FROM TOWER TO GROUND:

SYSTEMS AND POLICY CHANGE
IN THE GOOD NEIGHBORHOODS AND GOOD SCHOOLS INITIATIVE

A Report for The Skillman Foundation

Center for Youth and Communities
Heller School for Social Policy and Management

November 2011
INTRODUCTION

In 2008 The Skillman Foundation launched the Readiness Phase of its Good Neighborhoods Initiative and at the same time shifted its other major programmatic emphasis, Good Schools, to create a larger, more integrated effort, the Good Neighborhoods and Good Schools Initiative (GN/GS). This three-year phase followed a two-year planning period that brought the Foundation and its GN/GS partners to the starting line for a ten-year, $100 million investment in “changing the odds for kids” in six target neighborhoods—Brightmoor, Chadsey Condon, Cody Rouge, Northend Central Woodward, Osborn, and Southwest Detroit—by “improving the quality of schools and transforming the neighborhoods into safe and nurturing environments.”

Leading up to, and during, the planning period, the Foundation assessed the quality of life for Detroit children and youth and refined its vision and mission for the next decade. The resulting “imperative of creating transformational change on behalf of children”4 required a new way of working and a new approach to positively impact the lives of children. In February 2007 the Trustees and Foundation staff finalized the Sustainability Plan, including their theory of change and logic model.

Early in this “new way of working,” the Foundation moved its offices from the downtown Renaissance Towers to a ground floor office suite in a repurposed industrial complex on the Detroit River. This was an intentional signal that the Foundation work would be “grounded in community.” According to President and CEO Carol Goss, “We moved our offices so that we could be more accessible to our partners and others we wanted to encourage to come forward and work with us…. Our setting is right on the water and reflects the city that we love and it also demonstrates our commitment to making Detroit a better place for all children.”

The Foundation described Changemaking in this way:

1 Key neighborhood selection criteria were a relatively high population of children; demonstrated need with respect to child wellbeing; and demonstrated community readiness to address problems and mobilize resources to support and nurture children.
2 Going forward in this report, the common or shorthand names for the neighborhoods will be used: Brightmoor, Chadsey Condon, Cody Rouge, Northend, Osborn and Southwest.
3 Tonya Allen, Memorandum to Trustees, November 2008.
4 Carol Goss, Memorandum to Trustees, February 2007.
“[Changemaking] refers to non-grantmaking practices and roles through which the Foundation serves as convener, broker, public educator, problem-solver, and/or advocate to advance an agenda for Detroit children. The Foundation works — formally and informally — to align diverse interests and players around a common agenda; ensure that those typically excluded have a seat at the civic table; draw attention to needs and opportunities for investment; insert new ideas and knowledge into the civic discussion; develop support for change and mobilize political will; and wield influence — behind the scenes and more publicly — with key leaders and institutions.”

In 2008, the Changemaking strategy for systems and policy change had four elements: Influence, Champions, Leverage, and Scale.\(^5\) Over time, the element of progress indicators was added. Exhibit 1 identifies the four elements and their definitions, as well as the indicators of progress. This articulation of Changemaking and new way of working for Skillman reflects a systems approach to creating deep and sustainable change. The Foundation’s plan is to engage the three essential actors required for societal change: the public and private sectors and community.\(^7\) \(^8\)

### EXHIBIT 1

<table>
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<th>STRATEGIES</th>
<th>DESCRIPTION/EXPLANATION/ACTIVITIES</th>
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| Influence  | The Foundation will use its influence to attract others, inspire ideas, sway decisions, and promote opinions that advance our agenda for children. The Foundation is a strong civic partner whose influence can be used strategically to advance our work and to create the broad scale, systemic change required to improve outcomes for children. | ▪ An investment pipeline in each of the neighborhoods  
▪ Champions engaged in three neighborhoods and second cohort identified  
▪ Two national foundations invest in GN/GS |
| Champions   | The Foundation will identify and nurture influential people to champion strategies on behalf of children. Champions can join our effort, establish their own, or attract others to the work. Champions understand the Foundation’s larger goal and promote it to others so that they can be part of the broad agenda to improve outcomes for children. | ▪ A formal policy agenda & plan for intended changes  
▪ Vehicles for influencing policy decisions activated  
▪ The policy agenda has been advanced |
| Leverage    | The Foundation’s resources alone are not significant enough to create the change that is required to meet our goals. However, the Foundation’s resources are great enough to be catalytic and to leverage other investments to achieve our objectives. The Foundation will intentionally seek opportunities to leverage resources and partnerships to change the conditions of | ▪ Increased collaboration and alignment among strategic partners  
▪ Increased level of financial, in-kind, and human resources donated by partners and foundations |

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\(^5\) The Skillman Foundation, A Response to the White House Office of Urban Affairs, Neighborhood Revitalization Initiative, April 2011.  
\(^6\) Sustainability Plan 2007 and Lisa Cylar Miller, Memorandum to Trustees, November 2008.  
\(^7\) Community here refers to nonprofits, informal groups and individuals.  
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<td>Scale</td>
<td>disadvantaged children. The Foundation seeks to impact a large number of children; therefore, it will support strategies that have the greatest impact on the most number of children. The Foundation hopes to expand and replicate these models so that all children in Detroit and the metropolitan area can eventually benefit from our efforts.</td>
<td>▪ Formal plan that identifies public &amp; private resources for scaling up ▪ Increased knowledge about &amp; connections to public officials and potential resources</td>
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After an overview of purpose and methodology, this chapter assesses the Foundation’s progress in systems and policy change using the Readiness Phase Evaluation Framework indicators for (1) significant external investments; (2) policy and practices changed or advanced; 9 (3) strategic partners; and (4) scaling GN/GS.

**Purpose and Methodology**

The purpose of this systems and policy sub-study was to evaluate progress toward the Systems and Policy Change Readiness Phase Indicators; assess readiness to achieve the 2016 goals; and make recommendations for learning and improvement for the Transformation Phase 2011 – 2016. The report is not intended to be a complete documentation of all of the Foundation’s system and policy change efforts.

The Brandeis evaluation and learning team conducted seventeen interviews of 30-60 minutes each, in person and by phone, during the week of December 6-10, 2010. Interviews were with Foundation staff, including the President/CEO, Senior Management Team, program associates, and consultants; with staff from organizations partnering with the Foundation; and with senior staff/CEOs from government agencies, the private sector, and local nonprofit organizations. Further, the team conducted a systematic review of internal and confidential staff and trustee documents, including memoranda, leverage/financial records, and Trustee Board materials, as well as articles and publications in the public domain and on the Foundation’s website.

The interviews and document review were conducted using an “appreciative inquiry” approach. Appreciative Inquiry assumes that “something is working here” and asks, “What is it, how, and why?” It frames problems and challenges as “lessons learned” – how did the Foundation or communities deal with the problems and challenges? 10 The Brandeis team also drew on its three plus years of experience working as the Foundation evaluation and learning partner, and did not rely solely on a point-in-time data collection strategy.

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9 Increasing public awareness is part of the original strategy for “Influence,” but this evaluation does not assess progress towards that indicator.

FINDINGS
The Foundation undertook its new role in addressing systems and policy with solid initial planning. Developing the four elements of and accompanying indicators for policy and systems change provided a framework for organizing and tracking the work. This type of work is challenging in any scenario and for a foundation, the forces of traditional operating roles and the dearth of experience in changemaking practice in philanthropy result in a significant learning curve. Further, Skillman began its work in a socio-economic and political environment that was deeply distressed and volatile. Finally, evaluating policy work poses its own difficulties since so much is reliant on the efforts of partners, making it difficult to tie successes back to Foundation efforts.

This section reports on the Brandeis findings around the four major elements for systems and policy change.

