

EMBEDDED PHILANTHROPY PROFILE

From “Moving Forward while Staying in Place: Embedded Funders and Community Change”
(Chapin Hall Discussion Paper, 2004)

STEANS FAMILY FOUNDATION

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SUMMARY

In 1996, the Steans Family Foundation decided to focus almost all of its philanthropic dollars and energy on Chicago’s North Lawndale neighborhood for 5 years. In 2001, they renewed this commitment and now have an open-ended commitment to the community-change effort. The Foundation makes about \$2.5 million in grants annually, primarily from its own budget, but some as a pass-through for other foundations. Steans began with a comprehensive strategy encompassing five areas: education and youth development, housing, economic development and employment, health and human services, and quality of life. Over the years, the Foundation has adjusted the categories and emphasized different areas within them, while still maintaining an overarching vision of holistic community change.

HOW AND WHY DID THE FOUNDATION EMBED ITSELF IN THIS PARTICULAR NEIGHBORHOOD?

In the 1980s, the Steans family started the Foundation to run an “I Have a Dream” program with a class of public school sixth-graders. It promised to pay the tuition of the children who went on to college. When the class graduated in 1994, its members finished high school and started college at significantly higher rates than their peers, particularly among those children the family had mentored directly. Just after this program ended, Foundation assets increased from \$3 million to \$20 million from the sale of the family business.

As the family considered the Foundation’s future direction, focus on community change in one neighborhood made immediate sense. This approach reflected the family’s experience that focused application of their time and money could make an impact; their commitment to racial and social equity; their belief that people’s fates are intimately connected to their communities; and their interest in a vehicle that could harness the family members’ diverse expertise and interests. Working locally also permitted personal involvement, which they valued.

Additionally, a neighborhood-specific focus was on a scale that was simultaneously small enough to be manageable while large enough to allow them to grapple with complex problems.

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With the help of their newly hired, first executive director, the Foundation considered a handful of possible Chicago neighborhoods as potential areas of focus. Ultimately, they decided on North Lawndale because it faced significant problems on many fronts—unemployment, crime, education, and health, to name a few. However, North Lawndale also had some strong community institutions as potential Foundation partners and many other assets, such as easy access to downtown. Also, the Foundation’s executive director knew a prominent local minister who agreed to help introduce the Foundation to individuals in the community.

WHAT BELIEFS AND THEORIES OF CHANGE INFORM THE FOUNDATION’S WORK?

Trustees assumed that the change effort would take at least 10 years. They began by making a 5-year commitment, which they renewed at its end. As the 10 year mark approaches, trustees talk about staying involved for the foreseeable future--another 10 years and beyond.

The Foundation believes that sustainable community-change requires that efforts be driven by community members’ initiative and dedication. The Foundation assumes many supporting roles, such as making grants, convening groups, building capacity, leveraging outside resources, incubating ideas, and advocating for the community, but tries not to push agendas that lack champions in the community.

WHAT STRATEGIES HAS THE FOUNDATION USED?

Initially, the Foundation focused on improving educational opportunities in the community because trustees thought this issue was both important and achievable. They had relationships, built through the “I Have a Dream” program, and personal expertise in the education arena—two of the three Steans daughters had been teachers and held related master’s degrees. Progress on education would not only help children and families directly it might also stimulate greater commercial and housing investment in the community. Among many other education programs, the Foundation supported creation of a local college preparatory charter school, professional development programs for educators, parent trainings, and the North Lawndale Learning Network, through which principals of the neighborhood’s elementary and high schools come together to share ideas, resources, and planning.

The Foundation nurtures community capacity at the individual, organizational, and network levels in numerous ways. At the individual level, the Foundation provided Individual Development Accounts coupled with financial literacy training and tax preparation assistance, the Foundation to help more than 150 families save for home purchase, education investment,

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and other purposes. The Foundation also created a mini-grants program to learn about and support emerging community initiatives and leaders, and it gave a committee of community leaders decision-making authority over the program to ensure its credibility. After the mini-grants program operated successfully for a few years, the Foundation spun it off as an independent, community-based organization. However, the program ran into problems and is now back under the Foundation’s organizational umbrella. At the organizational level, the Foundation paid for executive directors of about twenty local nonprofit organizations to earn certificates in nonprofit management through a customized course at a local university and then gave them 2 years of grants to implement organizational improvements. Finally, at the network level, the Foundation helped North Lawndale become the only Chicago community picked for a state pilot program to network early childhood support services. This became the North Lawndale Symphony of Services, through which more than forty local agencies meet monthly to share information, participate in training, and coordinate efforts.

