

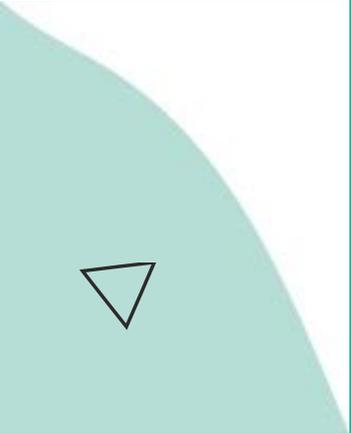


Dalberg × COMMONFUTURE.



Bringing a Racial Equity Lens to Foundation Strategy

MAY 26, 2021



Who we are

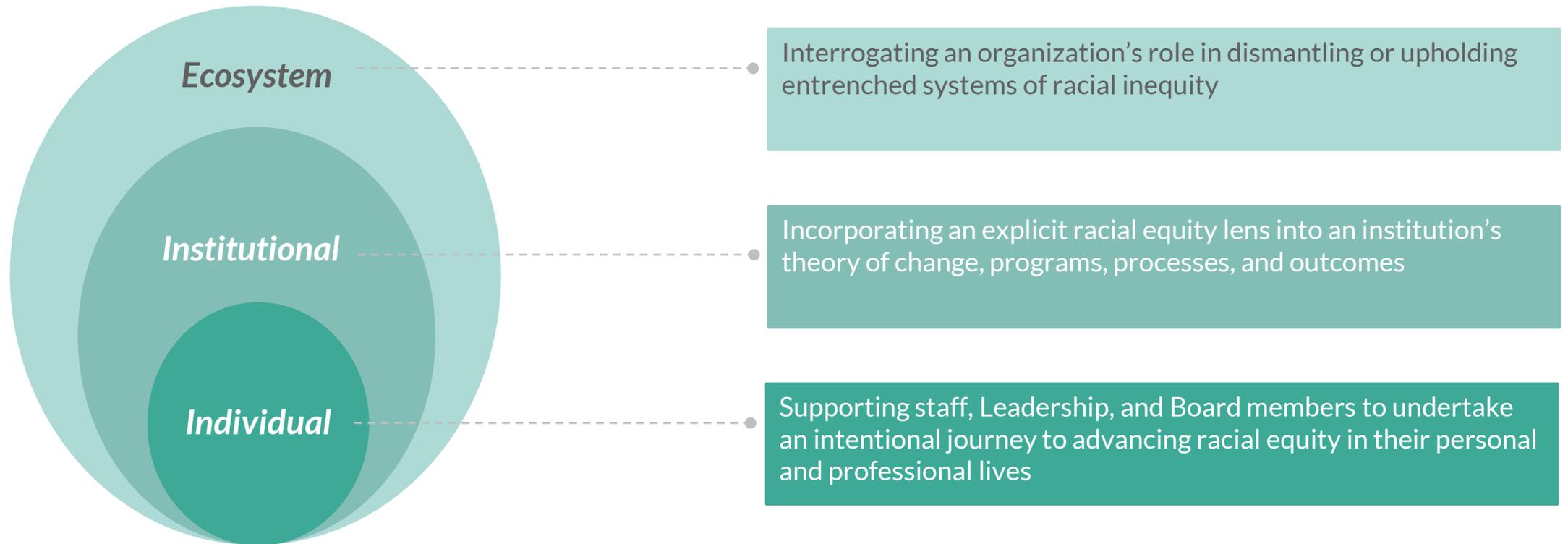
Dalberg Advisors

Dalberg Advisors is a strategy advisory firm focused on social impact and global development. Dalberg brings expertise in strategic planning, program design, scenario analysis, and intersectional racial equity and has completed more than 1,300 engagements for 500 clients across our 30+ global offices

