

JOHN S. AND JAMES L.
KNIGHT FOUNDATION

CAN IT LOOK BEYOND
#SHINYBRIGHTOBJECTS
AND DO MORE
TO PROMOTE EQUITY?

DECEMBER 2015

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philamplify

honest feedback to improve philanthropy



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EXECUTIVE SUMMARY

In many ways, Knight Foundation represents a breath of fresh air in philanthropy, with a broad mission to engage and inform communities and clear commitment to innovation. This liberates the foundation from exclusively traditional modes of grantmaking and enables foundation staff to be entrepreneurial and avoid the top-down tendencies of strategic philanthropy.

The flip side of this innovation ethos is a lack of well-articulated goals and strategies, leaving many Knight constituents confused about what the foundation is trying to accomplish over the long term. Moreover, the foundation's grantees and peers often have differing opinions about whether or not Knight wants to help disenfranchised populations and advance equity.

Knight is a complex institution with many moving parts, and it still has not found its "sweet spot" organizationally, as reflected in very contrasting opinions from stakeholders about the foundation as a partner. Knight Foundation, as one observer noted, represents and attracts "the cool kids you wish you could sit with in the school cafeteria." It cultivates a youthful, smart and ambitious staff team and convenes its grantees at signature events that bring in star speakers in their respective fields. This dynamic culture is refreshing but does not always feel inclusive for women and communities of color. Also, internal structural changes and staff turnover have negatively affected relationships with some community foundations, grantees and peers. This poses challenges for the important relational work the foundation must continually undertake with its partners in Knight's 26 target cities.

Knight can be proud of much that it has accomplished. It has made challenge grants a defining feature of its grantmaking, engaging and supporting many little-known organizations and individuals. Its flexible approach allows staff to tailor programming to local conditions and needs. Knight's impact is most visible in the variety of arts and culture organizations it has funded in its resident cities, the urban planning and revitalization efforts it has supported, and its push to help journalism survive and thrive in the digital age.

Knight can amplify its impact by marrying the best of its innovation ethos with a more explicit equity lens and more grants targeted toward underserved populations. This will ensure that the foundation is engaging, informing and benefiting all of the residents in its 26 cities, especially the most marginalized, to realize its deeply rooted democratic ideals and achieve lasting change.

ASSESSMENT FINDINGS

- 1. Knight Foundation is synonymous with "innovation," which has led to some significant outcomes.** Bucking the trend toward top-down "strategic philanthropy," Knight has liberated its grantmaking by saying, "We don't have all the answers," and opening up its processes to invite all sorts of outside-the-box ideas and solutions.
- 2. Knight lacks well-articulated long-term goals and strategies, in some cases making its intended impact unclear.** The flip side of opening up its grant-

making and having the broad goal of “informed and engaged communities” is that many constituents don’t understand what Knight is trying to accomplish and how its individual grants add up to impact over the long term.

3. While a quarter of Knight’s grants typically support marginalized populations, this proportion of grant dollars has been declining over time. Knight funds a number of equity-focused initiatives, yet, without a stated commitment, stakeholders lack consensus about its intent.

A central aspect of Knight’s approach is attracting and retaining college educated 25–34-year-old “talent” into its cities. Some of its staff see a clear complementary goal of growing opportunity among existing residents, but this is not a given for all the communities it serves. Without a specific objective to ensure that low-income residents and residents of color, as well as other marginalized populations, are targeted in the “Talent, Opportunity, Engagement” framework, Knight risks leaving poor communities on the outside looking in as urban cores are revitalized.

4. Knight Foundation is strongly committed to civic engagement, leveraging community foundations as key partners. Without explicit strategies to build resident power and adequate staff capacity to capitalize on opportunities, the potential for its community engagement grants and innovations to have long-term impact can be limited.

Unlike many national foundations with place-based programs, Knight employs on-site staff in eight of its 26 cities, and partners with community foundations in all. This allows the foundation to have eyes and ears on the ground. However, innovative engagement ideas are not always married with institutions and approaches

that have the capacity to maximize their utility, limiting their potential long-term value.

5. Knight’s challenge grant programs have successfully attracted nontraditional grantees and fostered community collaboration.

Stakeholders laud the foundation’s strategy of using the challenge grants process to create easy entry points for diverse groups and individuals that might not otherwise gain the attention of a major national grantmaker.

6. Knight collaborates extensively with multiple sectors at the local and national levels. Yet, stakeholder perspectives about Knight Foundation as a partner vary widely, from glowing to frustrated.

Grantees and community foundations especially appreciated convening opportunities, but internal structural changes and staff turnover undermined relationships with these stakeholders.