1. Significant External Investments (Champions)

1.1 Investment Pipeline

What was the original plan for an investment pipeline in each of the neighborhoods? What is its status?

Foundation staff report that the investment pipeline for each neighborhood was initially conceived as a means to direct Skillman’s and others’ resources to build a system in support of Skillman’s long-term goals. Progress was made during the Readiness Phase. A strength is the variety of funders’ and others’ resources – from local and national foundations to businesses and government. However, the pipelines for each neighborhood vary in degree and quality of resources.

Evidence of emerging investment pipelines include examples such as:

- The Max M. and Marjorie Fisher Foundation invested in early care and education, youth development and basic needs in Brightmoor.

- Living Cities and LISC made commitments of grants, loans and program-related investments to the Northend Central Woodward neighborhood.

- Osborn and Southwest have worked steadily to gather comprehensive neighborhood data to apply for federal Promise Neighborhoods funding. The application was ranked in the second tier, so is eligible for next-cycle funding and technical assistance. Regardless of the results of the application, the planning itself has laid substantive groundwork for securing other resources and using existing resources in effective ways and both neighborhoods plan to apply for the second round of Promise Neighborhood funding.

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11 Young people who are safe, healthy, well educated and prepared for adulthood.
• Skillman is working with JPMorgan Chase, United Way for Southeastern Michigan, MI Housing Development Authority, the U.S. Dept. of Housing and Urban Development, and Detroit LISC in establishing Financial Opportunity Centers to help low-income residents transform their distressed neighborhoods into places of choice. Brightmoor, Northend, and Southwest neighborhoods are included, aligning with Detroit LISC’s target investment areas. 

• The City asked Skillman to help develop a plan for the US Department of Justice for comprehensive prevention of youth and gang violence. This effort resulted in Cody Rouge and Osborn being designated for a pilot and a complementary system reform plan both of which are effective tools for engaging other investors.

1.2 Champions

What was the original Champions strategy? What is its status? How has it changed, why, and what has been accomplished over the Readiness Phase?

The original champion strategy (constructed with assistance from Rockefeller Philanthropy Advisors in 2007) was “designed to engage influential individuals and organizations which will have a significant impact in the systems that influence and contribute to families living in poverty.”

Foundation staff planned to cultivate three kinds of champions: A Champion for Children, Clout Champions, and Connecting Champions. The Foundation leadership acknowledged that this strategy in its entirety was “over-reaching” and compromised by the severe economic decline. As a result, the strategy was “put on hold”. Despite the decision to step back from the full blown Champion Strategy, elements of it remain robust, and revamping the Champion strategy in 2012 is on the agenda and in the work plans for Foundation staff.

The Foundation staff and Trustees’ designation of President and CEO Carol Goss as the Champion for Children, building on her social and political capital as a prominent community figure who represents the Foundation, appears to have been the strongest sustainable tactic of the strategy. Foundation staff and external stakeholders frequently cited her as a robust public presence and a name synonymous with The Skillman Foundation and the welfare of Detroit’s children. Viewed as a Foundation ambassador, a prominent figure in the philanthropic community, an expert on children’s issues, and a strong leader for the Skillman staff, she serves on a variety of boards and has critical relationships with other stakeholders and influential individuals. Interviewees described her energy and passion on behalf of children as “contagious,”

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13 Tonya Allen and Lisa Cylar Miller, Memorandum to Trustees, February 2008.
14 A “Champion for Children” must have the respect of business, civic and neighborhood leaders; be passionate about Detroit’s children; be easily identifiable with children’s issues; be able to serve as an advocate for children’s issues. “Clout Champions” are leaders in a particular field and are able to bring influence and investments to the initiative. “Connecting Champions” are people or organizations that can attract others in their network and raise interest in the Foundation’s work.
particularly in her work concerning overrepresentation of children of color in the child welfare system and in her ability to rally people around meeting children’s education needs. Her call that “we can do better by our children” motivates others, and she has helped skeptical neighborhood residents become comfortable with the word “foundation.” She says it is her job to bring the GN/GS vision to others and to “change what people see and what they believe is possible.... We have to convince others that this is important investment at all levels.”

The original plan was quite specific and ambitious for the times. For example, it identified a “need for eight clout champions” and included a reward program of 1:1 matching gifts (up to $5,000 annually) and recognition ceremonies. The plan also recommended the “selection and recruitment of connecting champions [beginning] with an initial cohort of 8-10 people or organizations.” Staffing was a challenge as well. Early in the planning process, the Senior Program Officer leading the changemaking work resigned, leaving a gap in leadership. Given this situation and the economic downturn in 2008, as well as numerous citywide political challenges, the Foundation decided to put the plan on hold.

Despite these challenges, interviewees stressed that other Champions have emerged, including philanthropists and funders who have provided leadership, and youth and adult neighborhood leaders. Though they may not fit the original concept, they are influential and effective. There are many examples of individuals using personal and institutional power to influence support for GN/GS – such as ongoing, sturdy support from DTE Energy in Osborn and the Fisher Family Foundation in Brightmoor. Interviewees also stressed that cultivating neighborhood level Champions is important; one said that neighborhood leaders who are emerging as potential Champions must be recognized and supported for “success to perpetuate itself.” As another put it, “there is a continuum of Champions who are less famous ... than those appearing on the ‘Wheaties’ Box,’ who are nevertheless real Champions in the neighborhoods.”

Neighborhood leaders who are emerging as potential Champions are key to GN/GS sustainability. One interviewee said that they must be recognized and supported for “success to perpetuate itself.” As another put it, “there is a continuum of Champions who are less famous ... than those appearing on the ‘Wheaties’ Box,’ who are nevertheless real Champions in the neighborhoods.” Other interviewees noted that emerging leaders’ abilities are growing through engagement with governance boards and policy/advocacy work. Some said that youth ambassadors are an important resource that could be called upon to act as Champions in the neighborhood. All of this thinking will be factored into the revisited Champion Strategy for 2012.

1.3 National Foundation Investment in GN/GS

Have two national foundations invested in GN/GS? If so, how?

For this goal, Skillman defined national foundations as those with a national scope and without a Michigan imperative. Thus they view national foundations such as Kresge, W. K. Kellogg, and Charles Stuart Mott as local partners. These Michigan partners have contributed mightily in ways
complementary to GN/GS. In fact, Kresge, Kellogg and Skillman now work differently and far more collaboratively with each other than in the past.

Investments by “outside” national foundations have reached fruition consistently through the Readiness Phase. For example, the Annie E. Casey Foundation has funded a legal advocacy center in Osborn for several years.

Several other significant partnerships have been formed or are in development with other foundations. Skillman collaborated with the Kresge Foundation in 2007 to support work in the City’s neighborhoods. Kresge developed a Detroit investment strategy which embraced the notion of “building upon the investments of other foundations.” The significant investment allocated approximately $7.5 million to neighborhoods where Skillman and the Next Detroit Neighborhood Initiative\(^\text{15}\) had already chosen to focus their efforts. Kresge also committed to support education strategies complementary to Skillman’s work. The Skillman/Kresge partnership for Brightmoor and Osborn has been strong, consistent and growing, with mutual trust and shared interest in the residents’ well being. As a result, each foundation has been able to take the lead on different aspects of the work.

Additionally, the Kresge Foundation, the Max M. and Marjorie Fisher Foundation, the W.K. Kellogg Foundation, and PNC Bank partnered with Skillman to fund early care and education. Interviewees particularly cited Fisher as a partner and advocate for Brightmoor, to the extent of taking over the lead from Skillman on coordinating the development of resources for the neighborhood.

