Changing in Place:
The Skillman Foundation, Detroit, and the Good Neighborhoods Initiative

How did a hometown grantmaker conduct and conclude its largest-ever initiative?

At work where Detroit's kids live. In 2006, the Skillman Foundation committed $100 million to a decade-long investment in six neighborhoods. (See Figure 1, page 83.) Through this Good Neighborhoods Initiative, the foundation directed a majority of its grantmaking toward an intensive focus on changing the conditions where, at the time, one-third of Detroit's children lived. The goal was to ensure that children in those places were safe, healthy, well-educated, and prepared for adulthood.

The initiative concluded in 2016, ultimately spanning 11 years and involving $122 million in grants, which represented 67 percent of the Foundation's total grant spending in this time frame. Along the way, the foundation reset its strategy and sharpened its goal — in response to seismic shifts in the local context and informed by indicators of progress.

To capture information on the unique challenges facing an embedded funder as it changes program direction, Bob Tobin, senior consultant at Williams Group, interviewed Marie Colombo, Skillman Foundation director of strategic evaluation and learning. The interview took place on Dec. 8, 2016.

interview

Bob Tobin (BT): *When launching the Good Neighborhoods Initiative, the Skillman Foundation defined this as a 10-year effort. Why that particular horizon?*

Maria Columbo (**MC**): We had a good sense of what it would take to do serious place-based work — we knew we needed to allow time to actually build capacity and see evidence of change. Tonya Allen, now our president and CEO, was a principal architect of the approach; her team drew from many knowledge sources, including literature and the experience of others — such as the Annie E. Casey and W.K. Kellogg Foundations' work in communities on behalf of children.

The wisdom of the time suggested a commitment of 10 or more years, with three distinct phases. We followed this thinking, and announced a decade-long scope for the work. It started with a planning phase that covered the first two years, 2006 and 2007. That was a time for us to listen, learn, and build respectful relationships. Then, from 2008 to 2010, we were in a readiness phase, which focused on engaging residents and growing the capacity of neighborhood leaders, including initiating new forms of local decision-making.

In 2011, we moved into the implementation phase. At this time, we were dealing with severe change in the Detroit economic, social, and political context. We entered into an extensive review and evaluation of the initiative in this light, revisiting and reshaping our approach in the first years of implementation. This very large body of work then continued to completion in 2016. In total, we ended up with an 11-year initiative.

BT: *How would you characterize the Skillman Foundation's approach to this work in community?*

MC: For our team, it was all about authentic engagement with residents in the six neighborhoods where we wanted to have impact. It was a multistep, multifaceted process. In each neighborhood, the planning phase began with resident-engagement meetings where we shared our interest and aims for the initiative and gained initial reactions and questions. We held similar sessions with other stakeholders, including local nonprofits and faith-based institutions. As the work progressed, we held focus groups to more specifically vet our planned approaches. Then, with large groups of residents and leaders of community organizations, we ran a series of six well-structured planning sessions in each neighborhood. These sessions were about the community setting overarching goals for that particular neighborhood. We took these sessions very seriously — with agendas, translators, voting equipment, and other supports.

Throughout the initiative, the Skillman Foundation had a hands-on role that drew on the foundation's deep knowledge about Detroit and on our relationships with a wide range of stakeholders. Program officers worked with residents and local organizations, while contracting with intermediaries to help with community outreach and engagement, capacity building, and technical expertise.

As part of this approach, each neighborhood established four to six action-planning teams that received technical assistance to develop more specific short- and longer-term goals, along with strategies and action steps for achieving these goals. To further involve residents, give them a say in what happened locally, and build their capacity, we set up a small-grants program. Initially, we used small grants to provide modest funding for research and learning activities to help residents plan; later these small grants supported youth-focused grassroots projects. The program was administered by a group of residents from across the six neighborhoods, and they made grants of $500 to $5,000. Over the

initiative, the Skillman Foundation invested $2.8 million through this small-grants program.

BT: Can you say more about local leadership and "new forms of local decision-making"?

MC: From the start, the Skillman Foundation created and funded full-time community liaisons — typically, people in the neighborhood who had some organizing experience — to be the on-the-ground lead, helping engage residents and providing a point of contact for all the work. I should note that the nature of these positions has morphed and elevated in responsibilities over time — and that three of the six people originally in these positions are still in place after 10 years.