7. Knight Foundation is a learning organization that communicates abundantly and creatively but not always strategically.

The foundation collects and acts on a lot of data, frequently invites feedback and makes course corrections. It is a prolific producer of reports and web content and is considered cutting-edge in communications among its philanthropic peers. On the other hand, it can be difficult to sort through and make meaning of all the information, leaving many Knight constituents confused about how it all adds up to represent a coherent and consistent brand.

8. Knight Foundation engages in several good grant-making practices and has proudly grown the diversity of its investment managers.

The foundation pays out 6 percent of its assets each year and provides

a significant proportion of its grants in the form of operating and multi-year support. Assets managed under minority- and women-owned investment firms have grown to 15 percent of the corpus.

RECOMMENDATIONS

1. **Keep embracing risk and innovation, especially as embodied in the Knight challenge grants.** The foundation should continue its most effective features, including the challenge grants and prototype funds, convenings and abundant communications to promote its grantees.
2. **Articulate explicit goals and strategies for each program area, including how pursuit of innovation will lead to long-term systemic change.** The foundation eschews traditional “charity” grantmaking in favor of “social investment,” but it can have greater impact by setting clearer objectives for these investments. Chasing innovation, funding startups, issuing challenge grants and targeting nontraditional grantees are all great ideas individually, but the lack of an overarching strategy limits their combined effectiveness. A grantee may create an innovative product, such as a voting widget, but that doesn’t guarantee it will have widespread benefit, let alone help to effect systemic change.
3. **Make an explicit commitment to increase grantmaking that benefits and engages marginalized communities, and describe how Knight seeks to advance racial and other forms of equity.** The foundation’s implicit commitment to equity and underserved populations will be realized more effectively when (a) Knight increases the proportion of grant dollars benefiting underserved communities; (b) it overtly states its equity goals; and (c) each program area incorporates these goals into its grantmaking. Doing so can open the door to new relationships and strategies. For example, partnerships with community foundations can extend to support their LGBTQ funding programs in cities such as Charlotte, Miami and Detroit. Collaborating with funders seeking to diversify the tech industry could lead to bigger investments in developing women and minority entrepreneurs.¹
4. **Make internal structural changes that will improve the quality and consistency of relationships with community foundations, grantees and other partners.** Knight Foundation is a complex organization with both national and local grantmaking programs, resident and nonresident communities, traditional grants, donor-advised grants and challenge grants. To its credit, the foundation has made structural changes over the last several years to try to align these many moving parts, but it has not found its sweet spot yet. Knight needs to address local demand for more interaction across the 26 cities, high staff turnover, uneven responsiveness to partners and perceived disconnects among programs to boost its impact.
5. **Communicate clearly to grantees and applicants about how and when the foundation uses general operating support, capacity building and multi-year funding to achieve impact.** Clearer communication across programs and cities can address some stakeholders’ perception that many Knight grants are “one and done” and their uneven experience with being able to access core support or additional assistance beyond the grant.

OVERVIEW OF METHODOLOGY

NCRP has developed an assessment tool for foundations that addresses the strategic practices outlined in *Criteria for Philanthropy at Its Best* and *Real Results: Why Strategic Philanthropy Is Social Justice Philanthropy*. The former provides a comprehensive and nuanced set of benchmarks that foundations can use for effective operational, grant-making and leadership practices. The latter argues that to maximize impact, foundations must be both strategic and just. This goes beyond having clearly-aligned goals and strategies and ways to measure impact. Foundations also must consider who benefits from their grantmaking, and how, by seeking input from affected communities and attempting to change systems that perpetuate inequity. A comprehensive, nuanced examination of foundation goals, strategies and practices is needed to understand how well a foundation can marry strategy and justice to be more impactful. NCRP began applying this assessment tool to diverse foundations in 2014 with its Philamplify initiative, which provides candid feedback to many of the largest funders in the U.S. through comprehensive foundation assessments and spurs dialogue in the sector about how to maximize impact on systems and equity.

Defining “strategic social justice impact” is complex in large part because there is no singular or universal definition of “social justice.” This does not mean that anything can be counted as such or that everything should be, but rather that we must be both intentional and adaptable in our understanding and how it is applied to the foundations being assessed.

It is clear what strategic and just philanthropy looks like: in addition to going beyond having clearly-aligned goals and strategies and methods to measure impact, it means considering the explicit beneficiaries of the foundation’s grantmaking, a systematic process to gather input from affected communities to inform the foundation’s priorities and work, and a steadfast commitment to ending inequity by investing in systems change. A comprehensive, nuanced examination of foundation goals, strategies and practices using NCRP’s Philamplify lens shows how strategy and justice can be aligned to boost a foundation’s impact in communities that are most affected by inequitable structures and are in need of philanthropic investment.