Skillman also joined the Living Cities partnership with the goal to educate members about Detroit’s assets and challenges. Living Cities is “an innovative philanthropic collaborative of 22 of the world’s largest foundations and financial institutions,” designed to “fight the out-migration of Detroit’s population to the suburbs and seek to ‘redensify’ the urban core by improving safety, schools, employment, and small business opportunities.”\(^\text{16}\) In October 2010 Detroit was selected as one of five cities for the “new Integration Initiative, which supports game-changing innovations that address intractable problems affecting low-income people. This continues Living Cities’ 20-year commitment to Detroit, which has resulted in millions of dollars for community initiatives.”\(^\text{17}\)

Skillman, Ford, Kellogg, City, HUD, LISC, and bank representatives meet monthly as the Detroit Neighborhood Forum to coordinate neighborhood efforts: “This has led to the creation of the city’s first data intermediary organization, the formation of an Office of Foreclosure Prevention, and the

\(^{15}\) Next Detroit Neighborhood Initiative “focuses on the transformation of Detroit neighborhoods through reinforcement, revitalization and redevelopment efforts or initiatives. Our “on the ground” experience enables us to provide strategic models for safety management, blight remediation, foreclosure prevention and other critical success factors in stabilizing Detroit neighborhoods. We strive to improve the quality of life in these areas by linking community based organizations to resources to fund initiatives that address neighborhood challenges.” The Brightmoor, Northend and Osborn neighborhoods are part of this strategy. [https://www.detroitmi.gov/NextDetroitNeighborhoodInitiative/tabid/1521/Default.aspx](https://www.detroitmi.gov/NextDetroitNeighborhoodInitiative/tabid/1521/Default.aspx)

\(^{16}\) [http://www.livingcities.org/about/](http://www.livingcities.org/about/) Living Cities describes its efforts as follows: “We must take an integrative approach, simultaneously strengthening neighborhood institutions from the bottom up and reengineering, from the top down, the public systems that fail to create adequate opportunities. We must align local, state and federal policies to effectively address the issues surrounding jobs, housing, climate change, asset building and health care. We must leverage the collective power of the public, private and philanthropic sectors especially through new and innovative ways of aggregating capital.”

identification of a number of other strategies to enable the community and City to work jointly in stabilizing key neighborhoods.\textsuperscript{18}

Skillman also during the Readiness Phase partnered with Kresge and JPMorgan Chase to fund a community arts project.

2. Influence on Policy

2.1 Policy Plan

Is a policy plan in place? To what extent have local and state policies and practices been influenced, changed, or raised up as a result of the Foundation’s investment?

Right from the start, the Foundation’s theory of change and ecological model recognized “a larger political, economic and social context that impacts the way strategies are translated into practical feasible tactics” and that young people are more likely to be safe, healthy, well educated and prepared for adulthood “where broader systems and policies create conditions under which youth can thrive.” This systems and policy work - the ecological model’s “outer rim” (Exhibit 2) - is both intentional and opportunistic and identified broad targets for leveraging dollars, knowledge and networks to impact policy and systems change. External forces were powerful during this period and the severe economic decline coupled with political turmoil in city government (3 mayors in as many years), the election of a new governor, and turnover in the state legislature amplifying the challenges associated with the policy and systems change agenda.

Originally, the intention was to develop a policy agenda in concert with Skillman’s advocacy grantees that was grounded in the neighborhoods’ priorities. While the Foundation had no specific or official definition of public policy from which to operate the targets set reflected their way of thinking – in short, they wanted to impact decision making in support of Good Neighborhoods/Good Schools. In addition to external factors, this effort lost momentum when the Senior Program Officer in charge resigned thereby exacerbating the problem while also pointing out the need for dedicated people, time and money for this area. For much of this period, the Foundation relied on longtime policy grantees, including Michigan’s Children and the Michigan League of Human Services, to carry the weight for advocacy, informing and educating various constituencies.

However, despite the lack of a widely shared and formal policy plan and uneven staff and stakeholder understanding of the actual policy targets, there is evidence of a new way of thinking and acting in the area of policy and systems change among the Foundation’s Senior Staff, and internal, interim memos summarize policy and systems change progress. Drawing on those documents, Exhibit 2 provides a snapshot of the Foundation’s “cultivation network.” Foundation staff members play central roles in this network and in policy-oriented groups. Evidence of progress on policy includes:

\textsuperscript{18} The Skillman Foundation, A Response to the White House Office of Urban Affairs, Neighborhood Revitalization Initiative, April 2011.
• **Excellent Schools Detroit (ESD).** The Foundation led a coalition for a citywide education reform plan. ESD adopted Skillman’s “Making the Grade” definition of high performing schools and is now publishing a report and in all schools. As the Institute for Research and Reform in Education notes, “Within the last two years a city-wide vision, plan and an infrastructure...to improve Detroit schools and keep parents and the larger community informed about the quality of schools has been achieved.”

• **Green and Healthy Homes Initiative.** HUD partnerships are under development with Detroit Wayne County Green and Healthy to significantly mitigate or eliminate environmental hazards in the homes of children in the Northend neighborhood.

• **White House Council on Auto Communities and Workers.** Skillman worked with others in the City to highlight the importance of Detroit to DC and their visit to the Council signaled emergence of interest among key federal departments.

• **Obama Administration.** The Foundation developed a Washington, DC presence to address Detroit and Skillman policy issues and resource needs, holding meetings with Secretaries and senior staff from the Departments of Education, Labor, HUD, Justice, OMB, Domestic Policy, and Corporation for National and Community Service. The Foundation also hosted First Lady Michelle Obama’s Detroit visit.

• **Youth Employment Consortium.** Co-led by the Foundation, the Coalition features a tri-sector partnership for youth jobs and is working on systems building.

• **African American and Hispanic Boys.** Skillman has led efforts to improve services, leverage funding and register the plight of these youth as a policy concern.

• **Michigan Child Welfare.** Skillman joined others to secure a federal waiver for use of social security resources to prevent foster care placement.

• **2016 Task Force.** The Foundation established the Task Force in 2010 to provide results-oriented leadership to achieve community change for children. It currently has more than 70 members across all three sectors (public, private, nonprofit). Once the policy work group is operational, this could be a significant vehicle for system and policy change.

3. **Strategic Partners (Leverage)**

3.1 **Strategic Partners**

What are the Foundation’s strategic partnerships?

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19 Institute for Research and Reform in Education, Towards Good Schools for All Detroit’s Children, April, 2011.
Many “partners” are engaged on many levels of GN/GS. Interviewees identified strategic partners as neighborhood leaders, nonprofit grantees, government agencies, and other funders and defined them in different ways. 20 President and CEO Carol Goss defined a strategic partner as one who is working on a children’s agenda in the neighborhoods. The questions that Goss asks potential partners reveal the high level of commitment that Skillman expects.

While senior Foundation staff define strategic partners in terms of business, government, and philanthropic entities, interviewees also identified the core implementation partners as playing a strategic role. Early in the Readiness Phase, the Foundation engaged four long-term implementation partners for GN: University of Michigan School of Social Work, where the Foundation established the Technical Assistance Center for GN; National Community Development Institute to do intense leadership development with the neighborhoods; the Prevention Network to operate the small grants program in the neighborhoods; and Brandeis University’s Center for Youth and Communities to engage as the Foundation’s primary evaluation and learning partner for GN/GS. These partners are active in GN/GS on a daily basis and “meet” regularly in person and on conference calls with the Foundation. Partners added later include CityConnect, Data Driven Detroit, Detroit Parent Network, the Good Schools Resource Center at Michigan State University, Excellent Schools Detroit, the United Way of Southeastern Michigan, Teach for America, Michigan Futures, and the regional office of EdTrust. More recently, to strengthen the systems of supports and opportunities, the Foundation funded three youth development “lead” agencies (one per two neighborhoods each), who have formed the Youth Development Alliance.