Beyond these liaison positions, we provided technical assistance to identify, nurture, and develop leaders among residents and others involved with local nonprofits and faith-based groups. This was another substantive set of supports — including a leadership academy that took place over eight weekends, a Community Builders Leadership Institute that offered ongoing supports across the initiative's first two phases, plus individual coaching and customized training.

This approach to local leadership development in turn led to the creation of formal community "governance" groups. During the readiness phase in 2010, six community-led planning and advocacy bodies were established — one in each neighborhood. Today, these bodies continue to be active in five of the six neighborhoods. Board members are elected annually, committee structures have been established, bylaws have been developed, and an agenda for improving neighborhood conditions and outcomes for children is in place. These governance groups each provide a forum for planning within their neighborhood, a hub for advocacy activities, and a legitimate local group that can be a point of contact for those outside the neighborhood — essentially acting as neighborhood intermediaries.

BT: At a program level, what were the key elements of the initiative?

MC: We invested in four strategy areas. We worked from a detailed theory of change, with multiple program strands within each strategy area, and I will just illustrate a few program components here. We've already talked about the first strategy area, which was community leadership — creating a pipeline for resident leaders, including support for local decision-making structures, with these efforts supplemented by a robust small-grants program directed by a resident panel.

Another strategy was about education, which is a long-standing priority of the foundation. This involved a complex set of programs. We focused on both citywide system reform and on building-level improvement approaches. Those school-focused efforts featured involvement of parents, youth, and other community members.

There was a youth-development strategy to increase the scale and quality of local youth programming as well as employment opportunities. The Foundation provided funding for direct service programs, summer youth employment, and technical assistance supporting quality improvement for program providers, plus creation of a network among these local youth program providers.

Fourth, we had a strategy for improving safety, particularly around schools and youth-development program hubs. This involved support for block clubs, community-embedded policing, restorative practices, and anti-gang activities.

BT: After a planning phase followed by a readiness phase, the foundation began implementation in 2011. By 2013, the initiative approach had shifted. Why?

MC: The local context for our work had changed dramatically. When we began the initiative in 2006, nobody could have anticipated what would take place in Detroit soon after.

In 2008, the national economy went into deep recession, which led to the collapse of the automotive industry. We saw two of the Big Three automobile manufacturers declare bankruptcy in 2009.

High unemployment contributed to the housing foreclosure crisis, which was arguably felt worse here than anywhere in the country. For example, there were more than 70,000 foreclosures in the Detroit metropolitan area in 2009 alone.

We were also in a period of political dysfunction, with three mayors in three years after Mayor Kilpatrick pled guilty to felony crimes and then resigned in 2008. The city itself was on the path to insolvency; Detroit filed for bankruptcy in 2013. The schools were in a similar plight, as Detroit Public Schools came under emergency management, accompanied by the unfettered expansion of charter schools.

BT: What went into the decision to reset strategy for the initiative?

MC: With our evaluators, in 2011 we began assessing what we had learned in the first two phases of the work. This included looking at data we collected to track progress toward a set of 2016 goals in each of our four strategy areas. For the community-leadership strategy, our goals had to do with the number of residents engaging in the initiative, the number of leaders emerging in neighborhoods, and the effectiveness of leadership groups in the neighborhoods. Our assessment, based on the data and on our own observations as our program team worked in the neighborhoods, told us that we were making more progress toward our goals in some neighborhoods than in others.

We also identified capacities that were being developed in the neighborhoods, including neighborhood governance groups, youth-development programs, and a connected system of providers, as well as school improvement efforts. We thought about what it would take to continue to build as well as protect these capacities moving forward. All this led us to realize we needed to reset, to do what we labeled a "strategic refresh."

BT: What were the specifics of this midcourse change?

MC: After talking with grant partners and residents, we made the decision to go to a tiered strategy in the six neighborhoods where we were working. Three neighborhoods would continue with full implementation and support for all strategies. One would continue implementation of all strategies but in more of an intermediate mode, meaning relatively less investment from the Foundation. In two of the neighborhoods where governance groups were not able to coalesce, we discontinued our support for formal community leadership but continued to fund youth development, education, and safety. In these ways, the foundation reallocated resources at a time of tremendous difficulty in Detroit, with a deeper commitment to the neighborhoods where we were seeing the greatest potential for impact.

By continuing funding for youth-specific programming in all neighborhoods, we buttressed the progress that was being made in improving high school graduation rates. Related, we sharpened our overall intent for the initiative in an important way at this midpoint, adopting a much more specific focus on high school graduation rates for young people in the six target neighborhoods. A 90 percent high school graduation rate became our overarching goal.

