

Investing in People to Build Collective Advantage

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When I first started doing grantmaking, I came to the work with some specific expectations. I had helped run a leadership training program and had worked with a variety of government and nonprofit organizations over the years, and I saw philanthropy as an opportunity to support innovative work that would really push the boundaries of “best practice.” When I started reviewing proposals, however, most organizations were asking for help with what seemed like some rather mundane things such as new buildings or adding staff. When they did propose new programs, their ideas were rarely based on the research literature or “proven models” from elsewhere. When I commiserated with my boss, I was advised to not get too hung up on finite details of program design, “because at the end of the day, what we’re really doing is investing in people.”

I’ve heard that sentiment echoed by a number of wise folks in our field over the years, and I agree with it. Although our grants typically go to organizations, at the heart of our work, we’re funding people and their potential. Particularly if you are committed to meeting grantees where they are rather than where you think they should be, the textbook goes out the window and you realize that you’re investing in an incremental process of personal and community development.

When we talk about investing in people, we typically mean individual leadership. We’re buying in to the vision of a charismatic Executive Director or Social Entrepreneur. While we may have questions about institutional capacity or local resources, we’re placing our bet on someone we feel is a leader... someone who we believe is capable of transcending those difficulties. And that belief is central to the American story... or American mythology if you will. The story of the triumphant individual is so ingrained in our cultural consciousness that it shapes our thinking about leadership in ways we don’t even realize (Reich, 1987).

Whether you’re a venture capitalist or a grantmaker, what comes to mind when you think of a leader? Someone with a certain bearing, direct eye contact, a firm handshake, a great communicator who is able to clearly articulate a vision? Someone with a quick answer for every question? Content, style and confidence all wrapped up in an attractive package? Dare I say... a certain swagger? To what degree do we unwittingly embrace this archetype of leadership in our work?

One indicator I’ve observed (although not so much lately) is a reference to “nontraditional leaders” in discussions of leadership development. What does

that mean exactly? The most charitable attribution, I suppose, would be people who have traditionally been shut out of most formal, highly visible leadership positions in our culture (e.g. women and people of color and people with disabilities, etc.). But the ironies of that comment are profound, and very revealing of our cultural stereotypes of leadership.

Another example is the approach most foundation-funded leadership programs take. We identify promising individuals and pluck them out of their local context to develop their leadership potential, whether it's sending them to elite schools and colleges or providing them with contacts and experiences they'd never have otherwise. There's no question that those kinds of programs can have a profound effect on those individuals and their career trajectories. But what of the communities they leave behind? Have we, for the best of intentions, underwritten an "extractive" approach to leadership development?

Of course, it's not philanthropy that's at fault. We are but a reflection of our larger culture and we're a culture that venerates stars. In the aftermath of this year's Super Bowl, it was almost comical as various analysts tried without success to get one or another of the victorious New England Patriots to step up and acknowledge that it was his individual excellence that really won the day. This group of "no names" resolutely stayed with the message that their triumph was collective rather than individual. It simply doesn't fit our individualistic American world view.

I'd like to briefly contrast that national ethos with that of Finland. It's a small player in the big scheme of things with a population of just over 5 million. Yet it enjoys a 100% literacy rate and poverty is virtually nonexistent. Education is the largest single expenditure in its national budget... about 6.2% of GDP. About 65% of students go on to some form of higher education, which is provided free. Teachers are highly respected and among the best paid government employees.

What's going on here? One might try to explain it away by noting the remarkable cultural homogeneity of Finland's population, and that's certainly a factor. But there's also a different mindset at work about leadership. As a Finn explained to me, "we're a small country. To be competitive on the world stage we can't afford to waste a single one of our citizens. We want them to have every opportunity for education to perform at the top of their potential. Our people are our most important national resource."

Finland is not utopia. I'd find the winters very hard to take, the cuisine is less than scintillating, particularly if you're a vegetarian, and the language is impenetrable. But perhaps there is an unexpected benefit to not being the world's sole superpower that has human assets available in such abundance that it can afford to pursue only a very selective approach to developing them.

From our cultural preoccupation with competitive advantage, I'd like to spend some time posing an alternative view, personified by Finland's success, and that is **collective advantage**. It's the "back story" of the transcendent individual/ self-made immigrant saga familiar to everyone in this room. .. namely that no one does it alone. We are all interdependent, just as new immigrants relied on family, others from their home country, self-help and mutual aid structures of various kinds (the power of networks)... as well as their own courage and ingenuity.

