> *"It is about, for a start, knowing that oppression is many faceted. It is about understanding multiple subject positions; that just because people are oppressed in one way they may not be in another and you harness that to bring about change. Certain groups will have strengths that you don't at first understand because you haven't done your analysis."*

All took the view that the grant maker, with resources has a privileged position and this could be used to empower the disadvantaged. Steven Burkeman and Doug Easterling both took the view that it was not just an option, but that the grant maker has a responsibility to use its power and resources to effect positive social change.

Summary

A grant maker who chooses a community development approach will find more than adequate justification for this approach in theory and exemplary practice. It is clear that the activities that they will be involved in will be broader than

those of a traditional grant maker and there may be considerable involvement from the community discussion of issues through to strategising, building community capacity, and then the funding of the implementation of strategies. They will also encourage a reflective, learning approach that can then feed back into further community decision making. This is in contrast to the traditional grant maker who will usually be involved only in funding the implementation of strategies. Both approaches have their strengths and situations where they will be appropriate for different communities.

The final chapter will bring together the information from the preceding chapters and suggest the principles and activities that will be important for a grant maker working from a community development philosophy. It will also measure the case study of the Whanganui Community Foundation against the principles and consider future areas for development.

Conclusion and recommendations   Chapter 9

This thesis set out to consider whether the model developed by the Whanganui Community Foundation is a valid model and likely to deliver stronger, more just and sustainable outcomes for the community. It also asked whether this was a model that could be adopted by other grant makers and, if so, how that might be expressed. I shall look at the general question first then consider the specific.

Criteria

On the basis of the literature, theory and interviews the following criteria for community development focussed grant making and related activities have been formulated:

Criteria for a community development focussed grant maker:

- The activities, strategy and philosophy will be consistent with Treaty of Waitangi based practice. That is that it will acknowledge the values and processes of Maori culture.
- The grant maker will focus on issues that are identified by the community as important for development rather than being solely focussed on the grant makers view of good society. It will be respectful of the right of the community to determine its own future.
- The grant maker will seek to minimise the power imbalance between grant maker and grant seeker.
- The grant maker will be concerned with ensuring the central place of education. This is not necessarily formal education processes but also informal learning.
- There will be a focus on social change that creates greater levels of social justice.

- The grant maker will encourage inclusiveness and a group focus rather than individual centred culture within the community.
- The grant maker will recognise that social change is a long term process and will commit to longer term interventions.
- The grant maker will be unafraid to support social change through advocacy based activities.
- The grant maker should focus on systems, structures, social infrastructure and underlying causes rather than only alleviating the symptoms of social ills.
- The grant maker should demonstrate congruency. That is that the processes, structures, decisions and strategy should all be consistent with the stated values of the organisation.
- The grant maker should be open, transparent, and accountable to the community it serves and encourage open and honest relationships with its stakeholders.

Treaty based practice

In the Aotearoa New Zealand context the Treaty of Waitangi is a central and founding document whose place has been increasingly recognised over the past 20 years. The document, however, gives very little guidance as to how it will be interpreted in practice. In practice it means having relationships with Maori that are respectful, that recognise legitimate aspirations, that recognise cultural norms and obligations, and that value inclusiveness and social justice. It is clear from this description that the attitudes that are needed to be a community development centred grant maker and to be a treaty based organisation have a great degree of overlap. And on the other side of the coin a community development centred grant maker will act in a way that respects the Treaty of Waitangi.

Activities that might be undertaken by the grant maker:

- There should be Maori representation in areas where policy, strategy and decisions are made. In a practical sense this means having board members who are Maori and where appropriate Maori staff members.
- Where required training should be provided to assist with Treaty understanding and implementing actions.

- Treaty based policy and practice should be developed.
- The concept of koha or donations in Maoridom usually involves an expectation of reciprocity back to the donor. In order for Maori to feel comfortable about approaching the grant maker there needs to be a clear understanding that the reciprocity expectations of the grant maker are that the donee will reciprocate through providing benefit to the community so as to implement the strategy of the grant maker to build stronger community.
- Where conferences are held there should be an effort made to ensure that Maori perspectives and processes are incorporated into the conference.
- Manaakitanga is important. On a practical level this means being able to provide good hospitality during meetings with Maori, where the grant maker controls the venue and contributing koha to cover other situations.

Focus on issues identified by the community

In an environment where grant makers only hear good things about themselves it is not difficult for grant makers to play God. A community development approach is a very useful antidote to this temptation.

There is a role for grant makers in facilitating or funding the facilitation of processes that allow the community to determine the nature of the issues being faced and solutions that are right for that community. There is a caveat. It is important that the grant maker has a strong and clear view of the ideal community and social justice and that proposals from the community are checked against this wide concept. With the benefit of hindsight there are very few grant makers who would want to have supported Nazist, Apartheid or other similarly abhorrent initiatives in their communities.

Activities that might be undertaken by the grant maker:

- The facilitation of community meetings and other processes that help a community to determine courses of action in response to community needs.
- Attendance at community meetings as an observer to hear the views of communities.

- Collecting of information about the nature of communities such as census statistics, health, education and justice statistics or information about effective social interventions.
- Involvement in processes that identify key issues facing communities such as discussion forums or listening carefully to grant seekers.
- Collation of information about the needs of grant seekers as revealed through applications.

Power issues

There is often a considerable power imbalance between grant makers who have resources such as money and influence and grant seekers who normally have few resources. It is essential that grant makers try to address the power imbalance in order that there can be an honest and respectful relationship. Such a relationship is important as the requests from grant seekers are an important source of information for the grant maker.

Activities that might be undertaken by the grant maker:

- Be clear about the values, philosophies and strategies underpinning policies and processes and ensure that these are congruent with public pronouncements.
- Be open about priorities as part of a respectful relationship with the community. This means that grant seekers will not spend time on applications that are clearly outside the priorities. Grant seekers accept that there is not unlimited funding available and appreciate openness from the grant maker.
- Be clear about criteria for funding and ensure that restrictions are not placed on applications above those required by law or the trust deed. Arbitrarily restrictive criteria can encourage grant seekers to submit "creative" applications.
- Provide information on grant seeking and fundraising. This can be through direct provision of professional development opportunities or one to one advice or through grant making activities.
- Negotiate outcomes so that evaluation is based around outcomes that are meaningful. Many organisations have accountability mechanisms that report

back to their own members or beneficiaries and where possible hooking into such processes is preferable to placing the onus of further accountability.

Education focus

Education is a pivotal part of the community development process as it is through education that communities develop a sense of the potential for themselves and understand the dynamics of change and the forces that work against change. On an individual level education is also important to ensure that community organisations understand the nature of issues facing the community and what interventions are most likely to be successful. From the grant makers perspective education will ensure that the funding available to communities is spent wisely to achieve the optimum outcomes for each dollar spent.

Activities that might be undertaken by the grant maker:

- Fund thinking time for community organisations. This may involve helping to fund facilitators for planning or funding sabbatical leave for key staff to enable them to focus on the bigger picture.
- Organising conferences and seminars that expose staff and board members of community organisations to stimulating and provocative ideas can help to encourage creative responses to community issues.
- In other cases the grant maker could consider funding study leave and paying for relief staffing.
- Provide mentoring and organisational development opportunities for those with passion but a lack of skills. Skills can be learned and passion can not, so it is important to invest in people with passion.
- Recognise the life cycles of organisations. Initial passion is rarely sustained for a long period and it is important to ensure the organisation has sound systems and processes to ensure survival past the initial stage.
- Provide opportunities for community organisations to network. This may be structured or unstructured and would include formal networking meetings and informal invitations to coffee. This allows the community organisations to understand each other better but is also an opportunity for the grant maker to listen carefully to the concerns of the community which will help the grant maker to become more responsive.

Focus on social justice

Inherent in community development is a sense of social change that will deliver a greater level of social justice. If a grant maker is committed to a community development approach then there is also a requirement to be courageous in supporting social justice issues either through grant making or through other activities.

Activities that might be undertaken by the grant maker:

- Be prepared to fund new approaches to solutions to social issues but make sure they are well researched and likely to work. Be prepared to fund independent external evaluation for such projects and negotiate protocols about dissemination of useful information to other organisations in the community.
- Consider a fund for "outside the square" proposals. This fund would typically be a small proportion of total funds and should contain, or be matched by, a component for the independent expert evaluation of the results of such projects.

Inclusiveness and Group focus

Implicit in the concept of community is a focus on group rather than the individual. Processes that utilise the strengths of the group usually lead to more sustainable outcomes. This is true of good decision making processes where the diversity of the group is utilised and respected in order to obtain more robust decisions. Such decisions are more likely to be supported during the implementation phase.

Activities that might be undertaken by the grant maker:

- Find ways to ensure that the voice of the community is part of the decision making process. While there are obvious conflicts with the stewardship and fiduciary roles of trustees it is important to find appropriate ways to reflect the values and aspirations of the community in their decision making. This can involve consultation with the community in determining vision, mission

124

or purpose statements to provide a framework within which decisions will be made.

- Provide sufficient detailed accountability information that will allow the community to critique the activities of the grant maker.
- Reward group rather than individual initiatives and achievements.
- Promote the concept of working in partnership with other organisations and institutions and model the behaviour.

Social Change is a long term process

The virtue of patience is hugely valuable in a grant maker. Social change is a very long tem process, often with many setbacks. It is therefore important that the grant maker is able to take a long term view and accept that there will be challenges along the way.

Activities that might be undertaken by the grant maker:

- Be prepared to enter into longer term funding commitments.
- Do not change grant criteria unless it is absolutely necessary.
- Where projects or programmes do not deliver the outcomes expected then it is important for the grant maker to work alongside the community organisation to help both parties understand what has happened and to learn from the experience.
- Be prepared to fund mentoring services to help organisations learn and become stronger.
- Where the project or programme warrants evaluation negotiate the process and outcomes to be evaluated with the grantee. Include organisational learning as an area for evaluation so that mistakes are seen as opportunities to learn rather than something the grantee hopes the grant maker will not discover.