The Foundation often learns by doing and adapts. It focuses on one issue, learns about its complexity, recognizes the importance of a related issue, adopts a focus on the related issue, and the evolutionary process continues. From the beginning, the Foundation knew employment was an important but difficult issue. Fewer than half of the working-age adults in North Lawndale were employed. Although the Foundation focused much of its early energy on education, it looked for opportunities to make progress on employment as well. As a result, the Foundation supported the creation of the North Lawndale Employment Network, which brought together community-based organizations, service providers, local businesses, and other interested parties. Together, they run many training and referral programs.

As the Foundation’s relationships in and knowledge of the community grew, its capacity to make progress on employment also grew. Foundation representatives and their community partners realized that underlying the employment problem was the fact that many North Lawndale residents were getting caught up in the criminal justice system and many ex-offenders settled in North Lawndale upon their release. The Foundation and its partners began to focus on reducing the barriers that this population faces in securing jobs as a way to break the cycle of unemployment, crime, and recidivism. Out of this work, community actors and the Foundation saw a related need to prevent youth from entering this cycle as well. Consequently, the Foundation helped convene the North Lawndale Work Group on Balanced and Restorative Justice, which brings together courts, schools, police, youth service agencies, and others to find better ways to serve justice, reduce crime, and keep youth on track.



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WHAT INTERNAL PRACTICES, STRUCTURES, AND POLICIES HAS THE FOUNDATION DEVELOPED TO SUPPORT THE WORK?

The Foundation often tackles issues by convening and supporting relevant networks of community stakeholders. It uses this strategy in education, employment, early childhood development, juvenile justice, and others. Much of the work and decision-making about the direction of the community change effort is coordinated through these networks. There is no central, community-wide forum for discussion or decision-making.

Foundation staff and trustees work directly in the community on their areas of expertise. The Foundation divides its work in the community into five program areas and assigns a different staff person to each area. Staff work closely with active community residents and organizations to develop ideas, support initiatives, build capacity, and move projects forward. The involvement of any individual family member or trustee tends to ebb and flow with events in their lives but, as a group, there is always some involvement, centered usually on that person’s area of expertise or interest.

The Foundation’s work evolves through engagement and adaptation, as illustrated by its arc of involvement through employment, ex-offender integration, and juvenile justice described above. Its experiences with domestic abuse and housing affordability unfolded in similar ways. Foundation representatives begin with some ideas about the problem and then “roll up their sleeves and get their hands dirty.”

WHAT CHANGES IN THE COMMUNITY DOES THE FOUNDATION POINT TO AS SIGNIFICANT?

North Lawndale has experienced positive change over the years of Steans’ involvement. In education, the community has a new college preparatory high school, and many of the older public schools have improved teacher training, parental involvement, student achievement, graduation rates, and college attendance rates. In early childhood education, the number of child care slots in North Lawndale has increased and moved the neighborhood off the state’s critical shortage list.

Aside from philanthropic and public dollars, new private investment is flowing into the community for the first time in decades. North Lawndale’s residential and commercial real estate markets are perking up. New businesses and residents are moving into the neighborhood,

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including dozens of individuals who worked as Steans-sponsored interns at local nonprofit organizations.

WHAT WERE THE BIGGEST CHALLENGES? HOW DID THE FOUNDATION CONFRONT THEM?

High unemployment. To build momentum, Steans focused first on issues on which it judged it could make progress. After 9 years of work, Foundation representatives believe they are now in a position to help the community make progress on some of its most entrenched issues, such as employment and economic development.

Appropriate influence. The Foundation constantly grapples with the challenge of exerting the appropriate level of influence over decisions. Too little influence can mean missed opportunities while too much influence can mean stifling community capacity and undermining sustainability. Also, the Foundation must balance short-term gains from staking out particular, controversial positions against any long-term harm to relationships that such positions may cause.

INTERVIEWEES

Reginald Jones, Executive Director, Steans Family Foundation

Heather Steans, Trustee and family member, Steans Family Foundation

Robin Steans, Trustee and family member, Steans Family Foundation