Investing in people to build collective advantage

Most community-based organizations I have worked with are understaffed and underfunded. Many have made a commitment to hire locally and to develop their staff as part of their mission. In their own way, they have no one to waste. However imperfectly or inefficiently at times, they manifest an intuitive grasp of collective advantage. Many of the most effective grassroots leaders I have known wouldn't begin to fit the individualistic visual/cultural stereotype of leadership I sketched out earlier. Frequently, they are uncomfortable with the notion of being singled out as a leader, when they know that their strength and power is derived from the group and what they are accomplishing together.

How might we as funders invest in people to help build collective advantage? There are many possible paths, but I'd like to suggest a synthesis of four ideas: an ethos of participation; open space; open source; and networks (or communities of practice). If investing in people is at the heart of our work, I'd like you to visualize the four chambers of the human heart as a way to connect each of these practices. Each builds on and amplifies the potential of the one that precedes it. As the "blood" moves from one chamber to the next, it is then oxygenated and ultimately propelled along its path throughout the "body."

The first chamber is **participation**, by which I mean encouraging the direct engagement of individuals at all levels of an organization, including its "clients." The second chamber is **open space**, a method of organizing face-to-face gatherings to maximize the potential of participation via commonly-determined agendas and the freedom to form and reform clusters of inquiry. The third chamber is **open source**, a way to support large scale, decentralized voluntary collaboration; and the fourth chamber is **networks**, the power of connections among individuals and organizations across traditional boundaries in order to accomplish collective goals. Although they are all connected, let me discuss them each in turn.

Participation

Before we can talk about building an ethos of participation, we need to talk about power, both acknowledged and unacknowledged. It's a subject that comes up fairly rarely in philanthropic circles. Yet if we're going to be serious about

investing in people to develop their potential for leadership, we're ultimately talking about building their personal and collective power.

The first step in investing in people is to acknowledge their **voice** and to be open to listening to the way they see the world. We frequently use the term "partner" to refer to our grantees. Yet we don't really meet around the table as equals like we would with our partners in a business deal, where each party recognizes the necessity of engaging the other (and confronting power differentials) to accomplish a mutual goal. We need to begin by recognizing that gap.

The second step is legitimizing full participation. In America, participation is so taken for granted by the powerful that we need to consciously create the space for it to occur. In the Global South, with its history of colonialism, dictatorship and marginalization and exploitation of the poor, it has been a revolution in practice to put participation at the center of development efforts. There is a rich literature on participation from that work around the world that I think most of us would find illuminating.

One particular line of work that has yielded some valuable lessons that are directly relevant to our topic is represented by the initials PRA (for Participatory Rural Appraisal) or PLA (for Participatory Learning and Action). According to Robert Chambers (2004), "PRA is a family of continuously evolving approaches, methods, values and behaviors which has turned much that is conventional on its head. It seeks to enable local and marginalized people to share, enhance and analyze their knowledge of life and conditions, and to plan, act, monitor and evaluate. In its philosophy, practice and vocabulary, it has come to stress:

- the question 'whose reality counts?' raising issues of equity and empowerment, and of enabling women, poor people and others who have been marginalized to express their realities and to make them count.
- the primacy of the personal, especially behavior and attitudes, and exercising personal judgment and responsibility."

How does it work? By employing what Chambers (1994) calls "reversals"... shifts in orientation, activity and relationships from past "normal" professional practice. He lists six:

- **From closed to open** (from etic to emic). From the knowledge, categories and values of outsider professionals to those of insider local people.
- **From measuring to comparing**. Instead of asking "how much?" often what is needed is data that's relative, not absolute.

- **From individual to group.** Shifts the balance of power with a lower ratio of outsiders to insiders. Within a group, members typically have an overlapping spread of knowledge which covers a wider field than any single person.
- **From verbal to visual.** From questionnaires and interviews to participatory mapping and diagramming where the information shared is visual and often created as a group activity.
- **From higher to lower** in both medium of expression and physical position. Working on the ground is a great equalizer. Eye contact and awareness of outsiders is low.
- **From reserve to rapport and from frustration to fun.** These reversals generate and reinforce a further reversal of relations from suspicion and reserve to confidence and rapport... and often from frustration to fun. Engagement is intense. The challenge for the facilitator is not to interrupt or get in the way of the group's creativity.