Advocacy

Advocacy is not well defined in Aotearoa New Zealand. Current taxation law does not allow advocacy as a charitable purpose although there is interest in finding an acceptable definition that would allow organisations to advocate and remain

charitable. Presently advocacy is allowed as a peripheral activity but not the main activity. It is important to distinguish between education which seeks to increase public information around an issue and advocacy which seeks to change legislation, public policy or structures. Unless the issue is generic or directly affects the grant maker it is preferable for community organisations to advocate for themselves. There is a role for the grant maker in funding advocacy activities in community organisations and using its influence to open doors.

Activities that might be undertaken by the grant maker:

- Recognise that there are situations where advocacy is appropriate. These situations are as follows:
- Where the issue is about the structure of the sector such as the distinction between government and community responsibilities, funding of the sector or wider social policy issues.
- Where the grant maker is asked by the community to represent its interests and the community may be placed in a vulnerable situation if it advocates on its own behalf. A typical situation may be in advocating for a different funding system from government where to criticise current policy may put existing funding in jeopardy.
- Where the grant maker is able to use influence in order to pave the way for community organisations.

Causes rather than symptoms

There is a fine balance between providing some help in the face of immediate need and addressing the underlying causes of the need. There is a lovely saying often quoted in philanthropic circles "I was hungry and you did some research and I was still hungry". The saying implies that it is not enough to do lots of research and disseminate that research. There must be a preparedness to take action required. Addressing immediate need is often easier, less risky and tends to make decision makers feel good on an emotive level. Addressing causes is a more difficult issue that requires a thorough knowledge of the causes and of effective interventions. There is often a lag while research is undertaken and potential interventions thoroughly scrutinised for unintended consequences.

Activities that might be undertaken by the grant maker:

- Disseminate research findings.
- Be prepared to fund or facilitate training in strengthening infrastructure, networking and opportunities for discussion.
- Be prepared to give grants that are for the purpose of changing systems
- Be prepared to be involved in public information campaigns that are about changing public attitudes.
- Recognise that the grant maker has far more resources than money. Influence, expertise, access to research, opportunity to dialogue, can all be very valuable resources to the community.

Congruency

Processes used give important messages about values. If a grant maker is committed to a community development approach then there is a need to consider carefully what is done and how it is done. Communities will recognise incongruity and it has the potential to damage both relationships and credibility.

Activities that might be undertaken by the grant maker:

- The grant maker should never buy anything for themselves that the grant maker would not give a grant to a community organisation to buy.
- Processes that are consistent with community development principles are to be preferred even if they take longer and are sometimes frustrating.

Transparency and Accountability.

It is important that grant makers are accountable to the community for their activities. Grant makers are the stewards of valuable community resources and it is important that the community have the information to be able to critique their activities. Many grant makers require accountability from grant seekers and the issue of congruency is important.

Activities that might be undertaken by the grant maker:

- Have very clear protocols around declining of applications. Giving reasons can help the organisation to either frame future applications better or, where the proposal is clearly outside criteria, encourage application to alternative sources of funding.
- Encourage organisations to learn from failures and mistakes and do not penalise them for being honest about failures or mistakes.
- Be open in reporting to the community and provide sufficient information that allows the community to critique the activities of the grant maker.

Comparison of the Whanganui Community Foundation with criteria for community development focussed practice

Treaty based practice

The Whanganui Community Foundation does not have a formal commitment to acting within a Treaty based framework. At conferences due time has been allowed for Maori protocol and there have been speakers who have presented from a Maori perspective. From time to time kaumatua are consulted about issues or specific decisions to be made. This is an informal process and formal recognition is problematic as formal inclusion of such processes could be inconsistent with the legal requirements placed upon trustees. This is a problem, not only for the Foundation but society in Aotearoa New Zealand. There are two Maori trustees which is consistent with population proportions and the proportion of grants made to Maori over the past 5 years has been appropriate for the population proportion weighted for deprivation. However it should be noted that grants to Maori for mainstream projects and programmes may not achieve the optimum benefit for Maori. Concepts of koha make it difficult for some Maori to apply for donations if it will create a requirement to reciprocate and efforts have been made to accommodate this perspective by requiring the reciprocation to benefit the community rather than the Foundation. While the Foundation has done a number of things well there is still room for further efforts to be made.

Focus on issues identified by the community

The Foundation has monitored the issues identified through social capital lunches and has been responsive to these issues. The Foundation has not done any research into determining what the community considers to be its most important issues. The methodology for undertaking such research is problematic. Legal requirements for local authorities to undertake consultative processes to determine a Long term community plan could be part of such a study. Incorporating the material from four local authorities has potential to be a challenge and it may also be appropriate to include some qualitative study in order to determine underlying reasons for community views. The Foundation is also constrained by the Trust Deed and cannot undertake certain activities.

It is not unexpected that community organisations will listen carefully to what a grant maker says and try to frame applications to comply with what the grant maker has said. The Foundation has tried hard to ensure that it does not unduly influence the priorities of community organisations. Where conferences are held there is an attempt to provide a variety of approaches and perspectives and workshops are always run with an external presenter.

Power issues

The Foundation keeps a tally of community organisations who come to talk about their problems or failures as a measure of the level of trust and honesty within the relationships with grant seekers. The Annual supplement covers considerably more information than is required and this is felt to be important to provide enough information that will allow for community scrutiny. When the effectiveness review was undertaken there was a clear understanding that the results would be shared with the community. There is always a tendency for community organisations to be "nice" to grant makers and the Foundation must make continuing efforts to encourage trusting and honest relationships.

Education focus

The Whanganui Community Foundation has organised conferences and workshops which have fulfilled two functions, namely to provoke, stimulate and inspire and to

increase the skills of those involved in the governance and management of community organisations. The workshops have covered a wide variety of skills. Of more recent times the generosity strategy has involved educating the general community about the benefits of generosity. This has involved generosity of time, money and spirit. The Foundation has given a number of grants for projects that are designed to change community behaviours and attitudes around social justice issues. This is an area where traditional grant makers are not usually involved but has potential to have a high benefit for the resources involved. In the effectiveness review this was ranked the most important activity of the Foundation.

Focus on social justice

While this concept has underpinned a number of the activities and grants of the Foundation it is not a concept that has been discussed and made explicit. Exploration of what supporting social justice means and the parameters that would be required is an area for development.

Inclusiveness and group focus

The Foundation facilitates networking meetings that are designed to help organisations to work together. Collaborative projects are rewarded where they are well thought through. This is an area with potential for development.

Recognise the long term nature of social change

To date the Foundation has entered into very few long term funding commitments. It has however had unwritten understandings with a small number of key grantees that funding will continue as long as they continue to deliver the desired outcomes for the community. When investment markets have been adverse and there has been a need to ration funding the first priority has been to continue to support those projects and programmes that are about social change for disadvantaged groups and to make cuts to bricks and mortar projects. It may give greater certainty to some groups to consider longer term commitments and this should be considered.

Advocacy

The Whanganui Community Foundation has been involved in formulation of recommendations for charity law and in public policy around accountability and resourcing of community organisations. The Foundation has also run workshops for community organisations to teach them how to advocate.

Causes rather than symptoms

The Foundation has been very clear about funding priorities and has published these. One of these priorities is; "Welfare based projects that aim to promote intergenerational change rather than band aid solutions, especially those with an emphasis on youth and family."

Congruency

It is often easier for others to see if one walks the talk. The Foundation would like to have honest and respectful relationships with its community and endeavours to be honest and respectful towards the community. The issue of community leadership is an important one for the Foundation and this responsibility is taken seriously. The style is by doing rather than by talking.

Transparency and accountability

The Foundation publishes an annual accountability report for the community in which there are statistics that enable the community to critique its activities and philosophies. Criteria are included as part of the application form and priorities are published. The Foundation tries to be congruent in its behaviour.

The concept of a good society and a social change model.

The concept of a good society is somewhat problematic as it is subject to individual values and philosophies and cultural norms. Social capital with an overlay of social justice is a good proxy for a concept of a good society. It has the advantage of

considerable research and scholarly writing and techniques to assess the level within communities, despite its critics. The addition of a social justice overlay addresses many of the concerns of critics although there has been little work on assessing with this overlay. Community development processes have strong potential to increase the level of social capital in communities and can be considered to be a possible social change model. Any model followed slavishly can have faults and the view that only the disadvantaged are able to change their own situation is questionable. It is also important that those who have the resources of power, knowledge and influence can also drive social change. There is a responsibility for grant makers to use their power, knowledge and influence to effect positive social change. To do nothing or to remain neutral is to reinforce the inequalities of the status quo.

Use of the social capital concept as a model for a good society

The social capital concept embodies many of the aspects of a good society or community. It does not however include aspects of social justice which in Aotearoa New Zealand are important for three reasons. Firstly the Aotearoa New Zealand context must include recognition of the place of the Treaty of Waitangi as founding document and as a basis for the relationship between Maori and the Crown. The place of the Treaty has been increasingly recognised during the past 20 years and is a pivotal component of social justice.

Secondly any society in which social justice is not seen as important results in conflict and division which ultimately demeans the society or community.

Thirdly, when one considers the elements of social capital it is clear that it can take both positive and negative forms. When social justice is added there is an imperative to ensure that all people are treated with respect and dignity thus ensuring that social capital will manifest itself in a constructive and positive format.

Cautions

There is good evidence that the model is a feasible model but there are cautions. A community development model will mean that the grant maker is required to take

more risks, will require more resources, and be subject to higher expectations from the community.

More risks

As grant makers begin to understand and explore new roles this will lead them into uncharted territory and some uncomfortable situations. If grant makers claim to be community oriented they need to be seen to be working in partnership with other organisations in the community and that inevitably means compromise and some loss of control which carries risks.