The questions that Goss asks potential partners reveal the high level of commitment that Skillman expects. She asks first if they are prepared to be engaged for the long term; then if they are willing to be held accountable, share accountability with the Foundation, and hold others accountable for outcomes.

While senior Foundation staff define strategic partners more in terms of business, government, and philanthropic entities, the interviewees also identified the core implementation partners as playing a strategic role.

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20 Common reasons interviewees gave for developing partnerships included avoiding duplication of efforts (or worse, working at cross purposes) and enabling the partnering organizations to accomplish more than any single organization could. Interviewees stressed the importance of relational factors in working with strategic partners.
**Systems & Policy Influence, Champions, Leverage: Snapshot of the Skillman Foundation’s Cultivation Network**

**Public Resources**
- Michigan’s Children
- Michigan League for Human Services
- Citywide plan for early childhood with a “Quality Rating and Improvement System (QRIS)
- Southeast Michigan Early Childhood Fund Collaborative – Statewide Systems Building
- Detroit Learning Labs
- Governor’s Promise Zones
- LISC
- Governor’s Council on Physical Fitness
- National “Green Boot Camp” at Harvard on behalf of Mayor
- Youth Law Center
- Fight Crime Invest in Kids
- Youth Employment Consortium
- Centers for Working Families
- The Heat and Warmth Fund (THAW)
- Mayor’s Next Detroit Initiative
- State of Michigan Dept of Human Services
- Michigan State Energy Commission
- Detroit and Southeastern Michigan Task Force for Innovative Workforce Solutions (Ford & Rockefeller), and Michigan Dept of Labor, Energy and Economic Growth
  - Council of Michigan Foundations – Policy Promotion in DC
  - Governor’s Early Childhood Committee Chair
  - Michigan Child Welfare Task Force
  - Local Foreclosure Coordinating Office Created (HUD Resources for Foreclosure Coordinator)
  - Governor’s Statewide Poverty Summit
  - Weed and Seed, ARRA – Captured Resources through Youth Employment Consortium and others
  - Meetings with Secretary’s of Education, Labor, HUD and Senior Federal Staff for “Innovation and Improvement,” “Promise Neighborhoods,” “Innovation Fund,” “Race to the Top,” “Auto Recovery” – White House Council on Auto Communities and Workers
  - Host Federal Secretaries and First Lady visit to Detroit/Showcase Opportunity

**Philanthropic Resources**
- Council on Foundation, Meetings and Presentations
- Detroit Neighborhood Forum
- Ford Foundation
- Chase Bank
- Kresge Foundation
- Mott Foundation
- Kellogg Foundation
- Fisher Family Foundation
- Knight Foundation
- Community Foundation of Southeastern Michigan
- Council of Michigan Foundations
- Detroit Area Grantmakers
- McGregor Fund
- Network with national initiatives: Living Cities; Funders Network for Smart Growth and for Children, Youth and Families; Annie E. Casey Foundation
- PNC Foundation
- Berman Family Foundation
- The United Way for Southeast Michigan/ Venture Funds

**Corporate Resources**
- DTE Energy
- Youth Employment Consortium: CVS Caremark; Johnson Controls; J.P. Morgan Chase Bank; Blue Cross Blue Shield; Compuware; Bank of America; Lear Corporation; others
- ATT
- Detroit Regional Chamber;
- New Economy Initiative/Global Detroit
- Mackinac Policy Conference

**Education Resources**
- Excellent Schools Detroit – Standards and Accountability Commission
- Michigan Future High School Accelerator
- Greater Detroit Venture Fund
- Teach for America
- Planned & Co-sponsored “Drop Out Summit” with One D & America’s Promise
- Safe Routes to School
- Education Trust
- Making the Grade Initiative

**Theory of Change and Ecological Model**

Young people are more likely to be safe, healthy, well educated and prepared for adulthood (1) when they are embedded in a strong system of supports and opportunities, (2) when they attend high quality schools, (3) when their neighborhoods have the capacities and resources to support youth and families, and (4) when broader systems and policies create conditions under which youth can thrive.

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**Systems & Policy Influence Map**

**SHEP**
- Neighborhoods
- Institutions
- Community-Based Organizations
- Private Foundation
- Government Agencies
- Nonprofits
- Funders

**Theory of Change**

- Young people are likely safe, healthy, well educated when they attend high quality schools, and when their neighborhoods have the capacities and resources to support youth and families.
3.2 Leverage

How much and to what extent has the Foundation met its leverage goals of 5:1? Has there been an increased level of financial, in-kind, and human resources donated by partners and foundations?

The Foundation recognizes two types of leveraged investments: those leveraged through Skillman GN (and recently GS) grants, and those leveraged through Skillman’s influence. Foundation staff annually reports progress in these areas to the Trustees. For this report, we do not disaggregate the results, though detailed reports are readily available for further analysis. Examples of leveraging follow:

- **Partnership for High School Redesign.** Skillman contributed some funds, but AT & T and the State of Michigan’s 21st Century Schools initiative provided $4-5 million (the State resources “have previously been next to impossible to get”) for Cody Rouge and Osborn.

- **Living Cities.** Skillman worked with others to secure funding for “the integration initiative” – to demonstrate how public, private, philanthropic and nonprofits can work together to improve education, housing, healthcare, transportation and jobs.

- **Youth Violence Prevention.** Using both influence and modest financial resources, Skillman assisted with the planning process to receive US Department of Justice resources to prevent youth and gang violence and helped generate a plan with a pilot in two of the Foundation’s target neighborhoods and a complementary system reform strategy.21

- **Office of Foreclosure Prevention.** Skillman partnered with members of the Detroit Neighborhood Forum (includes Kresge, Ford, HUD, LISC, City, and bank representatives), to establish the Office of Foreclosure Prevention in an effort to stabilize key neighborhoods.

- **Center for Working Families.** Skillman is working with JPMorgan Chase, United Way for Southeastern Michigan, MI Housing Development Authority, the U.S. Dept. of Housing and Urban Development, and Detroit LISC to establish Financial Opportunity Centers to help low-income residents transform their distressed neighborhoods into places of choice. Brightmoor, Northend, and Southwest neighborhoods are included, aligning with Detroit LISC’s target investment areas.

- **Data-Driven Detroit (D3).** Skillman and the Kresge Foundation funded the start up of a data resource for the City that provides them and other organizations and institutions with secondary data to understand youth, family and neighborhood contexts; undergird planning; and focus resources for the Skillman neighborhoods. The goal is to leverage the Foundation’s investment in data and data analysis for much larger neighborhood and City long-term goals.

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The Foundation’s ambitious investment leverage goal of 5:1 “focused predominantly on the neighborhoods.” Foundation records show that over the three-year Readiness Phase, it leveraged nearly 6.3:1 in all its neighborhood investments. This is impressive by any measure. However, as the VP of Programs clarified in a memorandum:

“...the initial leverage strategy was envisioned solely for the neighborhood work. However, over the last three years, the Foundation expanded this strategy to include the Good Schools portfolio. And as indicated in the Relentless Prioritization section of this memorandum, changemaking and leverage is now cemented as a critical strategy for our full comprehensive change work. This is evidenced by the growing share of leverage accounted to schools. Since 2007, schools’ leverage has grown from 3 percent to 37 percent in both 2009 and 2010. If the Foundation were to measure its leverage amount according to the entire grantmaking budget, which includes schools, neighborhoods and good opportunities, the leverage ratio for this year is 3.3:1.”

Exhibit 3 summarizes investments leveraged by grants to GN and the Foundation’s influence.

Interviews as well as the Foundation’s own leverage tallies confirm overall success with regard to the leverage indicators. The interviewees applauded these accomplishments, and they are a source of pride among the staff and Trustee interviewees. One qualification is some interviewees’ concern that Skillman has not done enough to attract support from more national foundations and other national-level sources, or to leverage and involve some (unnamed) local stakeholders.