I encourage you to consider the lessons learned from the PRA approach as a rather different frame for how we as funders might look at leadership development that goes deep into organizations and communities. How would it feel to “hand over the stick” (or pen or chalk) in order to facilitate investigation, analysis, presentation and learning by local people themselves? We might just find that they can do it!.

Open Space

What space needs to be created to support the kinds of participation encouraged by PRA? Most formal/official forums would seem to offer little opportunity for real engagement of this sort. However, we as funders can choose to make spaces available that truly tap the talents and knowledge of every person present.

Open Space technology originated 20 years ago, but its essence has been with us ever since our ancestors first began to gather around campfires. It builds on the simple observation that many of us have had that the most satisfying and rewarding time we have spent at meetings like this was during the coffee breaks. That's when you typically have the opportunity to connect with someone and pursue a conversation on a topic of mutual interest outside (or building on) the formal structure of the agenda. Harrison Owen (1997) and his colleagues asked the question: what if we organized an entire meeting around that experience?

The logical next step from establishing an ethos of participation is to create spaces for it to flourish. Open Space brings together diverse, often conflicted groups of up to a thousand people to manage complex issues in minimal

amounts of time, with no advance agenda preparation and little to no overt facilitation (sounds like a control freak's nightmare, eh?).

How does it work? On the surface, it seems like we're discarding everything we know about how best to plan and structure productive meetings. No conference calls? No committees? No panelists or... horrors... invited speakers? Instead, attendees suggest topics/questions, groups self organize, and they agree to record their work and report back to the group. Participants can become involved in as many groups as they like over the life of the meeting.

What's the secret? Some clues can be found in Owen's **Four Principles** and **One Law**, which guide behavior in Open Space:

1. **Whoever comes are the right people.** Small groups can accomplish much. The fundamental requirement is people who care to do something. By showing up, that essential care is demonstrated.
2. **Whatever happens is the only thing that could have.** Keeps people focused on the here and now and eliminates all the could-have-beens, should-have-beens, might-have-beens.
3. **Whenever it starts is the right time.** Alerts people to the fact that inspired performance and genuine creativity rarely, if ever, pay attention to the clock. They happen (or not) when they happen.
4. **When it's over it's over.** Don't waste time. Do what you have to do, and when it's done, move on to something more useful.

The law is called the **Law of Two Feet**. If at any time you find yourself in any situation where you are neither learning nor contributing, use your two feet and move to some place more to your liking. One might move to another group or even outside in the sun. Unhappy people are unlikely to be productive people.

In some ways, the principles and law function more to describe what will happen naturally rather than what should happen. It removes the guilt from the equation. Why does it work? It aligns nicely with what we're learning about self-organizing systems (e.g. Wheatley, 1999). The great lesson so far is that the only way to bring an Open Space gathering to its knees is to try to control it. Rather, **emergent order** appears in Open Space when the conditions for self organization are met.

Open Source

So far, we've seen two ways of investing in people to build collective advantage: promoting an ethos of participation and creating Open Space for participation to

flourish. How might we as funders connect the experiences and learning of those engaged in one space with those who are struggling with similar issues in another? Or to phrase it in “funderese,” how might we take these kinds of experiences to scale?

Is large-scale decentralized voluntary collaboration possible? Despite increasing worldwide electronic connectivity, examples are few in our work. But when you look at the world of science it’s increasingly the norm. Perhaps one of the most profound examples for our purposes is the evolution of open source computer software. I’m not a programmer and know very little about the technical details, but I’m a direct beneficiary as a daily user of the Mozilla Firefox web browser. The LINUX operating system is growing by leaps and bounds, finding application in private homes, corporations and governments worldwide, much to the consternation of proprietary firms.