More resources

It is not very difficult to come to an understanding of the presenting symptoms of social problems in a community. However it is a much more difficult task to discover what the underlying problems are and what effective interventions to address those problems might be. In order to be very clear about the problems grant makers will need to be involved in research. This may mean commissioning or undertaking research, which ideally will be co determined research between those with an academic analysis and community representatives who are able to understand the nature of the problem at a grass roots level. It may mean far more time spent in the community listening to the voices of the community. All of this requires considerable resource, either in funding or staff costs. Many grant seekers claim that a good presentation will often be enough to gain a grant from many grant makers. The grant maker who wishes to be truly responsive to the real needs of the community needs to put in the time to understand the issues in a community and how these can be addressed. This means attending conferences with community workers, reading extensively from the same or similar sources that community workers use to inform themselves. This has two effects; it makes the grant maker more approachable when they are seen to be walking the talk and makes them immune to the well presented but factually bereft grant application. Both grant makers and grant seekers interviewed recognised the ability of the well presented but factually bereft application to access funding and expressed a degree of contempt for such grant makers. There was also a sense of sadness that some grant making resources were not being utilised as effectively as possible.

Building trusting relationships was also seen as an essential prerequisite for good grant making and related activities.

Higher expectations

Communities will begin to feel a greater sense of ownership as they become more involved in the decision making of the grant maker especially around community issues.   This in turn will lead to higher expectations of performance from the grant maker.

Community Development Considerations

If we consider the stages of community development we can then determine what actions the grant maker can take to support or facilitate at each stage.   Fay's (1987) stages and potential roles for grant makers are considered below :

The first stage, the Theory of False Consciousness examines the way that power in a society is reflected through ideas, beliefs and structures and the manner in which these are transmitted and disseminated so that the oppressed believe them.

The role of the grant maker at this stage is to fund, commission or undertake research that uncovers social dynamics and to disseminate the results of the research primarily to those affected in a form that is appropriate.   At this stage there will often be an unwillingness to acknowledge social dynamics that are impacting on the group. In fact there may not even be a recognisable group.   This leads to another role of the grant maker in encouraging groups. These groups may not be centred on social dynamics but may be recreational in nature or other groups that the community already has in place. Despite their lack of a social dynamics focus recreational groups often bring together people from diverse areas and contribute to the formation of social capital. An important role for the grant maker at this stage is capacity building so that when members of the community have a sense of wanting to develop their community there are skills available.

It is also very important that the grant maker refrains from being too "hands on" and meddling during this stage. Those involved need to come to their own understandings of their situation. A potential role is to use influence to help others in the community understand the social dynamics

In the second stage a crisis occurs, often as a result of increasing disparity which causes growing dissatisfaction, and leads to reflection on how the situation occurred. During this stage the oppressed will understand that the problems are structural rather than personal.

A continuation of the information role of the grant maker is important here. Another important role here is that of community convening where the grant maker takes a role in facilitating informed discussion within the community around a community issue. This will involve both a facilitation role and a role in providing information to the community in a manner in which it can be utilised. This may be provided directly or through grant making.

The Theory of Education, or third stage occurs as the oppressed come to terms with the causes and understand that there are means to move out of their oppressed condition.

Again the roles of community convening and capacity building are useful to the community during this stage.

During the fourth stage, the theory of Transformative Action, the oppressed develop strategies to transform their situation.

It is at this stage that grant making becomes important so that the strategies have the resources to be implemented. From the grant makers perspective the process of developing the strategies should ensure that the strategies are robust.

Summary

This thesis set out to discover whether a community development model would be a good model for a grant maker. The conclusion is that it has potential to be a

positive way of strengthening communities but with some cautions. It will require more resources and courage than the path followed by more traditional grant makers.

The three research objectives of gathering information relating to the theory and practice of grant making and community development, analysing information relating to potential roles of grant makers / philanthropic bodies in contributing to community development and developing a model of grant making that contributes to community development have been met. A set of criteria have been developed that will both help the grant makers to become more community development focussed and can also serve as a useful checklist against which to assess progress.

Finally the activities of the Whanganui Community Foundation have been assessed against those criteria and recommendations made which will encourage further development.

Bibliography

Anheier, H. and Leat, D. (2002), *From Charity to Creativity, Philanthropic Foundations in the 21st Century: Perspectives from Britain and Beyond.* London: Comedia in association with the Joseph Rowntree Reform Trust.

The Aspen Institute (1996), Measuring *Community Capacity Building: A workbook in progress for rural communities.* Washington DC: The Aspen Institute.

Aristotle (Reprinted 1996) *Nicomachean Ethics.* New York: Wordsworth Editions.

Association of Charitable Foundations (undated), *Guidelines for Funders of Voluntary Organisations. www.acf.org.uk,* (Accessed March 2003).

Babbie, E. (1989) *The Practice of Social Research.* Belmont, California: Wadsworth Publishing Co.

Bell, C, and Newby, H. (1976) *Doing Sociological Research.* London: Routledge.

Biddle, W. W. and Biddle, L. J. (1965) The *Community Development Process: The Rediscovery of Local Initiative.* New York: Holt, Reinhart and Winston Inc.

Boston, J. Martin, J. Pallot, J. Walsh, P. (eds) (1996) *Public Management : The New Zealand Model.* Auckland: Oxford University Press.

Brown, K.M. Kenny, S. and Turner, B.S. with Prince, J. (2000) *Rhetorics of Welfare: Uncertainty, Choice and Voluntary Associations.* London: MacMillan Press Ltd.

Burkeman, S. (1999) *An Unsatisfactory company...?* The 1999 Allen Lane Lecture, London: The Allen Lane Foundation.

Burkeman, S. (2002) *Foundations and the State.* Unpublished paper delivered to the 2002 Conference of Philanthropy New Zealand.

Centre for Effective Philanthropy (2002) *Understanding and Improving Foundation Performance.* www.effectivephilanthropy.org. (accessed April 2003)

Chait, R.P. Holland, T. P. and Taylor, B. E. (1996) Improving *the Performance of Governing Boards.* Phoenix Arizona: The Oryx Press.

Charles Stewart Mott Foundation (2002) *Annual Report.* Flint, Michigan: Charles Stewart Mott Foundation.

Cheyne, C. O'Brien, M. and Belgrave, M. (1996) *Social Policy in Aotearoa New Zealand. A Critical Introduction.* Auckland: Oxford University Press.

Christenson, J. A. and Robinson J. N.. (Eds) (1989) *Community Development in Perspective.* Ames, IA: Iowa University Press.

Coleman, J. S. (1990) *Foundations of Social Theory.* Cambridge MA: Harvard University Press.

Community and Voluntary Sector Working Party (2001) *Communities and Government: Potential for Partnership Whakatōpū Whakaaro.* Wellington: Community Policy Team, Ministry of Social Policy.

Community Foundations of Canada (2004) *Conference Proceedings, Quebec City, May 2004.* www.community-fdn.ca. (accessed July 2004)

Community Foundations of Canada (undated) website. www.community-fdn.ca.

Community – Government Relationship Steering Group (2002) *He Waka Kotuia; Joining Together on a Shared Journey.* Wellington: Community Policy Team, Ministry of Social Policy.

Connolly, P. and Lukas, C. (2002) *Strengthening Non Profit Performance: A Funder's Guide to capacity Building*. St Paul, Minnesota: Amerhurst Wilder Foundation with Grantmakers for Effective Organizations.

Connor, J. A. and Kadel-Taras, S. (2003) *Community Visions, Community Solutions: Grant making for Comprehensive Impact.* St Paul, Minnesota: Amerhurst Wilder Foundation with Grantmakers for Effective Organizations.

Cook, T. (2000) *Reflections on Good Grant making.* London: Association of Charitable Foundations.

Cottrell, L. S. (1976), *The Competent Community*, Chapter in *Further Explorations of Social Psychiatry,* Kaplan, Wilson and Leighton(Eds), New York: Basic Books.

Covington, S. (1997) *Moving a Public Policy Agenda: The Strategic Philanthropy of Conservative Foundations.* Washington, D.C.: NCRP.

Cox Fred M, Erlich, J. Rothman, J. Tropman J. E. (Eds) (1979) *Strategies of Community Organization,* Third edition. Itasca, Illinois: F. E. Peacock Publishers Inc.

Department of Internal Affairs (1996) *Social Deprivation Index statistics.* Unpublished (available by e mail).

Derrick, E. (1993) Community *Development and Social Change.* Auckland: Auckland District Council of Social Services.

Doven, R. and Ellis, F. (1995) Fairness *in Funding: An Equal Opportunities Guide for Grant Makers.* London: Association of Charitable Foundations.

Easterling, D. Gallagher, K. Drisko, J. and Johnson, T. (2003) *Promoting Health by Building Community Capacity: Evidence and Implications for Grantmakers.* Denver, Colorado: The Colorado Trust.

Easterling, D. and Csuti, N. B. (1999) *Using Evaluation to Improve Grantmaking: What's Good For the Goose is Good for the Grantor*. Greensboro: University of North Carolina.

Eisenberg, P. (1998) *Philanthropy and Community Building,* Volume 87 Issue 2 pp169 – 176. Washington D.C.: National Civic Review.

Esmee Fairbairn Foundation (2002) *Rethinking Crime and Punishment*. London: Esmee Fairbairn Foundation.

Fay, B. (1987) Critical *Social Science: Liberation and its Limits.* Cambridge: Polity Press.

Finch J. (1986) *Research and Policy*: *the uses of qualitative research in social and educational research.* Sussex, Brighton: The Palmer Press.

Florida, R. (2002) *The Rise of the Creative Class, and How it's Transforming Work, Leisure, Community and Everyday Life.* New York: Basic Books, Perseus Books Group.

Freire, P. (1972) *Pedagogy of the Oppressed.* Harmondsworth, Middlesex: Penguin Books Ltd.

French, M. (1986) *Beyond Power: On Women, Men and Morals*. London: Sphere Books Ltd.

Gaberman, B. (1999). Speech to Philanthropy Australia Conference. Sydney: Unpublished.

Galper, J. (2000), *An exploration of Social Capital, Giving and Volunteering at the United States County level*. Washington D.C.: The Urban Institute.