At the start of the Readiness Phase, the Foundation set an ambitious investment leverage goal of 5:1, “focused predominantly on the neighborhoods.” Foundation records show that over the three-year Readiness Phase, the Foundation leveraged nearly 6.3:1 in all its neighborhood investments.

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22 Tonya Allen, Memorandum to Trustees, December 2010.
23 Ibid.
24 “Relentless prioritization is the decisive act to focus on what is most important and to have clarity and understanding of your limitations. By ... showing no willingness to abate the intensity and strength of the Foundation’s efforts to improve outcomes for children, the Foundation is able to strategically focus actions in 2011 on the things that matter most. [It] helps the Foundation set aside things that do not strategically move it forward and distinguish between really good ideas and the most important ideas.” (Dec. 2010 memo)
## EXHIBIT 3
SUMMARY OF LEVERAGED INVESTMENTS

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<thead>
<tr>
<th>YEAR</th>
<th>Leverage Ratio</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>4.6:1</td>
<td>$64.5 Million</td>
<td>~$14 Million</td>
</tr>
<tr>
<td>2008</td>
<td>8:1</td>
<td>$100 Million</td>
<td>~$12 Million</td>
</tr>
<tr>
<td>2009</td>
<td>6:1</td>
<td>$69.7 Million</td>
<td>~$11.3 Million</td>
</tr>
<tr>
<td>2010</td>
<td>6.9:1</td>
<td>$69.2 Million</td>
<td>$10.4 Million</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$303.4 Million</td>
<td>$47.7 Million</td>
</tr>
</tbody>
</table>

Notes:
- Spikes in the data are influenced by the following seized opportunities: 2008 City Government investments; 2009 ARRA; 2010 Living Cities.
- Multi-year grants are accounted for by total in year awarded, rather than pro-rated over years, which may artificially inflate leverage for that year.
- As clarified by the Foundation: “If the Foundation were to measure its leverage amount according to the entire grantmaking budget, which includes schools, neighborhoods and good opportunities, the leverage ratio for 2010 would be 3.3:1.”

### Further Reflections on Leveraging

Some partners noted that the current “perfect storm” of federal interest is a prime opportunity to highlight GN/GS successes and infrastructure to attract federal dollars. Cultivating a network of relationships through citywide organizations, Skillman can pull together stakeholders from philanthropy, government, and the private sector to support its work in new ways. The case of the Youth Employment Consortium (YEC) spearheaded by the Foundation illustrates this integrated approach (see Exhibit 4). Several interviewees also suggested that the Foundation could experience even greater leverage at both federal and local levels. A few said that the time was right to go after federal funding more aggressively – particularly in workforce development and early childhood. Skillman has begun to cultivate relationships with federal funders, and key Foundation staff said that spending time on relationships with D.C. policymakers was now a higher priority in their work plans. The previously mentioned effort to host federal secretaries and the First Lady was a means of leveraging relationships to increase resources flowing to Detroit.

### 4. Scaling GN/GS

To what extent does a formal plan for scaling exist and how has it been implemented? To what extent has knowledge about, and connections to, public officials and regions been developed or cultivated?
Readiness Phase indicators for scaling the GN/GS efforts are (1) a formal plan that identifies public and private resources for scaling up and (2) knowledge about and connections to public officials and regions. The Foundation appears to be developing both knowledge about the political landscape and how to maneuver it, and the long-term relationships needed to influence resource decisions for the neighborhoods and schools. However, it is early to have a plan for scaling since not enough is known about what is or is not working and why. Further, the local, state and national political and economic environments negatively affect efforts to develop a plan. As the neighborhoods’ governance boards and community plans are further refined, and as the new youth development alliance and neighborhood schools strategy gain traction, more data will be available to inform scaling activities. As with the Champion Strategy, the scaling strategy will be revisited in 2011.

The YEC, in which Skillman has played a lead role, is worthy of note as a citywide effort to bring youth employment preparation and access to jobs to scale (Exhibit 4) and may provide a model for GN/GS scaling activities.
EXHIBIT 4

YOUTH EMPLOYMENT CONSORTIUM (YEC)*

<table>
<thead>
<tr>
<th>Partner</th>
<th>Role/Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Detroit Youth Employment Consortium** (Co-created and supported by Skillman; endorsed by city and state workforce leaders)</td>
<td>Convene cross-sector consortium focused on strategic development of year-round youth employment opportunities.</td>
</tr>
<tr>
<td>Detroit Workforce Development Department</td>
<td>Overall program monitoring to ensure city, state, and Federal compliance, accountability, and transparency.</td>
</tr>
<tr>
<td>City Connect Detroit**</td>
<td>Provide SYEI leadership/direction; monitor program performance/quality; develop private sector worksites (#50+); manage innovative partnerships (#13+).</td>
</tr>
<tr>
<td>Youth Development Commission**</td>
<td>Implement WIA/SYEI 10 Key Elements for Youth Programs and provide quality training and guidance for youth development approach.</td>
</tr>
<tr>
<td>University of Michigan – School of Social Work** Technical Assistance Center</td>
<td>Conduct program evaluation with youth and employers</td>
</tr>
</tbody>
</table>

*Report uses 2010 data. **Skillman Foundation Grantee

**Skillman Foundation Grantee

Initiated by The Skillman Foundation in 2008, YEC is a cross-sector partnership committed to expanding summer and year-round employment opportunities for Detroit youth ages 14-18, in keeping with the GN/GS goal of preparing young people for adulthood. Members include City Connect Detroit, Brightmoor Alliance, Detroit Hispanic Development Corporation, Greening of Detroit, Latino Family Services, Michigan Roundtable for Diversity and Inclusion, Prevailing Community Development Corporation, Student Conservation Association, Youth Development Commission, Detroit Community Initiative, Mt. Vernon Missionary Baptist Church, National Community Development Institute, The Skillman Foundation, University of Michigan School of Social Work Good Neighborhood Technical Assistance Center, Youth Development Commission, JPMorgan Chase, W.K. Kellogg Foundation, Knight Foundation, Mott Foundation, The Kresge Foundation, Department of Labor and Economic Growth, State of Michigan, Workforce Development Department, City of Detroit, Blue Cross and Blue Shield of Michigan, Compuware, Johnson Controls Inc., Lear Corporation, Bank of America, DTE Energy.

Mission: “To develop a public-private partnership that expands sustainable high-quality youth employment opportunities in the city of Detroit that promote positive youth development (i.e., connect youth to employment exploration, encourage and support persistence and secondary education attainment).”

On February 17, 2009, President Obama signed the American Recovery and Reinvestment Act (ARRA), providing $1.2 billion to generate employment and training opportunities for economically disadvantaged youth - especially meaningful summer 2009 work experiences. The ARRA catalyzed a change in Detroit’s approach: not only did it make funds available for youth employment; it also offered opportunities for new ways to do workforce development.

YEC arose in 2008, when the Foundation funded a summer jobs pilot, largely in response to consistent messages from youth that they wanted to work and were frustrated by the prospect of becoming adults without having had a regular job. With ARRA, Skillman seized the chance to dramatically expand the pilot by formalizing the YEC.