What does software design have to do with our challenge of investing in people? The evolving principles of Open Source (OS) have a lot to teach us about the creation of collective advantage. How does it work? In his excellent book [The Success of Open Source](#) (2004), Stephen Weber has synthesized eight general principles that capture the essence of what people do in the OS process:

1. **Make it interesting and make sure it happens.** Volunteers participate because they find the task interesting, to learn and improve their skills as well as to receive recognition from their peers. Leaders incentivize participation in less engaging yet necessary tasks by specifically calling for volunteers.
2. **Scratch an itch.** Programmers are motivated to solve tangible problems in their immediate environment. OS has developed a system for tapping into this reservoir of work and organizing it in a useful way so that at least some of it can benefit collaborative projects. This blurs the distinction between a private and a public good and leads directly to...
3. **Minimize how many times you have to reinvent the wheel.** Contrast the efficiency of access to a vast “library” of code vs. a proprietary environment’s constraints to create everything from scratch so that it “owns” it.
4. **Solve problems through parallel work processes whenever possible.** If the problem to be solved is important, it is likely to attract many different people (and teams) to work on it in different places at the same time. They are likely to take different routes to resolution, yielding a number of potential solutions. .

5. **Leverage the law of large numbers.** The more bugs you generate and the sooner you fix them, the better the chances you will fix a decent proportion of what will go wrong once software is in general use. OS software is, in essence, always in beta... an ongoing process of research and discovery.
6. **Document what you do.** Code is not transparent. Documentation explains what the designer was thinking and how the pieces of the design are supposed to fit together. Voluntary decentralized distribution of labor couldn't work without it.
7. **Release early and release often.** It's best to see and work with frequent iterations to leverage fully the potential of OS. Accelerating the turnover of "generations" allows the rate of error correction to multiply.
8. **Talk a lot.** E-mail lists for LINUX are enormous and buzzing with activity. It's not always calm, polite discourse. The tone can be vehement and conflict is common. But informal, unplanned communication is critical vs. the typical departmental structure within an organization that might inhibit cross-fertilization.

That's probably enough of a dip into the world of Open Source to make the point. What does it mean for us as funders? It's certainly a fundamentally different way of investing in people, stimulating creativity, and building collective leadership compared with the handpicked leadership efforts that we often support. But let's move on to the fourth chamber of the heart. You can see where we're heading... from participation to space to maximize the potential of face-to-face collaboration to space to support large-scale voluntary decentralized collaboration and knowledge sharing by people who may never meet to the vibrant networks (or communities of practice) that can be created as a result.

Networks

The recent emergence of "virtual" organizations such as MoveOn has given us a whole new way of looking at the power of diffuse, decentralized networks. But MoveOn also brought people in neighborhoods face-to-face for house meetings and fundraising/public education events like neighborhood bake sales. Massive simultaneous protests were organized on-line by Move On-type networks across the world at the start of the Iraq war, giving a whole new layer of meaning to globalization.

The science of networks is running to catch up with developments across the world (e.g. Barabasi,2003; Watts, 2004). But clearly something is happening that calls for a reassessment of our usual funding strategies that focus on individual leadership in organizational or community contexts to what Marty Kearns (2004)

of the Green Media Toolshed has called a “network-centric” approach. While organizations are typically characterized by centralized leadership, planning and communications, networks foster lots of leadership, self-organizing teams, and are rapidly expandable, with communications and resources flowing in all directions. Successful networks rely on dense communication ties that potentially increase with each advance in connectivity technology.

Network-centric advocacy focuses resources on enabling a network of individuals and resources to connect on a temporary, as-needed basis to execute advocacy campaigns. This approach fosters the creation of self-organizing teams to compete for aid from other network elements (e.g. talent, funding, tools, connections to experts). The leadership of such campaigns is decentralized and action is taken quickly. Basic services are supported by a variety of generic, issue-neutral and flexible service providers. The network-centric structure allows for the application of talent to engage opponents at moments of weakness or when they are off balance. The goal is to tip public debates and achieve policy outcomes that are disproportionate to the resources expended.

Kearns notes that corporate interests plan for predictable disasters and are prepared with their response. For example, within hours of the first news reports of a case of “mad cow” disease in the U.S., the beef industry went “live” with a previously prepared website, and aggressively approached news organizations with their own experts and data to counter public fears of a more widespread outbreak. Nonprofit advocates could use similar techniques to point out failures in policy, potential solutions and needed investments to prevent or minimize the impact of future catastrophes. As it stands, the consensus building approaches of existing advocacy organizations make them easy to anticipate and undermine. Networks, on the other hand, are very difficult to counter.