Gerzon, M. (1995) *Reinventing Philanthropy: Foundations and the Renewal of Civil Society* 84:188-195. Washington, D.C.: National Civic Review.

Godbout, J. T. in collaboration with Caillé A. (1998) *The World of the Gift*. Montreal, Canada: McGill Queens University Press,   (translation of L'esprit du don).

Goleman, D. (1998) Working *with Emotional Intelligence.* New York: Bantam Press.

Grace, K. S. Wendroff, A. L. (2001) High *Impact Philanthropy: How donors, boards, and non profit organisations can transform communities.* New York: John Wiley and Sons.

Gramsci, A. (1971) *Selections from the Prison Notebooks of Antonio Gramsci.* New York: International Publishers.

Gutirrez, G. (1973) *A Theology of Liberation.* Maryknoll New York: Orbis Books. (Originally published as *Teologiá de la liberación: Perspectivas* by CEP, Lima 1971)

The Harwood Group (1997) Strategies *for Civil Investing: Foundations and Community Building.* Dayton Ohio: Kettering Foundation.

Hawe, P. Degeling, D. and Hall, J. (1990) *Evaluating Health Promotion: A Health Worker's Guide.* Sydney: MacLennan & Petty.

Heller, J. (2003) Foundations *and Social Justice.* www.synergos.org. (accessed October 2004)

Hero, P. (undated) *Seven Deadly Sins of Grant Making.* Unpublished paper from Policy Manual, Silicon Valley Community Foundation.

Hines, I. (2003) *A Few Words about Grant Making: How Some European Trusts and Foundations Support Their Communities.* Wellington: J R McKenzie Trust.

Hodgkinson, V.A. (1990) *Giving and Volunteering in the United States.* Washington D.C.: Independent Sector.

Hodgkinson, V.A. (1997) *Giving and Volunteering in the United States.* Washington D.C.: Independent Sector.

141

Ife, J. (1995) *Community Development: Creating community alternatives – vision, analysis and practice.* Australia: Longman.

Jacobsen, V. Mays, N. Crawford, R. Annesley, B. Christoffel, P. Johnston, G. Durbin, S. (2002) *Investing in Well-being: An Analytical Framework.* NZ Treasury, Wellington on www.treasury.govt.nz (02/23). (accessed December 2002)

Jeffries, A. (2000) *Promoting Participation: A conceptual Framework for Strategic Practice,* in The Scottish Journal of Community Work and Development (Autumn 2000). Scotland: The Scottish Community Development Centre and Community Learning Scotland.

Jordan, R. and Quynn, K. L. (2001) *Invest in Charity: A Donor's Guide to Charitable Giving.* New York: John Wiley and Sons.

Joseph, M. and Ogletree, R. (1996) *Community Organising and Comprehensive Community Initiatives,* in Core Issues in Comprehensive Community Building Initiatives, Ed Rebecca Stone. Chicago: Chapin Hall Center for Children.

Joseph Rowntree Foundation (undated) *Research Reports.* www.jrf.org.uk

Kanter, R. M. (1995) *World Class: Thriving Locally in the Global Economy.* New York: Simon and Schuster.

Kazarian, K. A. (2002) *New Philanthropy Benchmarking: Wisdom for the Passionate.* Providence, Rhode Island: United University Press.

Kelly, D. C. (1997). *Communities of the Heart: A new way of looking at Philanthropy.* Washington DC: National Civic Review, Volume 86 Issue 4 pp325 - 329,

Kelsey, J. (1995) *The New Zealand Experiment: A World Model for Structural Adjustment.* Auckland: Auckland University Press with Bridget Williams Books.

Kenny, S. (1994) *Developing Communities for the Future: Community Development in Australia.* South Melbourne: Thomas Nelson Australia.

Kibbe, B. D. Setterberg, F. and Wilbur, C. S. (1998) *Grantmaking Basics, A Field Guide for Funders.* Washington D.C.: Jossey Bass Publishers.

Kretzmann, J. P. and McKnight, J. L. (1993) *Building Communities from the Inside Out: A Path Towards Finding and Mobilizing a Community's Asset.,* Chicago: ACTA Publications.

La Jolla Institute (1999) *Civic participation : Does it Make Better Communities.* www.lajollainstitute.org/LeaderNet/civicpart.html (accessed September 2000)

Labonte, R. (1996) *Evaluating Participation in Community Development: Future Directions.* Ontario: Communitas Consulting.

Lappe, F. M. and Du Bois, P. (1997) *Building Social Capital Without Looking Backward.* Washington D.C.: National Civic Review, 86:119 – 128.

Leat, D. (1992) *Trusts in transition: The policy and practice of grant giving trusts.* York: Joseph Rowntree Foundation.

Leat, D. (1998) *Faith, hope and information, Assessing a grant application.* York: Joseph Rowntree Foundation.

Leat, D. (2000) *Effective Grantmaking.* Paper delivered to the 2000 Conference of Philanthropy New Zealand, unpublished.

Leiterman, M. and Stillman, J. (1993) *Building Community: A Report on Social Community Development Initiatives.,* New York: Local Initiatives Support Corporation.

Lyons, M. (1997) *Capacity of Nonprofit Organisations to Contribute to Social Capital Formation Under Market Style Government Regimes.* CACOM Working Paper No. 40 December 1997, Sydney: University of Technology.

McCabe, A. Lowndes, V. and Skelcher, C. (1997) *Partnerships and Networks: An Evaluation and Development Manual.* York: Joseph Rowntree Foundation.

McCarthy, K. D. (1990). *Parallel Power Structures: Women and the Voluntary Sector.* in *Lady Bountiful Revisited: Women, Philanthropy and Power* Ed K. D. McCarthy. New Brunswick, New Jersey: Rutgers University Press.

McMillan, D. W. and Chavis D. M. (1986), *Sense of Community: A Definition and Theory.* in Journal of Community Psychology, 14:6 -23.

Mattessich, P. and Monsey, B. (1997) *Community Building: What Makes it Work? A Review of Factors Influencing Successful Community Building.* St Paul, Minnesota: Amerhurst H. Wilder Foundation.

Mauss, M. (1990) *The Gift: Forms and Functions of Exchange in Archaic Societies.* New York: Routledge. (translated from the French original)

May, T. (1993) *Documentary Research in Social Research, Issues methods and Process* Buckingham: Open University Press.

Miranda J. P. (1974) *Marx and the Bible: A Critique of the Philosophy of Oppression.* Maryknoll New York: Orbis Books.

Munford, R. and Walsh-Tapiata, W. (2000). *Strategies for Change: Community Development in New Zealand.* Palmerston North: Massey University.

Orosz, J, J. (2000) *The Insiders Guide to Grantmaking.* San Francisco: Jossey Bass Publishers for the W.K. Kellogg Foundation.

Oxford University Press (1990) *The Concise Oxford Dictionary.* Oxford: Oxford University Press.

Palfrey, C. Phillips, C. Thomas, P. and Edwards, D. (1992) *Approaches to Evaluation,* in Policy Evaluation in the Public Sector. Aldershot: Avebury.

Palmer, D (1998) *Monitoring and Evaluation: A Practical Guide for Grant Making Trusts.* London: Association of Charitable Foundations.

Patton, M.Q. (1990) *Designing Qualitative Studies*, in Qualitative Evaluation and Research Methods (2nd edition). London: Sage.

Pew Foundation (undated) *Strategic Philanthropy*. www.pew.org. (accessed February 2003)

Porter, M. E. and Kramer, M. R. (1999) *Philanthropy's New Agenda: Creating Value.* in Harvard Business Review, November December 1999.

Potapchuk, W. R. Crocker, J. P. and Schechter, W. H. (1997). *Building Community with Social Capital: Chits and Chums or Chats with Change.* Washington D C.: National Civic Review 86 129 – 140.

Putnam, R. D. (1993). *Making Democracy Work: Civic Traditions in Modern Italy.* Princeton: Princeton University Press.

Putnam, R. D. (2000) *Bowling Alone: The Collapse and Revival of American Community.* New York: Simon and Schuster.

Putnam, R. D. and Feldstein, L. M. (2003) *Better Together, Restoring the American Community.* New York: Simon and Schuster

Ridings, D. S. (1997) *Philanthropy in Action: Building Community.* Washington D.C.: National Civic Review, Volume 86 Issue 4 pp281 – 286.

Robinson, D. Ed. (1997) *Social Capital and Policy Development.* Wellington: Institute of Policy Studies.

Robinson, D. Ed. (1999) *Social Capital in Action.* Wellington: Institute of Policy Studies.

Robinson, D. and Hanley, P. (2002) *Resource Flows to the Community Non Profit Sector in New Zealand.* Wellington NZ: Philanthropy New Zealand.

Robinson, D. and Williams, T. (2001) *Social Capital and Voluntary Activity: Giving and Sharing in Maori and Non Maori Society.* Social Policy Journal of New Zealand, Te Puna Whakaaro, Issue 17 Dec 2001, pp52 - 71. Wellington: Ministry of Social Development.

Salamon, L.M. (July 1994) *The Rise of the Non Profit Sector.* Baltimore: Foreign Affairs.

Salamon, L. M. (2003a) *Global Civil Society Revisited: An Overview.* Baltimore: Johns Hopkins Center for Civil Society Studies.

Salamon, L. M. (2003b) *The Global Associational Revolution: Its Implications for Philanthropy.* Paper delivered to the 2003 Conference of Community Trusts, Dunedin, New Zealand.

Salamon, L.M. and Anheier, H. (1997) *Defining the Non Profit Sector.* Manchester: Manchester University Press.

Schervish, P. (2003) *Wealth Transfer in an Age of Affluence, An Interview with Pamela Gerloff.* www.morethanmoney.org/articles/mtm32_schervish.htm (accessed January 2004)

Scott, A. F. (1990) *Women's Voluntary Associations: From Charity to* Reform in *Lady Bountiful Revisited: Women, Philanthropy and Power.* Ed K. D. McCarthy. New Brunswick, New Jersey: Rutgers University Press.

Scott, G. (2002) *Community Trusts in New Zealand: Looking Back and Looking Forward.* Privately commissioned report.