We worked through and implemented these changes in 2012 and 2013.

I should also say that in one of the two neighborhoods where we withdrew community-leadership support, there was a response to this decision. Neighborhood members created a functioning governance group that we re-funded in the latter years of the initiative.

FIGURE 1
Detroit neighborhoods included in the
Good Neighborhoods Initiative (GNI)

City of Detroit

GNI Neighborhood

Reflective Practice
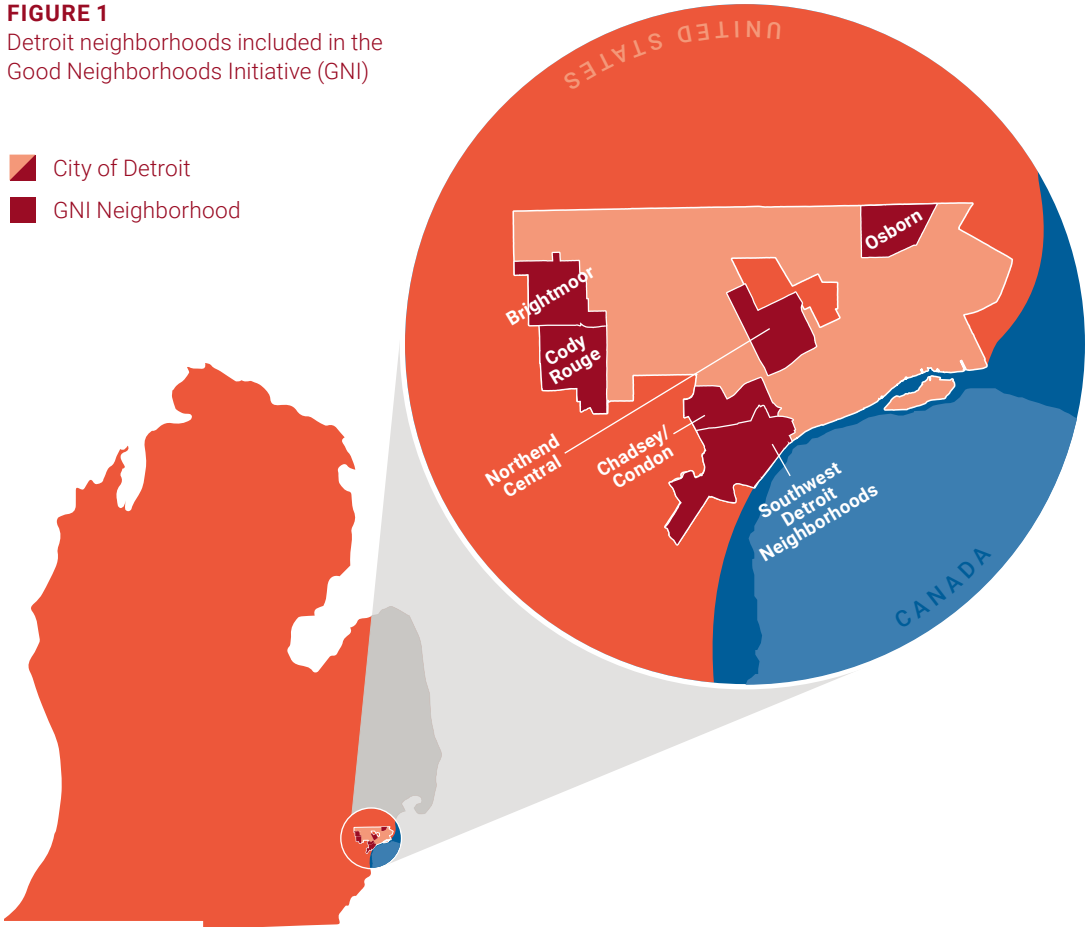
BT: *Evaluation played a role in the reset and throughout the initiative. What were the contours of the evaluation effort?*

MC: Funding for data and evaluation activities was $500,000 to $900,000 annually over the life of the initiative. The scope, approach, and evaluation partners varied with each stage of the work. In the upfront planning phase, our focus was on developing the strategic monitoring, evaluation, and learning framework for this ambitious change initiative — as well as building the internal and external data capacity it required. The next phase was about readiness, and the evaluation work included refining 2016 goals and developing a data dashboard, while continuing

to conduct process and outcome evaluations. The implementation phase included developmental evaluation of the revised strategies, final data collection against the 2016 goals, and an intensive, comprehensive analytic review of the Good Neighborhoods Initiative.