Exacerbated by the economic crisis, Detroit’s unemployment rate, the highest of any large metro area, rose to 28.9% by fall 2009 (Bureau of Labor Statistics). At the White House Jobs Summit, Detroit’s Mayor Bing said that the truth was even worse: closer to 50% and in some spots up to 80%. No one could address this enormous challenge alone, even with an influx of federal resources. The pilot programs, under the auspices of the Youth Development Commission (a Skillman grantee) working with local nonprofits, provided 300 jobs in 2008 and laid the groundwork for 2009. The Foundation convened the partners to share experiences and best practices. The group formed a learning community, persuaded the City and Michigan’s Department of Labor and Economic Growth to commit resources, crafted the mission, generated recommendations, and set itself up as the YEC. In 2009, YEC members were chief strategists and guides for implementing the Summer Youth Employment Initiative (SYEI). The Foundation granted up to $500,000 toward implementation. During the summer, more than $11 million of leveraged ARRA funds supported work and learning experiences for more than 7,000 youth. According to a USDOL-funded Brandeis report, “the programs provided a positive youth development approach coupled with integrated work and learning for many young workers.” The report recognized the Foundation’s leadership in the public-private collaboration that made it possible to meet the President’s goals: serving as many youth as possible, spending ARRA funds “quickly and wisely” with “transparency and accountability,” and providing meaningful experiences to participating youth. This groundwork led to a new way of doing business: strong city-intermediary collaboration with federal resources and philanthropic leadership and investment. The chart shows the roles and responsibilities of partners that, with the Foundation, ran a successful SYEI and created a base for future partnerships.
PROGRESS TOWARDS READINESS PHASE INDICATORS

Overall, how has the Foundation addressed the 2010 Readiness Phase Indicators as expressed in the evaluation framework? How ready is the Foundation for the Implementation Phase?

A summary of progress towards the Readiness Phase indicators appearing in Exhibit 5 suggests overall a moderate level of achievement coupled with important spikes for full achievement in two areas.

EXHIBIT 5
SYSTEMS AND POLICY CHANGE PROGRESS POINTS TOWARDS READINESS PHASE INDICATORS

<table>
<thead>
<tr>
<th>SIGNIFICANT EXTERNAL INVESTMENTS (CHAMPIONS)</th>
<th>2010 READINESS PHASE INDICATORS</th>
<th>PROGRESS POINTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>• An investment pipeline in each of the neighborhoods</td>
<td>The pipeline activity in each neighborhood varies from “medium” to “little or none.” A strength is the variety of resources—local and national foundations, businesses, and government.</td>
<td></td>
</tr>
<tr>
<td>• Brightmoor: Kresge and Fisher Family Foundations investment in early care and education; LISC Financial Opportunity Centers.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Cody Rouge: Cody High School redesigned and opening fall 2009; OJJDP Youth Violence Prevention.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Northend: Relationship with LISC and Living Cities; LISC Financial Opportunity Centers; Hudson-Webber, Kresge, Knight Foundations investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Osborn: Promise Neighborhood planning, DTE energy project and neighborhood improvements, possible LISC participation; Osborn High School redesigned and opening fall 2009; AT&amp;T Michigan donated use of a parking lot for use by Matrix Human Services, a community meeting spot; OJJDP Youth Violence Prevention.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Southwest: Promise Neighborhood planning; LISC Financial Opportunity Centers; JP Morgan Chase Bank and Detroit Tigers investments; Weed &amp; seed investments for crime prevention</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Champions engaged in three neighborhoods and second cohort identified</td>
<td>The “Champion for Children” plan with Goss has worked well.</td>
<td></td>
</tr>
<tr>
<td>• The Foundation chose to delay the champions plan due to political and economic challenges. The Foundation is currently planning to re-tool and begin again on this strategy.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Two national foundations invest in GN/GS</td>
<td>Michigan-based national foundations (Kresge, Kellogg, and Mott) have a local imperative, so fall outside of Skillman’s definition of “national,” but there is strong evidence of deep collaboration between Kresge and Skillman. Skillman worked with Kresge establish Data Driven Detroit and with Ford and Kresge to open the Office of Foreclosure Prevention.</td>
<td></td>
</tr>
<tr>
<td>• Skillman staff have initiated conversations at multiple levels with the other national Foundations.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>POLICY CHANGE (INFLUENCE)</td>
<td>2010 READINESS PHASE INDICATORS</td>
<td>PROGRESS POINTS</td>
</tr>
<tr>
<td>---------------------------</td>
<td>---------------------------------</td>
<td>----------------</td>
</tr>
<tr>
<td></td>
<td>• A formal policy agenda &amp; plan for intended changes</td>
<td>• The original intent was to develop a policy agenda in concert with Skillman’s policy advocacy grantees and based on the neighborhoods’ priorities. The collective co-designed agenda did not come to pass as envisioned and Skillman leadership created internal targets based on neighborhood goals. • The successful policy work appears to be both intentional and opportunistic and has had strong results despite absence of a formal proactive plan suggesting that adaptive leadership capacity is a central component for change.</td>
</tr>
<tr>
<td></td>
<td>• Vehicles for influencing policy decisions activated</td>
<td>• The Foundation continues to fund “legacy” policy organizations as part of the policy change agenda. New efforts are underway to create a common plan and refined targets to increase impact. • Using Foundation staff relationships with key government officials and business and philanthropic leaders has been a significant vehicle for influencing decisions about policy and resources.</td>
</tr>
<tr>
<td>STRATEGIC PARTNERSHIPS (LEVERAGE)</td>
<td>• Increased collaboration and alignment among strategic partners</td>
<td>• Development of several strategic partnerships with significant results achieved in line with Skillman’s long-term outcomes for young people.</td>
</tr>
<tr>
<td></td>
<td>• Increased level of financial, in-kind and human resources donated by partners &amp; foundations</td>
<td>• More than $303 million leveraged for a 6.3:1 average for GN during the Readiness Phase. Since 2007, leverage for g Good Schools grew from 3 percent to 37 percent in both 2009 and 2010. If the Foundation were to measure its leverage amount according to the entire grantmaking budget, which includes schools, neighborhoods and good opportunities, the leverage ratio for 2010 was 3.3:1.</td>
</tr>
<tr>
<td>PLAN FOR SCALING (SCALE)</td>
<td>• Formal plan that identifies public &amp; private resources for scaling up</td>
<td>• Too soon to consider scaling, hence no formal plan – the scaling goal requires better understanding of what should be brought to scale – but there are good models with ESD, YEC, Promise Neighborhoods, Living Cities, Centers for Working Families.</td>
</tr>
<tr>
<td></td>
<td>• Increased knowledge about &amp; connections to public officials and potential resources</td>
<td>• Foundation staff, partners, and neighborhood leaders have increased knowledge about public officials, potential resources, and advocacy • Foundation staff and Trustees are building and nurturing relationships for the long term; an on-going challenge is high turnover among public officials.</td>
</tr>
</tbody>
</table>

It is noteworthy that the Foundation’s Changemaking plans share common strategies with other community change initiative’s taking on systems and policy change: (1) “illuminating and legitimizing community-level work and community priorities, (2) brokering and aligning efforts, (3)... building partnerships with powerful allies, [and] (4) infiltrating the language, frameworks, and methods of public and philanthropic leaders.”

25 Evaluation findings suggest that Skillman has demonstrated skill in implementing these types of strategies.


When The Skillman Foundation embarked on systems and policy change it literally was “flying the plane as it was being built.” Systems and policy change is a challenging task and the Foundation has experienced many of the issues faced by other community change initiatives over time. This includes attempting social change with systems that are slow to change on their own but subject to political and economic forces that can dramatically alter the landscape the Foundation is trying to impact. Three examples of his happened during the Readiness Phase: a rapid succession of political leadership in the City, the Detroit Public Schools leadership and financial emergency, and the automobile industry crisis. Further, attempting to track and quantify leveraged funds and maintaining a sense of shared leadership with other investors in the effort poses ownership sensitivities. Also, in play is with other funding sources is how Skillman justifies that the resources it cites as leveraged were a new investment rather than something that may have happened in any case \(^{27}\) and how much credit it is willing to share.