Sen, R, (2003) *Stir it Up: Lessons in Community Organising and Advocacy.* San Francisco: Jossey Bass.

Sievers, B. (1995) *Can Philanthropy Solve the Problems of Civil Society?* Indianapolis, IN: Indiana University Center on Philanthropy.

Simon, J. S. with Donovan, T. J. (2001) *The 5 Life Stages of Non Profit Organisations: Where You Are, Where You're Going, and What to Expect When You Get There.* St. Paul, Minnesota: Amerhurst Wilder Foundation.

Spicker, P. (1995) *Research for Policy.* in Social Policy: Themes and Approaches. Hemel Hempstead: Prentice Hall / Harvester Wheatsheaf, pp189-201.

Statute of Elizabeth (Charitable Uses Act 1601).

Stone, R. (2000) *Do "People Like Us" Get the Best out of Grants?* The 2000 Allen Lane Lecture, London: The Allen Lane Foundation

Stoner, J. A. F., Collins, R. R. Yetton, P, W. (1985) *Management in Australia.* Australia: Prentice Hall.

Sunday Star Times (November 7 2004: A19) *Band Aid or band-aid*?

Tax and Charities Working Party (2003) *Second Report*, www.treasury.govt.nz.

The Minneapolis Foundation (undated) *We conquer floods, tornados and blizzards. Yet tonight, 3,050Minnesota kids are homeless.* Minneapolis: Minneapolis Foundation.

The Social Capital Community Benchmark Saguaro Seminar (2000) *Civic Engagement in America*. Kennedy School of Government, Harvard University. www.ksg.harvard.edu/saguaro (accessed March 2003)

Timmons, G. (2001) *More than a Grantmaker.* A Report on the Effectiveness of the Whanganui Community Foundation and Future Options for Development. Unpublished.

Timpany, J. (March 2003) *Community Foundations*. Paper presented at the March 2003 Philanthropy Australia Conference, Sydney.

Timpany, J. (May 2003a) *Community Centred Grant Making.* Paper presented at the Philanthropy New Zealand "Funding Forum".

Timpany, J. (June 2003b) *Youth Grant Making.* in Philanthropy NZ Journal, June 2003, Wellington: Philanthropy New Zealand.

Timpany, J, (Nov 2003c) *Building Strong Communities: Exploring the Role of Grant Makers in Community Development.* Report on a social entrepreneur scholarship, New Zealand: Whanganui Community Foundation.

Timpany, J. (Dec 2004) *Community Foundations and Public Policy.* Workshop presented at the WINGS Symposium on a Global Movement, December 2004. Berlin: unpublished.

Tolich, M. (2001) *Research Ethics in Aotearoa New Zealand.* New Zealand: Pearson Education New Zealand Ltd.

Treasury (2001) *New Zealand Annual Expenditure.* Wellington: New Zealand Government.

Trust Bank Wanganui Community Trust (1997) *Annual Report for the Year Ended 31 March 1997.* Wanganui: Trust Bank Wanganui Community Trust

Trustee Act 1953 (1953) New Zealand, NZ Statutes.

Walkenhorst, P. ed, (2001), *Building Philanthropic and Social Capital: The Work of Community Foundations.* Gütersloh, Germany: Bertelsmann Foundation Publishers.

Walsh, J. (1997) *Community Building in Theory and Practice: Three Case Studies.* Washington D.C.: National Civic Review, 86:291 – 314.

Whanganui Community Foundation (2000) *Annual Report for the year ended 31 March 2000.* Wanganui: Whanganui Community Foundation.

Whanganui Community Foundation (2004) *Annual Report for the year ended 31 March 2004* Wanganui: Whanganui Community Foundation.

Whitaker, B. (2002) *Opportunity and Responsibility – How Do We Best Use Limited Resources in Grant-Making*? The 2002 Allen Lane Lecture, London: The Allen Lane Foundation.

White, J. Executive Director of The Trillium Foundation (1997) *Building Caring Communities:* an address to the Pragma Council's Spring 1997 Conference. Ontario: University of Waterloo.

Wiley, A. (1997) *Community Building and Philanthropy: The regional community.* Washington, D.C.: National Civic Review, Volume 86 Issue 4 pp315 – 324.

Wilson, A. and Charlton, K. (1997). *Making Partnerships Work: A Practical Guide for the Public, Private, Voluntary and Community Sectors.* York: Joseph Rowntree Foundation.

World Health Organization (1986) *Ottawa Charter for Health Promotion.* Geneva: World Health Organisation.

Yearly Meeting of the Religious Society of Friends (Quakers) in Britain (1995) *Quaker Faith and Practice.* Warwick: Warwick Printing Co. Ltd.

Zehr, M. A. (1996) *Getting Involved in Community Life.,* Washington: Foundation News, May / June 1996.

Guidelines for Funders of Voluntary Organisations

Appendix 1

In July 1997 The Association of Charitable Foundations published guidelines for funders of voluntary organisations. In formulating the guidelines they worked with the Charities Aid Foundation, the Corporate Responsibility Group, the National Lottery Charities Board and the Home Office on behalf of central and local government.

1. Access to Funding

1. Funding opportunities should be appropriately publicised through directories of funders, explanatory leaflets, national and local umbrella organisations, and the media. This is particularly important where an opportunity is one off annual, or where the terms are frequently revised.

2. Enquirers should be able to find out easily what the funder will and will not support; key conditions of funding; exclusions; the likely scale of competition for funds; any upper or lower limits on grant size; how to apply for a grant; how the applications will be handled; and how long it will take to reach a decision

3. Information should be disseminated early enough to allow time for applications to be prepared, taking into account the circumstances of potential applicants.

4. Application forms (where used) and accompanying instructions should be clear and user friendly and any additional documentation required should be specified. Where application forms are not used, guidance notes or a simple information checklist should be provided.

5. Funders should consider whether special steps are required to ensure fair and equal access to information on funding across geographical areas; for black and ethnic minority groups; from different religious and cultural backgrounds; for

disadvantaged groups; and those with special needs whom the funder particularly wishes to reach. Funders should also consider monitoring the effectiveness of this approach.

6. Where funding is provided in Wales, funders should consider whether they can produce bilingual information and receive applications in Welsh; statutory funders will be obliged to do so under the Welsh Language Act.

2. Processing Grant Applications

1. Timetables and procedures for processing applications should be set and publicised, with particular emphasis on deadlines and the reason for them.

2. Funders should identify clearly the information they wish to collect and how that information will be used in the decision making process. This should cover the applicant's objectives; experience of related work; the purpose and expected outcome of the work to be funded; financial competence and current financial position.

3. Unless a rapid turnaround of applications is already in place, completed grant applications should be acknowledged on receipt, even if this requires the applicant to supply a prepaid, self addressed envelope

3. Decision Making

1. Funders should have clear internal procedures for making grant decisions. These should cover the extent of any delegated authority, the timetable, the criteria for approval, and any training or special expertise required for the decision making process.

2. Funders should consider whether arrangements should be made to avoid any improper conflict of interest arising from those involved in decision making

3. Applicants should be notified of decisions as soon as possible. Funders should be aware that late decisions can cause substantial problems for an applicant, especially where another funder is involved. It may delay the start of a new project or involve the issue of redundancy notices to staff, and will inevitably mean a disruption of the applicant's work.

4. For successful applications, where funding is requested for a specific period (eg a financial year) it may be helpful to give a provisional indication of the grant as far in advance of the start of the period as is possible, but a definite figure should be confirmed not later than the start of the period.

5. It may be helpful for unsuccessful applicants to be given the principal reasons for a refusal (eg where an application falls outside a funder's policy)

4. Selecting Whom to Fund

1. Applicants should be judged on substance rather than presentation, except to the extent that presentation is material

2. Funders should consider whether voluntary organisations should be encouraged to seek funding from a range of sources, recognising that such encouragement may in different circumstances constitute a reasonable challenge or an unreasonable burden. Where matching funding is required funders should consider the economic value of volunteering and of community activity and self help. Funders should be careful to avoid 'double funding', and statutory funders should have regard to any Treasury rules on maximum Exchequer support applying to their particular grant scheme.

3. Funders should consider requiring evidence of a voluntary organisation's commitment to equal opportunities in terms of their own personnel policies and the delivery of services to their clients. In considering whether to require such evidence, funders should have regard to any relevant constraints (eg EC rules on public sector procurement, Part 11 of the Local Government Act 1988)

4. Funders should consider the extent and nature of the contribution which volunteers and users might make to the proposed activity where this is consonant with wider policy objectives.

5. Payment Procedures

1.   There should be written confirmation of the grant offer and any conditions before any payment is made. It may also be appropriate to confirm the applicant's acceptance of these conditions

2.   Grant conditions should clearly state the amount, purpose, and duration of the grant; the arrangements for payment; the monitoring and evaluation arrangements which may apply; and the circumstances in which payment may be terminated. (see 6.5)

3.   Funders should recognise that some organisations cannot function without receiving payments in advance, and should make suitable arrangements where possible. Funders should also be aware of the problems for grant recipients caused by departure from any agreed schedule of payments.

6. Monitoring and Evaluation

1.   Appropriate measures of performance (ie monitoring) and outcome/output (ie evaluation) should be agreed at the outset with all organisations receiving funding. These should conform to clear policy objectives for the overall grant scheme.

2.   Monitoring should not become an excessive burden on either funder or funded, but should be appropriate to the level and type of funding provided, the nature of the services required, and the need to ensure proper accountability.

3.   Funders should evaluate their grant schemes according to their own specific criteria and should encourage voluntary organisations to use self evaluation. Where appropriate funders should act in consort with any other funders supporting the same piece of work.

4.   Funders should request appropriate levels of financial information and should normally ask for independent verification of accounts, through audit or independent examination.

5.   Funders should ensure that they have arrangements in place for terminating funding in the event of unsatisfactory performance or breach of grant conditions.