What might that mean for us as funders? Let me pose three ideas:

1. Rather than over-investing in institutional capacity of thousands of groups at the local level, a more effective strategy might be to invest in **collective capacity** such as what Gideon Rosenblatt (2004) calls “resource organizations” in support of entire networks. We might encourage specialization by supporting other organizations to do what they do best and outsource the rest. Counter to the current mantra many of us may have been following, there are reasons to reassess the universal applicability of the “teach them how to fish” emphasis on training and in-house capacity building. Rosenblatt argues there are times when organizations just need to buy the fish.
2. We need to invest far more resources in facilitating **more and stronger connections among organizations and individuals** that might comprise networks. While many foundations have attempted to increase collaboration among their grantees over the years, far too little work has

been done to facilitate new and better relationships among the individual people who work in those organizations. Fostering those stronger social ties is important work that requires new investments in communications capacity, information sharing and opportunities to mix together in person.

3. We need to support network-building activities that **cross boundaries** of race, ethnicity, class, religion, sector, geography and sexual orientation that have traditionally divided communities (Asian Pacific American Legal Center, 2003). A boundary-crossing effort works from a multi-group perspective – one that not only fully understands each group’s needs, but also successfully bridges those needs and moves toward the goal of producing a greater good for everyone. Rather than forming ad hoc coalitions in reaction to crises, boundary-crossing efforts seek proactively to sustain collaboration among groups so that they may work more collectively toward an agenda that benefits all.

While the examples I’ve cited focus on networks for the purposes of advocacy, they can also be a powerful way to advance practice and build leadership that is “deep” within existing organizations (and outside of formal organizations) ... stimulating the roots of collective advantage.

We’ve discussed four interconnected ways of building collective advantage: participation; open space; open source; and networks. At this point it may seem like I’m calling for a radical change in the way you do your work. Rather, I’m suggesting that there is another lens through which to view the way we invest in people. Rather than solely supporting individualistic, competitive models of leadership development, we could also help build collective advantage. And I submit that it can be done in some relatively simple ways. I’d like to briefly share one example from my own work.

At The California Wellness Foundation we began underwriting a two-day retreat for health advocates six years ago. For some time, we had been funding around twenty organizations working on different aspects of health advocacy with different populations. Even though they had the same meta-goals, we had observed that they sometimes worked at cross-purposes with each other (or at least not in full alignment with one another). Race was also a factor. State level advocates in Sacramento (who were often Anglo) were sometimes perceived as “speaking for” communities of color by those working directly with them at the local level. Meanwhile, long-time white activists privately expressed frustration at what they saw as the “go it alone” style of some of their counterparts from communities of color.

To start the dialogue, the Foundation invited the advocates (knowing they would come if we did) but Foundation staff did not attend the meeting. Instead, we hired a facilitator who had the tough job of helping bridge the (so far publicly unacknowledged) chasms between the participants. To say that it was difficult,

would be an understatement. But the advocates began speaking honestly face-to-face. After the meeting, we called around to each of the participants to debrief. While many had found the experience painful, they also acknowledged that it was necessary. Most also agreed to return again the next year.

The next time, we engaged facilitators and a planning committee was organized well in advance to make sure the meeting would meet the needs of the participants. We also subsequently offered a pot of money for joint projects that came out of the meeting. A singular success was a collaboration among five groups that had not worked together before that helped advise the newly forming State Department of Managed Care, and was responsible for helping craft its standards for cultural competence.

It's now an annual institution. Organizations bring several staff and dialogue takes place among not only Executive Directors but also organizers and other "role peers." It has become a time to step back from difficult work, take stock, and jointly plan for the year ahead. For an annual cost of \$25,000 we have helped to build a powerful network by encouraging direct participation, open space for dialogue and sharing of strategies and lessons learned (open source).

Collective advantage is being created, and it's not been difficult or expensive to pull off. It simply takes a willingness to open up our thinking as funders and to open up our processes to release the leadership capacity that's there waiting to be acknowledged. What simpler or ultimately more effective way is there to invest in people? It begins with aligning ourselves with the perspective and priorities of the groups we fund, because they "get it." They're starting from the premise that there's no one they can afford to waste.

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For comprehensive library on participation work in the Global South, check out the website of The Participation Group at the Institute of Development Studies, University of Sussex at www.ids.ac.uk/particip

For a range of resources on the Open Space meeting technology, enter www.openspaceworld.com

For a peek inside the world of Open Source software, take a look at www.sourceforge.net

For more connections on social networks, see www.networkcentricadvocacy.org