**Is GN/GS ready?** The evidence demonstrates that, while formal system and policy change planning may not be the strategy of choice for GN/GS and internal and external communication needs improvement, the Foundation’s adaptive capacity, strategic positioning, agility, and ability to work in a chaotic environment in order to seize resources and opportunities have been productive and successful, as has its relationship building. The answer is a qualified “yes” on the systems and policy front. The Foundation can take pride in the returns that its efforts have begun to show. Skillman’s work seems to have provided focus and incentives for its own efforts and those of other partners and funders, as they consider options for neighborhood investment. This is an important because “it is likely that the presence of an organized, legitimate, and effective community intervention in a neighborhood increases the visibility of a community’s change efforts and gives enhanced credibility to neighborhood activities that, in turn, lead to additional investments.”\(^{28}\) However, achieving the 2016 Goals for systems and policy change demands even more strenuous, plan-full, and targeted strategies and will force the Foundation to consider what it will “do” (directly) and what it will “make happen” in the next phase of operation.

The following section offers lessons and recommendations for learning, improvement and capacity to achieve the 2016 Goals. That section is followed by a conclusion that puts the Skillman Foundation work in this area in a national context.

\(^{27}\) Ibid.
\(^{28}\) Op cit.
LESSONS AND RECOMMENDATIONS FOR LEARNING, IMPROVEMENT AND CAPACITY TO ACHIEVE THE 2016 GOALS

The following lessons and recommendations emerge from the findings of the Readiness Phase evaluation and point to improvements to strengthen systems and policy change efforts to attain the 2016 Goals. They point directly to the leadership role the Foundation can play to improve its Changemaking strategy.

1. **Balance planning and doing.** By its nature systems and policy work will continue to be both planned and opportunistic. The Foundation has accomplished a lot in systems and policy change in the past three years—often without an explicit written plan for each strategic element. This reflects a common tension between strategy articulation and implementation – or between planning and doing. Skillman’s strategy and tactics have been grounded in and guided by the GN/GS theory of change and fundamental commitment to improving conditions in the six neighborhoods and education in Detroit. And the strategy has been confounded and challenged by extraordinary economic, social and political factors. This has allowed execution to be relatively focused while the public problems they intend to ameliorate have grown dramatically. At the same time, Skillman and its partners have been able to innovate under pressure, take advantage of opportunities and have tried to avoid over-planning and paralysis as often happen in such environments. It has helped to have financial and other resources to seed pilot projects or generate interest and momentum in a targeted change effort.

   “In real life, strategy is actually very straightforward. You pick a general direction and implement like hell.”
   – Jack Welch, former CEO, General Electric

The Foundation has been nimble, smart and quick at decision making and moving in the desired direction. The challenge is to avoid the “activity trap” – following leads or engaging in activities that are not prioritized. One question to be asked is, “Would more be accomplished with an explicit policy plan with targets and a clearer understanding of what the Foundation’s central role should be?”

a. **RECOMMENDATION:** Assess competencies and strategies needed for policy and systems change today, engage in ongoing strategy planning to provide more focus and direction for change efforts and ensure Changemaking staff and partners are on the same page. At the same time, it makes sense to leave room for maneuvering, taking advantage of opportunities, and customizing activities.

b. **RECOMMENDATION:** Set policy and system change targets that are strongly linked to the outcomes and to a realistic assessment of resources the Foundation can bring to bear and what partners can make happen. Even with a “narrowed” focus on the long-term outcomes of youth who are safe, healthy, well educated, and prepared for adulthood, the Foundation cannot do everything itself to achieve these outcomes. While this is common knowledge, it is also common practice to take on too much and dilute efforts. Foundation time and resources are precious and system and policy change can be all consuming. This is something the Foundation is acutely aware of. Yet, the system and policy agenda as it is played out by Skillman is quite
expansive. The Foundation’s mantra of “relentless prioritization” must be applied with rigor to determine what the Foundation can do itself and what can and should be done by others.

c. **RECOMMENDATION:** Once the policy plan and targets are developed, assess talents and skills of Foundation staff, policy grantees and neighborhood leaders and distribute responsibility for systems and policy change among them to best achieve outcomes. In assuming this leadership role ensure that there is a strong communications system to keep these partners abreast of breaking news, tactical changes and ongoing issues, and provide training and technical assistance to build an increasingly sophisticated pool of change agents and change leaders.

2. **Increase impact by focusing more on system integration and resource development.** For all that has been accomplished in systems and policy change, there is more work ahead. Conspicuous by their absence were interviewee references to integrate funding from federal programs that could strengthen GN/GS efforts, including Temporary Assistance for Needy Families, various Department of Housing and Urban Development programs, the Supplemental Nutrition Assistance Program, and various workforce development funds. To move forward with systems integration and obtaining resources, Skillman and its partners should look to better uses of government funding. For example, in the context of the 2016 Goals and in the interest of “preparing young people for adulthood” in a continually shrinking economy, the Foundation could consider launching an aggressive campaign to integrate federal, state, and local workforce development resources. This might be a new leadership role for the YEC.

a. **RECOMMENDATION:** Implement a robust systems integration plan to take advantage of federal funding sources that are not obvious. To achieve models of systems integration, which is a 2016 Goal, or to capture Federal opportunities and leverage sufficient public and private resources for sustainable neighborhood schools, it would be beneficial to think through how to address the inevitable shifts that occur in policies and resources as a result of politics, the economy, public opinion, and other environmental factors.

Exhibit 6 offers a simple overview of some Federal agencies with workforce development budgets that could be coordinated as a model of systems integration. Many national organizations (e.g., CLASP) are designing integration models that are likely to grow in popularity as Federal resources continue to decline. Detroit could provide leadership in the area because of the infrastructure it has created through GN/GS and thereby influence the policy and regulators directing the flow of funds for general workforce and youth employment. Similar tables could be constructed for other areas of GN/GS work to highlight funds that may be available.

3. **Position the 2016 Task Force as “results oriented leadership to achieve community change for children” and as a vibrant community action information network.**

a. **RECOMMENDATION:** Establish a policy team or sub-committee of the 2016 Task Force with an internal lead person at the Foundation to develop a blueprint for systems and policy action across government and philanthropy, business.

b. **RECOMMENDATION:** Disseminate an annual dashboard report on progress towards GN/GS 2016 Goals.
EXHIBIT 6
WORKFORCE FUNDING: PRIMARY FEDERAL AGENCIES AND HOW FUNDS FLOW

The flow of federal funding for workforce is complex and is distributed directly through competitive grants, through entitlements or grants to states and local jurisdictions, and from all levels to community organizations. Complicating this flow is the range of federal agencies with workforce development budgets. Shown below are some of the primary federal agencies and their main funding streams related to workforce.