7. Dissemination

1. Funders should encourage organisations to disseminate the results of projects of general interest; and if necessary make provision in the grant for dissemination

2. Funders should disseminate the results of evaluations where this would be useful for other funders and voluntary organisations; funded organisations should be informed of this possibility at the outset. (see 5.2)

8. Changes to Funding

1. Funders should give as much notice as possible of any changes in grant scheme policy or management arrangement.

2. Voluntary organisations should be consulted prior to any changes in their funding position which arise from evaluations of individual grants.

3. Funders should ensure that decisions on funding are taken well before arrangements have to be made to terminate a service. Attention should be paid to company, charity, insolvency and employment legislation.

Dilemmas for Grant Makers

The following list is extracted from Anheier and Leat, (2002), *From Charity to Creativity, Philanthropic Foundations in the 21ˢᵗ Century: Perspectives from Britain and Beyond.(pages 50 – 52)*

Strategic Dilemmas

- Focussing on the alleviation of symptoms vs. understanding their causes and aiming for structural reform and policy change
- Maintaining independence of government vs. working with government to achieve lasting change and greater leverage, or subsidising state activities
- Allowing maximum donor control vs. responding to pressing needs and demand
- Remaining true to the founder's formal preferences and informal intentions vs. responding to change and opportunities for innovation
- Balancing professionalisation and bureaucratisation of grant making with space for innovation and "out of the box" thinking
- Balancing responsible stewardship of funds with the real risk taking most innovations involve
- Maximising foundation income and asset building vs. remaining true to principles and mission
- Maximising income for grant making vs. spending on infrastructure, salaries and organisational capacity

Operational Dilemmas

- Funding those applicants with a reputation and proven track record vs. funding the new and untried

- Funding those applicants known to the foundation vs. equal chances for all applicants
- Regular monitoring of all grant recipients vs. allowing flexibility of grant recipients to respond to changing circumstances
- Funding only those applicants with the capacity for sustainability vs. taking chances on change
- Responding to open applications vs. proactively choosing priorities
- Small number of large grants for maximum impact vs. larger number of small grants for maximum spread
- Giving longer-term grants (silting up) vs. retaining flexibility via shorter term grants
- Funding core costs vs. project costs with an obvious time limit
- Giving applicants all they ask for (encouraging dependence) vs. funding for failure (too little for too short a time).
- Ensuring knowledge and continuity among trustees and staff vs. introducing change and risking discontinuity and loss of institutional knowledge
- Sticking to operational principles vs. changing the way the foundation reaches its goals (from grant making to mixed or operating foundation; running own project vs. third parties carrying them out.

Relational dilemmas
- Working with other funders (including other foundations) vs. maintaining independence and encouraging diversity and pluralism
- Maximising the independence of grantees vs. ensuring control to secure maximum outcome value of foundation grant
- Publicising existence and work vs. fears of overload, raising expectations, and so on.
- Maintaining privacy to allow freedom to fund unpopular causes and so forth vs. maximising transparency and accountability.

Appendix 3

Massey University Human Ethics Committee Application

Information Sheet

Consent Form

Questionnaire

Massey University
Te Kunenga ki Pūrehuroa

Human Ethics Committee

To: Secretary, Human Ethics Committee

AT   Principal's Office   **OR**   Equity & Ethics   **OR**   Principal's Office
        Albany   Old Main Building   Wellington
                                            Turitea, Palmerston North

Please send this <u>original (1) application plus twelve (12) copies</u>
Application should be double-sided and stapled
Application due two (2) weeks prior to the meeting

APPLICATION FOR APPROVAL OF PROPOSED RESEARCH/TEACHING/EVALUATION PROCEDURES INVOLVING HUMAN PARTICIPANTS

<u>SECTION A: GENERAL INFORMATION</u>

1   **Full Name of Staff Applicant**

(for staff research, teaching and evaluations)

Please sign the relevant Staff Applicant's Declaration.

School/Department/ Institute/Section

Region *(mark one only)*   **Albany**   **Palmerston North**   [X]
                                 Wellington

Telephone

Email Address

OFFICE USE ONLY

Date First Reviewed:

Outcome:

Date Received: Date Final Outcome:

ALB/PN/WGTN
Protocol No:

2	**Full Name of Student Applicant**	Judith Rae Timpany

(for supervised student research)

Please sign the relevant Student Applicant's Declaration.

	Telephone	███████████
	Email Address	whang██████████████████
	Postal Addre███████ PO Bo████████████
	Employer	Whanganui Community Foundation Inc.

3	**Full Name of Supervisor**	Mary Ann Baskerville, Wheturangi Walsh Tapiata

(for supervised student research)

Please sign the relevant Supervisor's Declaration.

	School/Department/ Institute/Section	Sociology, Social Policy and Social Work

	Region *(mark one only)*	Albany	☐	**Palmerston North**	☒
		Wellington			
	Telephone	06 3569099 ext 2814 / 2836			
	Email Address	M.Baskerville @massey.ac.nz K.Walsh@massey.ac.nz			

4	**Full Name of Line Manager**	

(for evaluations)

Please sign the relevant Line Manager's Declaration.

	Section	

	Region *(mark one only)*	Albany	☐	**Palmerston North**	☐
		Wellington			
	Telephone				
	Email Address				

5	**Project Title**	Potential roles of the grant maker in community development

6	**Projected start date of Project**	September 2003
	Projected end date of Project	November 2004

7	**Type of Project:**	
	(mark one only)	

Staff Research	☐	**Honours Project**	☐
PhD Thesis	☐	**Evaluation Programme**	☐
Master's Thesis	☒	**Teaching Programme**	☐
MBA Project	☐	**Other**	
		If Other, specify	

8   **Summary of Project**

(no more than 200 words in lay language)

(Note All the information provided in the application is potentially available if a request is made under the Official Information Act. In the event that a request is made, the University, in the first instance, would endeavour to satisfy that request by providing this summary. Please ensure that the language used is comprehensible to all.)

The objective of this thesis is to explore the potential roles and activities of grant makers / philanthropic bodies working within a community development framework. In order to do this existing theory and research in the areas of grant making and community development will be examined and integrated into a practical model for Aotearoa New Zealand.

Two small groups of individuals will be interviewed. Firstly international academics and leading practitioners in the grant making field. in order to consider the integration of grant making theory and community development theory. Secondly Community Development practitioners who have an experience of grant seeking in order to see whether the potential roles of the grant maker are seen as empowering and supportive rather than disempowering and an act of patronage. There is relatively little written in the area of integrating grant making theory and community development theory.

Declarations

DECLARATIONS FOR PERSONS PROCEEDING WITHOUT A FULL APPLICATION

DECLARATION FOR THE STAFF APPLICANT

I have read the Code of Ethical Conduct for Research, Teaching and Evaluations involving Human Participants. I understand my obligations and the rights of the participants, particularly in so far as obtaining informed consent is concerned. I agree to undertake the research as set out in the Code of Ethical Conduct for Research, Teaching and Evaluations involving Human Participants.

Staff Applicant's   Date:
Signature

_____   _____

DECLARATION FOR LINE MANAGER (for research/evaluations undertaken in the Divisions)

I declare that to the best of my knowledge, this application complies with the Code of Ethical Conduct for Research, Teaching and Evaluations involving Human Participants and that I have approved its content and agreed that it can be submitted.

Line Manager's   Date:
Signature

_____   _____

DECLARATION FOR THE STUDENT APPLICANT (for supervised student research)

I have read the Code of Ethical Conduct for Research, Teaching and Evaluations involving Human Participants and discussed the ethical analysis with my Supervisor. I understand my obligations and the rights of the participants, particularly in so far as obtaining informed consent is concerned. I agree to undertake the research as set out in the Code of Ethical Conduct for Research, Teaching and Evaluations involving Human Participants.

Student   Date:
Applicant's
Signature

_____   _____

DECLARATION FOR THE SUPERVISOR (for supervised student research)

I have assisted the student in the ethical analysis of this project. I understand my obligations and the rights of the participants, particularly in so far as obtaining informed consent is concerned. I agree to undertake the research as set out in the Code of Ethical Conduct for Research, Teaching and Evaluations involving Human Participants.

Supervisor's   Date:
Signature

_____   _____

SECTION B: PROJECT INFORMATION
(Note the Committee treats all applications independently)

9   I/we wish the protocol to be heard in a closed meeting (Part II).   Yes [ ]   No [x]

(If yes, state reason in a covering letter)

10   State concisely the aims of the project.
   - To gather information relating to the theory and practice of grant making and community development.
   - To analyse information relating to potential roles of grant makers / philanthropic bodies in contributing to community development.
   - To develop a model of grant making that contributes to community development.

11   **Give a brief background to the project so that the significance of the project can be assessed.**
   (no more than 200 words in lay language)

   Grant makers have traditionally confined their activities to making grants to community organisations.   There is potential for grant makers to take a wider role in promoting and supporting community development both through the nature of the grants and through other complementary activities.   Over the past 10 years the international (and New Zealand) philanthropic sectors have become more professional and less subject to the whims of individual philanthropists. This has led to research around the philosophy and practices of the sector. The research is sparse that examines the role of the grant maker in community development. It is therefore important that this research takes the theory of grant making and the theory of community development and integrates the two fields of research. The researcher works for a grant making organisation and has a particular interest in seeing how grant making and community development could be aligned.

12   Where will the project be conducted?

   Interviews with academics and leading grant making practitioners will take place in the United Kingdom and the United States of America (There are no New Zealand academics specialising in this field)
   Interviews with Community development practitioners will take place in Aotearoa New Zealand.

13   Who will actually conduct the study?
   Researcher (Judith Timpany)

14   Who will interact with the participants?
   Researcher (Judith Timpany)

15   What experience does the researcher(s) have in this type of project activity?
   15 years experience in the grant making sector

16   What are the benefits of the project to the participants?

1. To academics and leading grant making practitioners: The research will provide an opportunity to reflect and consider best practice issues.
2. To community development practitioners: The interview will give an insight into grant making and will hopefully help with future funding of community development activities. Dissemination of the research findings to other grant makers may create a more attractive funding environment for community development practitioners.