KEY QUESTIONS

To this end, the assessment addresses these key questions:

Overall Goals and Strategy

- Are the foundation’s goals and strategies likely to benefit or empower underserved communities? Is the foundation applying an equity lens or analysis to its grantmaking? Is it addressing disparities in outcomes for the issues or constituencies it prioritizes?
- Which stakeholders and what sources of data and best practices have informed these goals and strategies?
- Does the foundation pursue and invest in systemic change strategies? Does it support grantees’ efforts to use the full range of advocacy tools legally at its disposal? Is the foundation leveraging its limited dollars in ways that advance social justice?

- Is the foundation looking at the ecosystem of actors within the sphere it seeks to influence and collaborating strategically with others?

Outcomes and Impact

- What social justice outcomes have been achieved in part because of the foundation's efforts?
- Do the foundation's efforts result in meaningful and lasting social change that can be felt in people's lives, particularly those most affected by structural barriers and burdens?
- Has the foundation worked across sectors and silos to achieve impact?
- Has the foundation effectively supported community-driven collaboration and coalitions among grantees and other nonprofits?
- Can the foundation and its stakeholders point to specific signs of progress?

Partnership with Grantees

- Does the foundation employ responsive grantmaking practices, such as providing core support and multi-year funding? How do the foundation's grantmaking practices advance or hinder achievement of its goals?
- How does the foundation go beyond the grant to leverage its relationships, convening power, expertise and other assets to help grantees achieve mutual goals?
- Does the foundation solicit feedback from its grantees and applicants and act on that feedback?

Other Effective Practices

- How do the foundation's investment and payout policies and practices support its own mission and the goals of its grantees?
- Does the foundation operate in a transparent and ethi-

cal manner, with policies in place to prevent fraud and abuse?

- Is the board of directors large and diverse enough to allow for effective and ethical decision-making?

NCRP invited Knight Foundation's leadership to participate in shaping and implementing this assessment. In the preparation of this report, Knight Foundation provided NCRP with several foundation documents, including its most recent Grantee Perception Report and Community Leaders Survey, and facilitated NCRP's interviews of foundation staff. Interviews were conducted with Knight staff on-site at the foundation's Miami headquarters and by phone. A draft copy of this report was provided to Knight Foundation. The foundation made no substantive comment and expressed that it does not endorse nor reject our findings.

DATA COLLECTION AND ANALYSIS

To answer these questions, NCRP employed the following research methods:

1. **Document review.** Extensive review of the foundation's publicly available materials, as well as internal documents provided to NCRP by the foundation. These include the 2014 Center for Effective Philanthropy Grantee Perception Report (GPR) and 2014 Bendixon & Amandi Community Leaders Survey, and the foundation's Policy and Procedures Manual, Investment Policy Statement, Conflict of Interest policy, Naming Programs and Buildings policy and 990-PF tax forms for 2011-2013.
2. **Confidential interviews with selected grantees.** NCRP did not conduct a grantee survey because the foundation had conducted one in 2014, building on prior GPRs in 2012, 2009 and 2007. To delve more deeply into the

assessment questions and address topics raised in the GPR and other materials, NCRP contacted 53 of Knight's recent and current grantees for interviews. Respondents were selected based on geography and Knight focus areas, with a range of organizational sizes, to achieve a diverse sample of grantees. Knight staff also suggested some grantees to contact. During stakeholder interviews, researchers also solicited suggestions of additional grantees. Interviews were conducted with 30 grantees; 23 declined or did not respond to interview requests. Unless otherwise noted, grantee quotes used throughout this report come from these interviews.

- 3. Confidential interviews with stakeholders.** NCRP interviewed a diverse group of individuals familiar with the foundation's grantees, journalism or arts grantmaking, or one of Knight's 26 communities. Stakeholders were identified by NCRP and the researchers, with referrals also made by stakeholders themselves. These included leaders from community, regional and national foundations that partner with Knight, current Knight staff, former Knight staff, Knight challenge judges and nonprofit leaders who are not current grantees. NCRP directly reached out to any stakeholders that were suggested by their peers. In all, NCRP contacted 31 stakeholders (not including Knight Foundation staff); 19 were interviewed. NCRP also interviewed four civic participation funders. In addition, eight Knight Foundation staff members were interviewed collectively for one hour – in two groups – at Knight Foundation headquarters. Three additional staff members were interviewed by phone.
- 4. Analysis of interview data.** Using qualitative evaluation tools, NCRP researchers used an iterative process

to do a content analysis of interview transcripts. They analyzed interview data to code for assessment-related topics as well as other emergent subjects. The research team read through all these qualitative data, identified key themes, compared notes and further refined the codes.