BT: *How difficult was it to change several years before the initiative was scheduled to conclude?*

MC: It was challenging, because it meant that we had to alter some relationships with grant partners' organizations and residents. Since we are part of the community where we invest, these relationships are often very personal for staff.

But we needed to be resolute in doing what we thought was best for Detroit kids. That's always been our north star. In the 2012-to-2013 strategic refresh we were motivated to do our best to lay the groundwork to achieve sustainable impact for children, schools, and neighborhoods. We intensified our efforts to make progress by 2016 and to, in effect, build a platform for the next generation of the Foundation's work beyond 2016.

BT: So your midcourse strategic refresh included planning for the end of the initiative in 2016?

MC: Yes. We wanted to be intentional in thinking about the remaining four years of Good Neighborhoods and to get ready to transition from the initiative in the most powerful way.

BT: How did you communicate and implement the strategic reset in 2012 and 2013?

MC: We included core grant partners in the refresh. They participated in planning meetings with us. Once the plan was completed, we held a series of large-group information meetings with all grant partners and neighborhood leaders.

Our program officers also met one-on-one with individual grant partners. This was especially important in cases where our relationship with a partner was changing.

BT: You reference relationships in several of your responses. Why this emphasis?

MC: As an embedded funder striving for change in our community, we don't think of relationships as an incidental or secondary aspect of our work. For us, in many ways relationships are the work, in so much as they are the method for most of what we do. We think of relationships as an enduring resource that can be valuable to the community and the Foundation beyond any individual grant or initiative.

BT: How did your grantmaking align with the changes you made in the initiative, including its endpoint?

MC: When we did the strategic refresh in 2013, we concluded some grantee relationships with tie-off grants. Each of these grants included specific program goals that supported our overall initiative strategies. Some of these grants included flexible dollars that the organization could use for sustainability planning.

Similarly, tie-off grants were used in recent years with the majority of grantees as we began to ramp down the initiative.

With a group of grantees highly connected to our program approaches, in 2016 we issued transition grants that extend through 2018, providing funds for continued work on initiative strategies while allowing for their planning beyond the initiative.

We looked at our entire group of grant partners and tried to be very clear in our verbiage with each to make sure they knew if we were making a concluding grant, or going through a step-down funding process over multiple years.

We also wanted to make it clear that a foundation decision to not make a further grant under the Good Neighborhoods Initiative does not preclude an organization from applying for funds in a future initiative.

BT: How would you describe your management of the initiative's conclusion with grantees as you approached 2016?

MC: Responsibility for the transition rested with the foundation's chief of staff and the vice president for program and strategy. Staff from our evaluation and communications groups supported these internal leaders and all program staff throughout the process.

We knew a one-size-fits-all approach would not work. With our close-in grant partners, there

were a series of meetings — typically one per month over 18 months, each a few hours in duration and involving program and evaluation staff. These meetings had multiple aims. We wanted to ensure that these partners were clear on what was ending, while also asking them to help us shape what the transition would look like and to think with us about what would come next.

For other organizations, the message about transition was communicated in the individual meetings that took place once or twice a year between each program officer and grant partner.

Particularly important in the transition phase was the presence and voice of the few remaining foundation staff who were involved in the initiative since its beginnings. They could ground newer foundation staff in the history and evolution of the work and relationships; this helped support these newer staff in having informed interactions with grant partners and community members.

BT: How effective was your approach?

MC: While we communicated well with the core group of grant partners, with our broader set of grant partners we learned we were not doing as well as we thought. In 2015, we got the results of a Center for Effective Philanthropy grantee perceptions survey. Grant partners said loud and clear that, while we were respectful of them and our goals were clear, the quality of our relationships had diminished in recent years. Some of this response was driven by our actions, some was probably caused by anxiety related to the Good Neighborhoods Initiative ending, and some may have come from our grants partners' having grown to hold us to high expectations through experiencing our deep work with them.

Regardless of the causes, that input was a real wake-up call. Since then we have been much more intentional in communicating. We held three large-group convenings in 2016 — sharing information, gathering insightful input, and nourishing relationships. We now publish monthly

blog posts from our president, Tonya Allen. We also set up an account where anyone can email Tonya directly with questions or comments.

BT: What really stands out for you as lessons for communicating with grantees?