---

17   What are the risks of the project to:

i.	**Participants:**	Nil
ii.	**Researcher(s):**	Nil
iii.	**Groups/Communities/ Institutions:**	Nil
iv.	**Massey University:**	Nil

18   How do you propose to manage the risks for each of points ii., iii., and iv. above.

(Note Question 40 will address the management of risks to participants)

Not applicable

---

19   Is deception involved at any stage of the project?   Yes ☐   No ☒

If yes, justify its use and describe debriefing procedures.

---

20   Does the project include the use of participant questionnaire(s)?   Yes ☐   No ☒

(If yes, a copy of the Questionnaire(s) is to be attached to the application form)

21   Does the project include the use of focus group(s)?   Yes ☐   No ☒

(If yes, a copy of the Confidentiality Agreement for the focus group is to be attached to the application form)

22   Does the project include the use of participant interview(s)?   Yes ☒   No ☐

(If yes, a copy of the Interview Questions/Schedule is to be attached to the application form)

23   Does the project involve audio taping?   Yes ☒   No ☐

Does the project involve video taping?   Yes ☐   No ☒

(If agreement for taping is optional for participation, ensure there is explicit consent on the Consent Form)

If yes, state what will happen to the tapes at the completion of the project.

Tapes will be destroyed by supervisor after the thesis has been examined.

If audio taping is used, will the tape be transcribed?   Yes ☒   No ☐

If yes, state who will do the transcribing.

(If not the researcher, a Transcriber's Agreement is required and a copy is to be attached to the application form)

Researcher (Judith Timpany)

24	Does the project involve recruitment through advertising?	Yes ☐	No ☒

(If yes, a copy of the Advertisement is to be attached to the application form)

25	Will consent be given in writing?	Yes ☒	No ☐

If no, state reason.

26	Does this project have any links to other approved Massey University Human Ethics Committee application(s)?	Yes ☐	No ☒

If yes, list HEC protocol number(s) and relationship(s).

27	Is approval from other ethics committees being sought for the project?	Yes ☐	No ☒

If yes, list other ethics committees.

SECTION C: FINANCIAL SUPPORT

28	Is the project to be funded in anyway from sources external to Massey University?	Yes ☐	No ☒

If yes, state source.

29	Is the project covered by a Massey University Research Services contract?	Yes ☐	No ☒

If yes, state contract reference number.

30	Is funding already available or is it awaiting decision?

Not applicable

31	Does the researcher(s) have a financial interest in the outcome of the project?	Yes ☐	No ☒

If yes, explain how the conflict of interest situation will be dealt with.

SECTION D: PARTICIPANTS

32   Type of person participating:

(mark one or more)

Massey University Staff	☐	Hospital Patients	☐
Massey University Student	☐	Prisoners	☐
Children under 7	☐	Minors 8-15	☐
		Persons whose capacity is compromised	☐
		Ethnic/cultural group members	☐
		Other	☒

If Other, specify who.

Group 1: 3 or 4 Academics and leading grant makers (UK and USA), Group 2: 3 or 4 Community development practitioners

| 33 | **What is the age range of participants?** |
| | Approximately 40 to 60. All are adult. |

34 **Is there any professional or other relationship (e.g. employer/employee, lecturer/student, practitioner/patient, researcher/family member) to the researcher?** Yes [X] No [ ]

If yes, describe how this conflict of interest situation will be dealt with.

International interviewees are personally known to the researcher and will be visited while the researcher is overseas as there are other areas of common interest.. It will be made clear that their participation in the research is entirely voluntary and that only material collected within the process of the research interview will be used in the thesis.
There is a possibility that community development practitioners will be known to the researcher. Where this is the case the same protocols as above will apply.

35 **What selection criteria will be used?**

Group 1: Purposeful sample using the researcher's knowledge of those who are influential and published in the grant making field
Group 2: Purposeful sample of information rich community development practitioners who have experience of grant seeking.

36 **Will any potential participants be excluded?** Yes [ ] No [X]

If yes, state the exclusion criteria.

37 **How many participants will be involved?**

3 or 4 for each sample

What is the reason for selecting this number?

(Where relevant, a copy of the Statistical Justification is to be attached to the application form)

It is expected that results will be reasonably consistent between participants in each group and this size sample will provide sufficient information. Information will be qualitative and therefore the sample size is seen to be sufficient to provide information rich material on the research topic.

How many participants will be in the control group?

(Where relevant)

N/A

38 **How will participants be recruited?**

Direct approach to selected participants through written correspondence.

(If by public advertising, a copy of the Advertisement to be attached to the application form)

39 **What discomfort (physical, psychological, social), incapacity or other harm are participants likely to experience as a result of participation?**
None

40 **What support processes does the researcher have in place to deal with adverse consequences or physical or psychological risks?**

None required

41   **How much time will participants have to give to the project?**
      1 to 2 hours for the interview plus up to 1 hour to read the edited transcript.

42   **What information on the participants will be obtained from third parties?**
      None

43   **Will any identifiable information on the participants be given to third
      parties?**   Yes [ ]   No [X]

      If yes, describe how.

44   **Will any compensation/payments be given to participants?**   Yes [ ]   No [X]

      If yes, describe what and how.
      It is not expected that payment will be made but a gift will be given by way of thanks.

SECTION E: DATA

45   **What approach/procedures will be used for collecting data?**
      (e.g. questionnaire, interview, focus group, physiological tests, analysis of blood etc)
      Semi structured interview

46   **How will the data be analysed?**
      Common themes will be identified within and between groups and these will be compared with
      the literature.

47   **How and where will the data be stored?**
      While travelling transcripts will be stored in a locked case and material stored on the laptop will be
      password protected. In other situations in a locked filing cabinet. ~~in the researcher's home.~~

48   **Who will have access to the data?**
      Researcher

49   **How will data be protected from unauthorised access?**
      Within locked facilities for printed material and tapes and password protected for electronic
      material.

50   **How will information resulting from the project be shared with participants?**
      A summary or full copy of the thesis will be provided to each participant.

51   **How long will the data be retained?**
      *(Note the Massey University Policy on Research Practice recommends that data be retained for at least
      five (5) years)*
      Data will be retained until the completion of the thesis examination.

52   **What will happen to the data at the end of the retention period?**
      (e.g. returned to participants, disposed or archived)

Data will be destroyed or returned to the participants after the thesis has been examined.

53	**Who will be responsible for its disposal?**

(An appropriate member of the Massey University staff should normally be responsible for the eventual disposal of data - not a student researcher)
First supervisor.

54	**Will participants be given the option of having the data archived?**	Yes ☐ No ☒

SECTION F: CONSENT FORMS

55	**How and where will the Consent Forms be stored?**

While travelling consent forms will be stored in a locked case.   In other situations in a locked filing cabinet ~~in the researcher's home.~~

56	**Who will have access to the Consent Forms?**

Researcher

57	**How will Consent Forms be protected from unauthorised access?**

While travelling consent forms will be stored in a locked case.   In other situations in a locked filing cabinet ~~in the researcher's home.~~

58	**How long will the Consent Forms be retained?**

(Note the Committee recommends that Consent Forms be stored separately from the data and retained for at least five (5) years)

For 5 years in a locked filing cabinet ~~in the researcher's home.~~

SECTION G: HUMAN REMAINS, TISSUES AND BODY FLUIDS

59	**Does the project involve human remains, tissue or body fluids?**	Yes ☐ No ☒

(If yes, complete Section G, otherwise proceed to Section H)

60	**How is the material being taken?**

(e.g. operation)

61	**How and where will the material be stored?**

62	**How long will the material be stored?**

63	**Will the material be destroyed?**	Yes ☐ No ☐

If yes, describe how.

If no, state why.

64	Will the material be disposed of in accordance with the wishes of the relevant cultural group?	Yes ☐ No ☐

65	Will blood be collected?	Yes ☐ No ☐

If yes, state what volume and frequency at each collection.

66	Will any samples go out of New Zealand?	Yes ☐ No ☐

If yes, state where.

SECTION H: COMPLIANCE WITH THE PRIVACY ACT 1993 AND HEALTH INFORMATION PRIVACY CODE 1994

The Privacy Act 1993 and the Health Information Privacy Code 1994 impose strict requirements concerning the collection, use and disclosure of personal information. These questions allow the Committee to assess compliance.

(Note that personal information is information concerning an identifiable individual)

67	Will personal information be collected <u>directly</u> from the individual concerned?	Yes ☐ No ☒

If yes, specify the steps that will be taken to ensure that participants are aware of:
- the fact that information is being collected,
- the purpose for which information is being collected and its use,
- who will receive the information,
- the consequences, if any, of not supplying the information,
- the individual's rights of access to and correction of personal information.

These points should be covered in the Information Sheet.

If any of the above steps are not taken explain why.

68	Will personal information be collected <u>indirectly</u> from the individual concerned?	Yes ☐ No ☒

If yes, explain why.

69   What storage and security procedures to guard against unauthorised access, use or disclosure of the personal information will be used?

Not applicable

70   How long will the personal information be kept?

(Note that Information Privacy Principle 9 requires that personal information be kept for no longer than is required for the purposes for which the information may lawfully be used.)

As a general rule, data relating to projects should be kept in appropriate secure storage within Massey University (rather than at the home of the researcher) unless a case based on special circumstances is submitted and approval by the Committee.

Not applicable

---

71 How will it be ensured that the personal information collected is accurate, up to date, complete, relevant and not misleading?
Not applicable

---

72 How will the personal information be used?
Not applicable

---

73 Who will have access to the personal information?
Not applicable

---

74 In what form will the personal information be published?
(Massey University requires original data of published material to be archived for five (5) years after publication for possible future scrutiny)
Not applicable

---

75 Will a unique identifier be assigned to an individual?   Yes | X | No | |

If yes, is the unique identifier one that any other agency uses for that Yes | | No | |
individual?

Academics and experts will be referred to by name.

Community development practitioners will have the option of using a pseudonym.