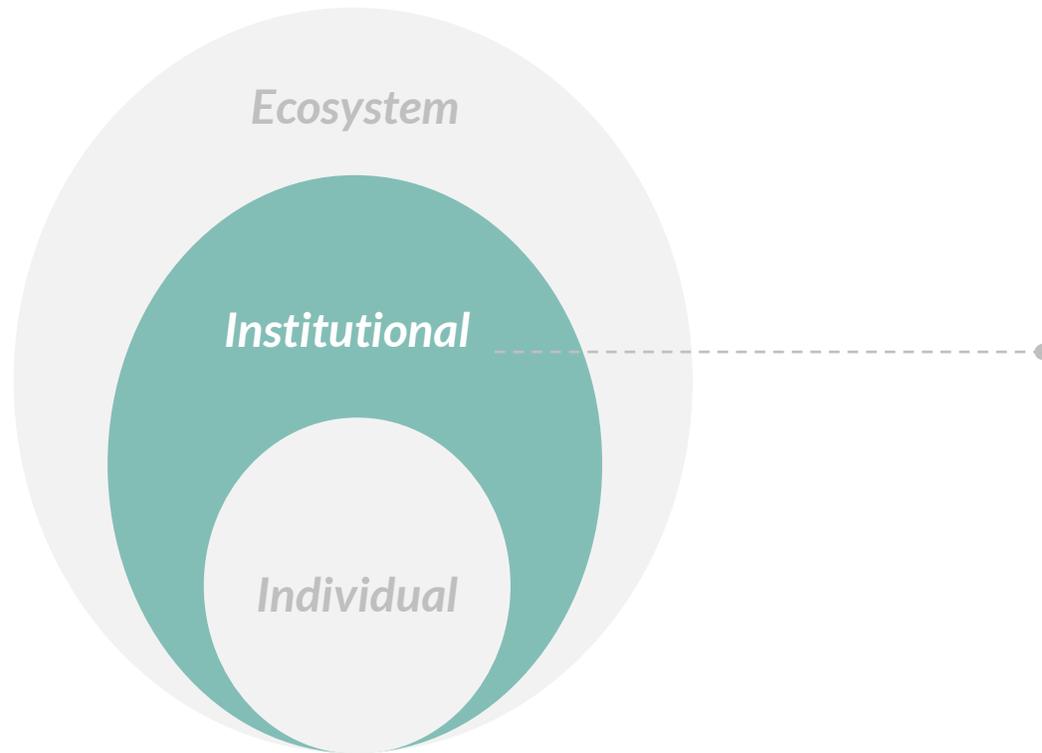
COMMON FUTURE.

Common Future is a Black-led, multiracial organization that functions as a national intermediary between wealth-holders and community wealth creators. In partnership with 200+ community organizations addressing the racial wealth gap, Common Future has supported over 80 foundations on developing a more robust racial equity and economic development strategy focused on shifting power, capital, and control to community-led solutions

Bringing a racial equity lens to an organization's strategy requires work at three levels



Today's conversation will focus on embedding racial equity into your strategy at the institutional level



ILLUSTRATIVE AND NON-EXHAUSTIVE EXAMPLES

Bringing a racial equity lens to your strategy at the institutional level *could* mean...

- ... deploying grant resources and/or investment capital in BIPOC communities
- ... ensuring program-level or organizational-level outcomes are tied to an improvement in racial equity
- ... shifting decision-making to BIPOC individuals and communities with lived experience (both in your internal systems and processes and external-facing work)

Aligning on a shared definition for 'racial equity' within your organization is the starting point to embedding this lens into your strategy

Our research indicates that many foundations want to bring a racial equity focus to their work

62%

of foundations reported that moving forward, racial equity would either be a **key focus**, **mainstreamed** into other efforts, or a **standalone or primary focus** of their portfolio

27%

expressed that while racial equity was currently a limited focus, there were **ambitions to expand into the future**

We also hear that institutional policies and practices are seen as the biggest barrier to change

What do you see as the biggest barriers to making these changes?

Percent respondents. N=209



Today's conversation will begin to shed light on how to begin to address some of these institutional challenges

Our goals for today are to:

- Share perspectives on the **most critical questions** foundations can ask themselves
- Begin to discuss how you might **contextualize this institutional work** within the bigger picture
- Unearth other questions on your mind and discuss **opportunities for future learning and engagement**

4 critical questions
foundations should
ask themselves

When bringing a racial equity lens to your foundation strategy at the institutional level, there are four critical questions

- 1 What is our vision for intersectional racial equity?
- 2 How do we engage BIPOC communities in our strategy, funding deliberations, and program-design?
- 3 What can we fund to deliver against this vision?
- 4 How do we leverage our full spectrum of capital to align with our vision and racial equity goals?

We will share a few case studies that highlight how peer organizations have tackled these questions

Before diving in, let's hear
what's on your mind:

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1 What is our vision for intersectional racial equity?

REDF

An investment that **works**.

- REDF partnered with Dalberg and consulted 40 staff and current grantees, conducted a survey of past and current grantees, and convened an internal committee comprised of staff and Board members to align on a racial equity vision to help guide the organization's work with employment social enterprises.
- This vision served as the basis for an audit against existing programs and strategies and informed recommendations for existing programs and REDF's future pipeline.

What can we learn?

- Undergoing a transparent and consultative process – sometimes facilitated by an external consulting partner -- to coalesce around a clear, crisp vision for racial equity for your institution provides clarity to internal stakeholders and external partners (including grantees) and builds buy-in from your Board on desired changes.
- The process can also serve as an ongoing accountability mechanism and a rubric against which you can assess the degree to which current and future opportunities either uphold or undermine your vision.

How do we engage BIPOC communities in our strategy, funding deliberations, and program-design?

COMMONFUTURE.

Reimagine Fund

CHARACTER-BASED LENDING
PILOT



- The “Reimagine Fund” turned \$4M in charitable and PRI contributions from philanthropists, family offices, foundations, and companies into R&D capital for 50 community-based organizations pivoting and/or prototyping models that rebuilding a more equitable economy post-COVID.
- The “Common Future Character-based Lending Pilot” empowers BIPOC-led organizations from the Common Future network who work closely with BIPOC entrepreneurs, to invest in their communities using flexible and patient capital dismantling exclusionary terms often set by “5Cs of credit”.