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal</td>
<td>• Workforce Investment Act (WIA) Title I</td>
<td>• Workforce Investment Act Title II (Adult Education)</td>
<td>• Temporary Assistance for Needy Families (TANF)</td>
<td>• Energy: e.g., Weatherization Assistance Program</td>
<td>• New Initiative: 21st Century Strategy for America’s Great Outdoors (The White House, April 2010)</td>
</tr>
<tr>
<td></td>
<td>• Wagner-Peyser Act</td>
<td>• Perkins Loan Program</td>
<td>• Community Services Block Grant (CSBG)</td>
<td>• Agriculture: e.g., Supplemental Nutrition Assistance Program Employment and Training Program</td>
<td>• Youth in the Great Outdoors offers job and internship opportunities through Public Land and Youth Conservation Corps Acts and website: <a href="http://www.YouthGO.gov">www.YouthGO.gov</a> to increase employment and career opportunities locally and nationally. Also, provide educational resources.</td>
</tr>
<tr>
<td></td>
<td>• Trade Adjustment Assistance</td>
<td>• Pell Grants</td>
<td>• Social Services Block Grant (SSBG)</td>
<td>• HUD: e.g., Community Development Block Grant (CDBG)</td>
<td>• U.S. Department of Interior Purpose: Preparing the next generation of conservation leaders by connecting young people to their natural and cultural heritage.</td>
</tr>
<tr>
<td></td>
<td>• Competitive Grants (Green industry, health care, etc.)</td>
<td></td>
<td></td>
<td>• Justice: e.g., Second Chance Act</td>
<td></td>
</tr>
<tr>
<td>State</td>
<td>• WIA Title I (15%) Discretionary</td>
<td>• WIA Title II</td>
<td>• TANF</td>
<td>• CDBG Small Cities</td>
<td>• Access through website and Julie Rodriguez, Director, Office of Youth at the U.S. Department of Interior.</td>
</tr>
<tr>
<td>(Multiple Agencies)</td>
<td>• Perkins Loan Program</td>
<td></td>
<td>• SSBG</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local</td>
<td>• WIA Title I (85%)</td>
<td>• No adult education funding at local level</td>
<td>• No funding at local level</td>
<td>• CDBG Entitlement Communities</td>
<td>• Access through website and Julie Rodriguez, Director, Office of Youth at the U.S. Department of Interior.</td>
</tr>
<tr>
<td></td>
<td>• Wagner-Peyser Act</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Trade Adjustment Assistance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community</td>
<td>• Individual Training Accounts Vouchers from WIA Act</td>
<td>• Pell Grants (Individual)</td>
<td>• CSBG – Community Action Programs (CAPs)</td>
<td>• Competitive Grants</td>
<td>• Competitive opportunities (in 2010, provided more than 21,000 jobs).</td>
</tr>
<tr>
<td>(Programs and Individuals)</td>
<td>• Competitive Grants</td>
<td>• WIA Title II</td>
<td>• TANF – Competitive Grants</td>
<td></td>
<td>• Special emphasis on engaging youth from communities with historically lower participation rates, as well as young women and girls.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Perkins Loan Program</td>
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CENTER FOR YOUTH AND COMMUNITIES, THE HELPER SCHOOL FOR SOCIAL POLICY AND MANAGEMENT

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4. **Given that the original champion strategy has been put on hold but has had positive results to the extent it was implemented, re-think its purpose and how it could best be implemented.** It has the potential with more champions involved to bolster the “movement” GN/GS is trying to build.

   a. **RECOMMENDATION: Personalize the strategy with new champions from all sectors and move them into the spotlight and call out neighborhood champions as well.**

**CONCLUSION AND NATIONAL CONTEXT**

Right from the start, systems and policy change was on the agenda for the Good Neighborhoods/Good Schools Initiative. The theory of change and the “outer rim” of the ecological model identified broad targets for the Foundation to leverage its dollars, knowledge and network to impact policy and systems change knowing that would be necessary to sustain the work.

As historian James Allen Smith suggests, this is nothing new in and of itself. Foundations “have worked to shape policies by using the influence of their boards, by molding elite public opinion, by pursuing campaigns of public information and education, by creating demonstration projects, by using their financial resources strategically to leverage public funds, and by pursuing direct legislative lobbying, judicial strategies, and executive branch persuasion. They have worked at every level of government.**

The policy and system targets taken on by the Skillman Foundation reflect all of the areas Smith suggests less direct lobbying (the Tax Reform Act of 1969 put an end to that). Because of this range of action and flexibility, private foundation dollars can be important engines for policy change, especially in the hands of progressive leaders. A recent report from the Sillerman Center for the Advancement of Philanthropy at Brandeis University depicts the kind of leadership we have witnessed at the Skillman Foundation: “The recent rise of some new philanthropists... has ushered in a new era of attention to investing in social change. The self-described “next generation” of philanthropists has started to look at philanthropy as another form of investment, rather than charity, coining terms such as “social entrepreneurship” and “venture philanthropy” to convey a more engaged role in guiding the use of philanthropic dollars.”

An investment mindset with a results-oriented leadership team is omnipresent at the Skillman Foundation and within the Good Neighborhoods/Good Schools Initiative. They are expecting a return on the investments and have set up a dashboard and performance management system (PMS) to keep them on track. It is important to note that the PMS also traces external factors that impact the pace and potential of change knowing that systems and policy change are long term goals.

As described in the body of this report and summarized in the Topline Report, the four changemaking elements making up the Skillman Foundation policy and system change strategy included:

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30 In writing about foundations and public policy making, James M. Terris, Professor and Director on the center on Philanthropy and Public Policy at the University of Southern California, acknowledges that “Public policy engagement is a natural extension of foundation efforts to address public problems. Foundations have a range of assets-dollars, knowledge and networks – that can be leveraged to impact public policy.” Copyright 2003. Foundations and Public Policy Making, Leveraging Philanthropic Dollars, Knowledge and Networks. Center on Philanthropy and Public Policy.


• **Influence** – Harnessing Skillman’s reputation as a supporter of Detroit’s children to attract others, inspire ideas, sway decisions, and promote opinions “on behalf of the change agenda”

• **Champions** – Engaging influential people and institutions “more directly and explicitly in the Foundation’s work;”

• **Leverage** – Pursuing relationships with other funders (and factoring the potential for leverage into funding decisions) with the goal of leveraging Skillman’s investments in place-based change by a ratio of 5:1; and

• **Scale** – Targeting investments to have the greatest impact on the most children, aiming to expand and replicate strong models and privileges, and influencing policymakers and public entities.

The results, detailed in the report, are impressive given the chaotic political climate and severe economic decline in Detroit.

Furthermore, from a national perspective, the strategies the Foundation employed for policy and systems engagement in Detroit are closely aligned with those identified in a 2009 report from the Center on Philanthropy and Public Policy. This report examined the staff structure and strategies utilized by nineteen foundations involved in public policy work. Exhibit 7 below from the Center report identifies “the seven primary avenues through which the foundations saw themselves working to influence public policy” and mirrors the Skillman Foundation’s four pronged approach.

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**Exhibit 7**

**Foundation Practices for Public Policy Engagement**

(\(\text{Number of foundations that identified their use of strategy in parenthesis}\)\)

**Grantmaking (19)**

**Advocacy and grassroots organizing (19)** – includes grantmaking to local, regional, or national nonprofit organizations working on advocacy within their particular area of interest, grassroots organizing, community-building, and other advocacy within their particular area of interest, grassroots organizing, community-building, and other advocacy strategies.

**Research (14)** – includes grantmaking to think tanks, nonprofit research institutes, and universities to conduct specific policy research projects, write position papers, collect data, and conduct public policy analysis.

**Working with stakeholders, experts, and partners (16)**

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Convenings (13) – includes workshops, seminars, community forums and other forms of gatherings that include grantees, nonprofits, community groups, policymakers, and other funders.

Partnerships/networks (15) – includes participation in affinity groups, funding partnerships, and other foundation and nonprofit networks.

Informing and educating (16)

Communications (12) – includes media campaigns, publications, websites, blogs and other Internet 2.0 tools, public relations, press releases, and other general communications activities.

Policymaker education (7) – includes direct education to policymakers on specific public problems through publications, data analysis, and policy analysis.

Foundation cache and expertise (9) – includes meetings and relationship building with public officials and policymakers, providing public testimony, and utilizing the foundation’s cache as a knowledgeable resource on the policy areas of interest.

The overall sense one gets from observing and documenting Skillman’s attempt to influence policy and system change is positive and ambitious. In the words of the Chief Operating Officer and Senior Program Officer, “We are out to recast Detroit’s reputation from ‘dysfunctional’ to a city with the infrastructure and capacity to grow and inspire changes for our children.”