MC: It's important to be in contact, even when we can't be as clear as we would like about our direction and message. We have been going through a lot of analysis and planning for the past 18 months to figure out where the foundation is headed beyond the Good Neighborhoods Initiative. In this time, we have not been able to be totally clear with external stakeholders regarding where we are going. Still, we realize it is important to communicate what we do know, to talk about what we are doing, and to be transparent.

Two-way communication really matters. It's critical to solicit ideas and feedback from grant partners. Through listening sessions, we have gained a variety of perspectives on how to most effectively transition from the Good Neighborhoods Initiative and capitalize upon the progress and assets built through this work.

I would also say that all of this — all aspects of communication, especially during a transition, especially as we seek inputs to inform next steps — takes a lot of effort. Funders should not underestimate this point.

BT: Were your evaluators involved with the community as the initiative concluded?

MC: Evaluators conducted individual as well as focus group interviews with community members. They were part of several listening sessions with community leaders that were led by foundation staff. Evaluators also sat in on sessions the foundation held with community leaders that focused on planning for beyond the initiative's conclusion in 2016.

BT: *Did you rely on any outside sources to help you think about handling this transition?*

MC: We have connected with some other foundations to learn about their experiences. We were interested in how they engaged with grant partners and other partners in their own processes, and with whom they communicated. For example, a Skillman Foundation team met with colleagues from the MacArthur Foundation. In addition to learning about some useful communication tools, one important takeaway from a very thought-provoking day was that it's OK to not have everything figured out before you begin to communicate with grant partners and stakeholders. Being direct is what matters, which is something our team knew already — but having senior leaders from one of the world's most significant foundations validate that practice gave us an emotional boost and confidence to charge ahead.

BT: *Even though the initiative is concluding, it seems that the Skillman Foundation doesn't really refer to this as an exit.*

MC: Correct. We do not think about this as exiting in the sense of leaving everything behind. It is not a full stop in the way that others may view an exit. As an embedded funder, we are not leaving town or ending relationships. We are changing course, and right now we are in an active period of transition that involves redefining many existing relationships in anticipation of new work that advances our focus on kids in Detroit. Our goal continues to be helping these young people get ready for college, career, and life. Our means to this end are shifting — and much of the investment we have made in building the capacity of local leaders and organizations, and in the relationships we have developed, remains very relevant to our goal.

So for us it is important to state that we are not leaving the work in a way that may be implied through the term "exit." Rather, we view this transition as an opportunity to engage with grant partners and an array of other stakeholders to ensure that their capacities get used in new ways.

BT: *Before we hear more about where the foundation is going next, let's do a little retrospective. The Good Neighborhoods Initiative was a huge investment for the Skillman Foundation. Did it produce the results you expected?*

MC: We feel good about many aspects of the progress made in this initiative, especially given the dramatic changes and intense new challenges for Detroit in the years following launch in 2006. This new context affected the foundation's ability to achieve all that we originally hoped for; still, we saw meaningful improvements.

Graduation rates in the high schools serving our six neighborhoods went from 65 percent in 2008 to 82 percent in 2015. These schools once trailed but now outpace Detroit schools at large.

Neighborhood identities and capacities are stronger than 10 years ago. New awareness and understanding of the six neighborhoods came about because of this initiative. Skillman Foundation grantmaking totaled $122 million, and we can point to $1.2 billion in additional investments — this is the amount committed by others to support improvement in the neighborhoods where we were working. That is a 10-to-1 leverage factor.

There are more specific, on-the-ground indicators of improvement. Today, there are many functioning resident-leadership groups in the neighborhoods. More residents from these neighborhoods are running for or being elected to public office, and getting involved with citywide boards. There were three times more jobs for young people in Detroit last summer compared to the summer of 2008.

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In these and many other ways we can see a difference from the initiative. Notwithstanding these successes, there were also disappointments. For example, if we were to do it again, we'd likely select smaller neighborhoods and be more intentional about connecting our four strategies more effectively within the foundation as well as in neighborhoods. As one illustration of this point, we learned that when the safety, community leadership, and education strategies intersected, there was a greater decrease in crime in target areas around schools and youth-development centers compared to crime levels citywide.

BT: Did the foundation change through this initiative?

MC: Internally, our board and staff feel we have become more savvy and effective in our change-making work because of the Good Neighborhoods experience. For example, we are better at attracting and tracking leveraged corporate investments, and at employing social-innovation financial tools such as program-related investments, loan guarantees, and equity investments.