SECTION I: TREATY OF WAITANGI

76 Does the proposed project impact on Maori people in any way?   Yes | X | No | |

If yes, describe how.
It is expected that at least one Community Development practitioner will be of Maori descent.

---

77 Are Maori the primary focus of the project?   Yes | | No | X |

If no, proceed to Question 82.

If yes, is the researcher competent in te reo Maori and tikanga Maori? Yes | | No | |

If no, outline the processes in place for the provision of cultural advice.

---

78 Identify the group(s) with whom consultation has taken place.
(Where relevant, a copy of the supporting documentation is to be attached to the application form)

---

79 What consultation process has been undertaken prior to this application?

---

80 Describe any ongoing involvement the group consulted has in the project.

---

81   How will information resulting from the project be shared with the group consulted?

82   **If Maori are not the focus of the project, outline what Maori involvement there may be and how this will be managed.**

It is expected that at least one Community Development practitioner will be of Maori descent. The researcher has Te Reo to conversational standard though may struggle with complex concepts or esoteric vocabulary. It is expected that the interview will be conducted in English. One supervisor is of Maori descent.

SECTION J: SOCIAL AND CULTURAL SENSITIVITY

83   **Are there any aspects of the project which might raise specific cultural**   Yes | X | No | |
       issues?

If yes, describe how.

Good community development practice in New Zealand must be underpinned by recognition of the bicultural nature of this country. It is therefore important to recognise the right of Maori to be regarded as a Treaty partner while at the same time recognising that Article 3 rights require that Maori be recognised as an integral part of any community

84   **Is ethnicity data being collected as part of the project?**   Yes | | No | X |

If yes, explain why.

85   **What ethnic or social group(s) other than Maori does the project involve?**
       European

86   **Do the participants have English as a first-language?**   Yes | X | No | |

If no, will Information Sheets and Consent Forms be translated into the   Yes | | No | |
participants' first-language?

(If yes, copies of the Information Sheet and Consent Form are to be attached to the application form)

87   **What consultation process has been undertaken with the group(s) prior to this application?**
       None

88   **Identify the group(s) with whom consultation has taken place.**
       (Where relevant, a copy of the supporting documentation is to be attached to the application form)
       Not applicable

89   **Describe any ongoing involvement the group consulted has in the project.**
       Not applicable

90   **How will information resulting from the project be shared with the group consulted?**
       Not applicable

SECTION K: RESEARCH UNDERTAKEN OVERSEAS

| 91 | Do the participants have English as a first-language? | Yes | x | No | |
| | If no, will Information Sheets and Consent Forms be translated into the participants' first-language? | Yes | | No | |

(If yes, copies of the Information Sheet and Consent Form are to be attached to the application form)

| 92 | Describe local committees, groups or persons from whom the researcher has or will obtain permission to undertake the project. |

(Where relevant, copies of Approval Letters are to be attached to the application form)

Not applicable

| 93 | Does the project comply with the laws and regulations of the country where the project will take place? | Yes | x | No | |

| 94 | Describe the cultural competence of the researcher for carrying out the project. |

Participants are resident in the United kingdom and United States of America and work within the same industry as the researcher

| 95 | Does the researcher speak the language of the target population? | Yes | x | No | |

Declarations

DECLARATION FOR THE STAFF APPLICANT

I have read the Code of Ethical Conduct for Research, Teaching and Evaluations involving Human Participants and understand my obligations and the rights of the participants, particularly in so far as obtaining informed consent is concerned. I agree to undertake the research/teaching/evaluation *(cross out those which do not apply)* as set out in this application together with any amendments required by the Massey University Human Ethics Committee.

Staff Applicant's   Date:
Signature _____   _____

DECLARATION FOR LINE MANAGER (for research/evaluations undertaken in the Divisions)

I declare that to the best of my knowledge, this application complies with the Code of Ethical Conduct for Research, Teaching and Evaluations involving Human Participants and that I have approved its content and agreed that it can be submitted.

Line Manager's   Date:
Signature _____   _____

DECLARATION FOR THE STUDENT APPLICANT (for supervised student research)

I have read the Code of Ethical Conduct for Research, Teaching and Evaluations involving Human Participants and understand my obligations and the rights of the participants, particularly in so far as obtaining informed consent is concerned. I agree to undertake the research/teaching/evaluation *(cross out those which do not apply)* as set out in this application together with any amendments required by the Massey University Human Ethics Committee.

Student   Date:
Applicant's
Signature _____   _____

DECLARATION FOR THE SUPERVISOR (for supervised student research)

I declare that I have assisted with the development of this protocol, that to the best of my knowledge it complies with the Code of Ethical Conduct for Research, Teaching and Evaluations involving Human Participants, and that I have approved its content and agreed that it can be submitted.

Supervisor's   Date:
Signature _____   _____

The Potential Roles of the Grant Maker in
Community Development

INFORMATION SHEET

Introduction
Researcher:

Supervisors:

Mary Ann Baskerville	Wheturangi Walsh Tapiata
Massey University	Massey University
Private Bag	Private Bag
Palmerston North	Palmerston North
New Zealand	New Zealand
0064 6 356 9099 ext 2814	0064 6 356 9099 ext 2836
M.Baskerville@massey.ac.nz	K.Walsh@massey.ac.nz

My name is Judith Timpany and I am studying for a Masters of Philosophy at
Massey University. I am undertaking my thesis and have chosen to research
the potential roles of the Grant Maker in Community Development. The aims of
the research are as follows:

- To gather information relating to the theory and practice of grant making
  and community development.
- To analyse information relating to potential roles of grant makers /
  philanthropic bodies in contributing to community development.
- To develop a model of grant making that contributes to community
  development.

The research will be qualitative in nature and will involve interviews with two
groups; the first 3 or 4 recognised experts in the field of grant making and the
second 3 or 4 community development practitioners with experience in the field
of grant seeking. The first group will be interviewed in the United Kingdom and
United States of America in September and October 2003. The second group
will be interviewed in New Zealand in November 2003 and February 2003

At the time of this research the researcher is employed as Executive Director of
the Whanganui Community Foundation and is also a part time student.

Participant Selection

Participants will be approached personally in writing using the following selection process:

Group 1, International Academics and Leading Practitioners in the Grant Making area. Purposeful sample using the researcher's knowledge of those who are influential and published in the area.
Group2, Community Development practitioners. Purposeful sample of information rich community development practitioners who have experience of grant seeking.

Project Procedures

The information will be collected by the use of semi structured interviews that will be audiotaped. The tapes will be stored in a locked case while travelling and transcripts will be password protected. In New Zealand audio tapes and transcripts will be stored in a locked filing cabinet. I will be transcribing the tapes and then returning you a copy of the edited transcript to make additions or deletions. The tapes and transcripts will be destroyed by the supervisor after the thesis has been examined unless requested by the participant, in which case it will be returned to the participant.

Participants will be sent a summary of the research and a full copy of the thesis will be available on request.

Should participants wish to be identified by a pseudonym, it will be used during the project.

Participant Involvement.

It is envisaged that the interview will require 1 to 2 hours and reading the edited transcript no more than an hour.

Participants rights

Participants have the right to
- Decline to participate
- Decline to answer any particular question
- Withdraw from the study at any time prior to publication
- Ask any question about the study at any time
- Provide information on the basis that the participant will not be identified without permission
- Be given a copy of the project findings when the study is completed
- Have the audio tape turned off at any time during the interview

Project Contacts

Please feel free to contact the researcher and / or supervisors if you have any questions about the project.

Ethics Approval

This project has been reviewed and approved by the Massey University Human Ethics Committee, PN Protocol Number 03/102. If you have any concerns about the conduct of this research please contact Dr. Sylvia Rumball, Chair, Massey University Human Ethics Committee. Palmerston North. By telephone 0064 6 350 5249 or by e mail humanethicspn@massey.ac.nz

The potential roles of the Grant Maker in
Community Development

CONSENT FORM

This Consent form will be held for a minimum of five (5) years

I have read the Information Sheet and have had the details of the study explained to me. My questions have been answered to my satisfaction and I understand that I may ask further questions at any time.

I agree / do not agree to the interview being audio taped.

I wish / do not wish to have the tapes returned to me

I agree / do not agree to my name being disclosed

I agree to participate in this study under the conditions set out in the Information Sheet

Signature ....

Date...................................

Full Name
(printed)...

Questionnaire

<u>Pre Questions</u>
1. Discussion around the definition of community development

<u>Questionnaire for Groups 1 and 2</u>

<u>Grant Making</u>

1   (a) Can you tell me of any funders who operate out of a community development model?
          (b) Do you think that this is a good / feasible model for a funder?
          (c) What criteria might they use to decide what to fund?
          (d) What sort of project or programme would be funded. Can you think of examples?

2   Would there be likely to be any similarities between the organisations funded?   Age group, socio economic status, welfare/sports/arts/education/culture etc.

3   Do any criteria currently used by funders negate a community development approach?

<u>Other community development activities</u>

4   Should grant makers be overtly or covertly involved in community development issues and why?

5.   What community support activities by grant makers do you believe are appropriate?

6   To what extent should grant makers be pro active about providing community support and to what extent reactive?

7   Is the role of a grant maker to lead or follow community issues?

8   How should grant makers decide what community issues to become involved in?

<u>Advocacy</u>

9   Is there a role for grant makers in advocating on behalf of the community sector?

10 What is this role?

11 Where are the boundaries?

<u>Comment on specific activities</u>

12   What areas of potential activity could be seen as a valid role for a grant maker?

- Professional development – skills based
- Professional development – expanding thinking
- Facilitating net working
- Direct advice and mentoring by grant maker staff
- Funding mentoring and advice by external consultants
- Commissioning and disseminating research around community issues
- Creating opportunities for active citizenship – encouraging giving/informed giving
- Creating opportunities for active citizenship - volunteering
- Creating opportunities for active citizenship – participation
- What, if any, form of leadership around community issues?
- Deliberative Democracy style leadership around issues
- Are there any other activities that grant makers could consider

Finally, what advice would you give to a grant maker who was interested in a community development approach?