What can we learn?

- *Reevaluate grantmaking and investment processes to center community needs and grantee voices.* The best way to do this is to open lines of communication with community leaders to ensure your top-line strategy, solicitation, and reporting processes are in line with community priorities. Co-create these processes with grantees and compensate the leaders for their time.
- *Be explicit and intentional about shifting power.* Relationships and trust are at the core of co-designing programs. Oftentimes, POC are left out of the conversation, but we’ve intentionally let our partners lead the way, going beyond listening and letting them set the terms. *How* we built the character-based-lending pilot is just as important as *what* we built, and we’re questioning power dynamics embedded across the lending continuum.

3 What can we fund to deliver against this vision?

blue meridian

partners

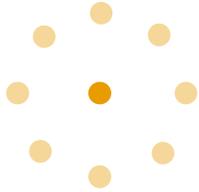
- Blue Meridian Partners and Dalberg embarked on a landscape of global efforts to distill successful lessons in building and shifting power in a variety of contexts and translated those lessons to a Shifting and Building Power strategy that will intentionally build and shift power in low-income BIPOC communities.
- This collaboration also resulted in an accompanying framework designed to support leaders – particularly leaders of color -- in their journey to build and shift power in their communities.

What can we learn?

- Understanding how to build and shift power has the potential to shift BIPOC communities' control over resources, norms & narratives, practices, laws & policies, and their bodies – and thus has greater potential to lead to long-term and structural racial equity. It is equally important to understand historical efforts to thwart power in BIPOC communities to design effective and responsive strategies.
- Recognizing and addressing the particular barriers that leaders of color in your portfolios may face to building and shifting power can begin to transform your work from institutional-level change to ecosystem-level change.

How do we leverage our full spectrum of capital to align with our vision and racial equity goals?

COMMON FUTURE
FUNDER LEARNING



THE ANNIE E. CASEY FOUNDATION

Smarter giving. Greater good.

philanthropy
NETWORK
GREATER PHILADELPHIA

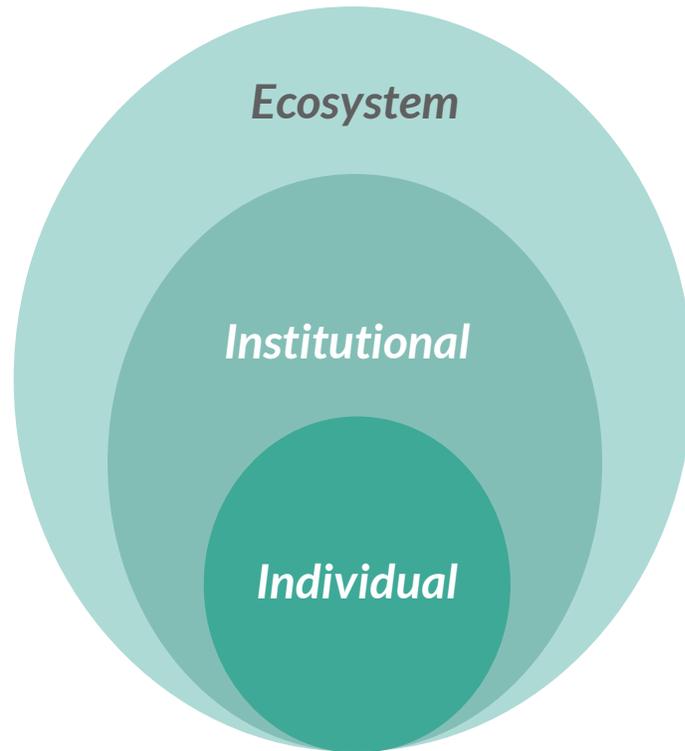


- The Common Future's framework for shifting capital and power within a foundation, has supported the shift of over \$260MM into community wealth building initiatives. This framework is currently being applied in a place-based cohort run by Philanthropy Network of Greater Philadelphia.
- Common Future partnered with the Racial Equity Assets Lab (the REAL) to develop recommendations for Annie E Casey Foundation to better support equity focused organizations of color through its Social Investments portfolio.

What can we learn?

- Examine the impact of your investment portfolio alongside your grantmaking portfolio. Advancing community investing with a racial equity lens requires shifts in culture, strategy, capacity, and investment opportunities. Place-based collaboration can make these shifts easier and more impactful.
- Leverage grantee relationships for potential investment pipelines. Build infrastructure that supports communication and knowledge sharing between programs staff and finance staff within an institution.

Where We Fit In



ILLUSTRATIVE AND NONEXHAUSTIVE EXAMPLES

Engaging across these levels *might* mean:

- ...self examining staff and board norms and beliefs through racial equity training
- ... intentionally incorporating a shifting power lens into your portfolio alongside active engagement of BIPOC communities in decision-making
- ... actively engaging in policy reform alongside grantmaking and investment activity

We would love to engage in further discussion if your institution might be interested in making this shift

Contact us

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As we wrap up, let's hear what
you'd like to explore further

www.menti.com

Code: 5778 6017

Question & Answer