We have also seen an unanticipated rise in our own leadership role. One of our evaluators writes about the growth in social capital that has accrued to the Skillman Foundation through this initiative. Our reputation has grown through our work in neighborhoods. This has opened doors to new forms of collaboration with the mayor's office, with the governor's staff, and with other funders investing in Detroit. For example, we helped with a new cross-sector education coalition that has already generated several policy and system changes along with an infusion of $666 million — which is a much-needed new investment in Detroit Public Schools.

There are other tangible ways we are seeing the foundation's enhanced stature make a difference. Our early commitment and programming for boys of color led to local and national partnerships under the My Brother's Keeper initiative. Our decade-long work in youth employment has been embraced by the current mayor, with our initial impact of 300 jobs now growing to 8,200 jobs.

BT: What was more difficult than you personally anticipated in the transition process?

MC: For me, and I think most foundation staff, it was the very personal challenge of transitioning long-term relationships. We were working in relationships where the foundation was very hands on. We wanted to transition to relationships that would still be strong, but that would be different — with much less direct foundation involvement.

We worked closely with residents and grant partners for a decade, and we were saying goodbye to a phase of the work where there was a deep human investment. For foundation staff, there is a personal adaptive challenge in that, and it is hard.

BT: Is the Foundation evaluating the transition?

MC: In the narrow sense, no, since we are not conducting a discrete evaluation of the initiative conclusion.

In a broader sense, yes, as we are committed to continuous evaluation and learning in all our work. We are currently wrapping up an extensive, 18-month analytic review of the Good Neighborhoods Initiative. We are concurrently planning for the next iteration of the foundation's monitoring, evaluation, and learning framework. We will also do another Center for Effective Philanthropy grant partner perceptions survey in 2017, and it will include initiative participants.

BT: What's in the analytic review of the Good Neighborhoods Initiative?

MC: This has been a deep process, involving hundreds of people over the last year and a half.

We engaged evaluators who looked at each strategy in the initiative. We then took initial reports to our key implementation partners, who helped vet and enrich the findings.

Next, we did community data walks with a broader group of grant partners as well as community residents, including youth groups. The data walks focused on progress toward our 2016 initiative goals — we asked people to reflect on what they noticed in the data, tell us where they saw traction, and describe their biggest concerns. Additionally, we did education-focused data walks with partners working in the neighborhoods to get their interpretation of the data. We have also been engaged in listening and learning sessions with a variety of individuals and community groups.

This series of interactions and iterations is informing the next phase of community investment at the foundation. This process is very alive and it is continually bringing new clarity to our next stage. We expect that the strategic reset will be completed by the end of the year.

BT: What's likely to be part of the Skillman Foundation's next stage?

MC: What we do know right now is that we will continue to strengthen our ability to support civic leadership. Through the Good Neighborhoods Initiative, we learned how to hear and champion diverse voices. We lifted up leaders of our communities so that their knowledge and perspective were included in conversations at the city, state, and national levels. And we worked to prepare our youth for civic leadership as well, so that they could contribute to Detroit's comeback. Supporting civic leadership will be central to the foundation moving forward, as we work to ensure our city's recovery is equitable — that children are prepared for and connected to economic opportunities, and are capable of contributing to the positive change they want for their community.

We also expect that our emphasis will no longer be isolated to six neighborhoods; we are thinking about the systems that impact youth and families in Detroit and the neighborhoods in which they live. Detroit kids remain our focus, but the local context is now very different than in 2006 when the initiative began, and very different than in 2011 when the city was under such extreme stress. This is a time of continued need as well as revitalization in Detroit. We want to ensure that youth are benefiting from, as well as leading and contributing to, the reshaping of the city.

BT: Based on the foundation's experience changing in place — both during the initiative and at its conclusion — what advice would you offer others?

MC: Be respectful, transparent, and as clear as possible in working with all grant partners and other stakeholders.

Related, know that you can't present clarity externally when you don't yet have it internally. In our strategic refresh in 2012 and 2013, and in our final approach to the transition in 2016, it has taken time to get clarity and alignment inside the foundation regarding our direction. In those periods, it is still important to be transparent with people outside the organization — letting them know where we are at and how we are thinking about the next phase.

BT: Is there a headline for the Skillman Foundation as you reflect on this experience as an embedded funder?

MC: We worked hard to keep our sights on the mission and our boots on the ground.

We gained credibility as a civic leader, and in communities, by always making sure our mission and goals around children were front and center. And through the way we conducted the work and engaged people in neighborhoods, we accrued trust. Credibility and trust are assets we can steward and carry forward.

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