5. Relevant reports and news articles referenced throughout this document.

ABOUT THE JOHN S. AND JAMES L. KNIGHT FOUNDATION

Newspaper co-owners and brothers John S. and James L. Knight founded the Knight Memorial Education Fund in 1940 as a source of financial aid for college students from the Akron, Ohio, area. In 1950, they created Knight Foundation, also based in Akron, and transferred all of the Education Fund’s assets to it. According to the Knight website, “The Foundation made small grants to local educational, cultural and social service institutions as well as to a few journalism-related causes.”

Following the receipt of a large stock donation from Clara I. Knight, mother of John and James, the foundation board decided in 1966 to make grants to colleges and universities instead of individual students. The foundation also began making donations to cultural institutions in cities where the Knights owned newspapers: Akron, Miami, Charlotte and Detroit. As the foundation’s assets increased and the Knights expanded their newspaper business, the

foundation’s grantmaking became increasingly focused on journalism, particularly journalism education.

In 1974, Knight Newspapers merged with Ridder Publications to create Knight-Ridder Inc., then the world’s largest newspaper company. John Knight died in 1981, leaving the majority of his estate to the foundation. James Knight died 10 years later, leaving an additional \$200 million bequest. By this time, Knight-Ridder owned newspapers in 26 cities, and the foundation had grantmaking activities in them as well. In 1993 and 1994, the foundation made two significant changes. First, it was renamed the John S. and James L. Knight Foundation. Second, the foundation was incorporated in Florida, moving its headquarters from Akron to Miami.

Although Knight-Ridder continued to expand its newspaper holdings, the board decided in 1998 to limit the communities the foundation serves to the 26 in which Knight-

Table 1: Knight Foundation Communities

Resident Communities	Nonresident Communities	
Akron, Ohio	Aberdeen, S.D.	Grand Forks, N.D.
Charlotte, N.C.	Biloxi, Miss.	Lexington, Ky.
Detroit, Mich.	Boulder, Colo.	Long Beach, Calif.
Macon, Ga.	Bradenton, Fla.	Milledgeville, Ga.
Miami, Fla.	Columbia, S.C.	Myrtle Beach, S.C.
Philadelphia, Pa.	Columbus, Ga.	Palm Beach Co., Fla.
San Jose, Calif.	Duluth, Minn.	State College, Pa.
St. Paul, Minn.	Fort Wayne, Ind.	Tallahassee, Fla.
	Gary, Ind.	Wichita, Kan.

Ridder owned newspapers at the time of James Knight's death. After a leadership change in 2005, Knight designated eight "resident communities" in which an on-site Knight Foundation program director oversees local grantmaking. The remaining 18 communities are "nonresident communities" in which there is no program director and Knight instead partners with local community foundations, where Knight maintains donor advised funds.

Knight's national programs also give priority to the 26 communities in their grantmaking. Its arts programming is focused on the eight resident communities. In a collaborative funding initiative to promote citizenship, Knight funded portions of the work in some of its resident and nonresident communities.

Current Knight Foundation CEO Alberto Ibarguen, the former president and publisher of *The Miami Herald*, assumed leadership in 2005. Ibarguen discerns broad donor intent from John S. and James L. Knight to focus on "excellence in journalism" and providing communities with information to make informed decisions. Beyond that, he describes the donors' intentions as "opaque" with respect to specific strategies, and he attributes this to their insight that each of the 26 cities is different. His approach has been to focus on "social investment" rather than what he describes as the traditional grantmaking approach of "charity." This philosophical reorientation involved a significant shift away from funding for education (pre-K through higher education and arts education) and human services.

Today the foundation has an endowment of \$2.4 billion, and in 2013 it gave away \$107.8 million in grants. Today, Knight has four main program areas: Fostering the Arts, Engaged Communities, Journalism and Media Innovation.

Knight's objectives for Fostering the Arts are to engage and inspire the people living in the eight Knight resident communities; reach, engage and increase arts audiences; and solicit "fresh and innovative ideas." According to Knight staff, 95 percent of arts funding is awarded in the eight resident cities. The Knight Arts Challenge grants are a key innovation that the foundation uses in Detroit, Philadelphia, Akron and St. Paul to attract diverse and novel proposals. In the other 18 cities, arts grants are made through the donor-advised portfolio that Knight houses with the community foundation in each location.

Under Engaged Communities, Knight aims to invest in civic innovations that attract, retain and harness talent; expand opportunity by increasing entrepreneurship and economic mobility; and build places that accelerate the growth of ideas and bring people from diverse social and economic backgrounds together. The foundation declares, "We want our national network of learning to inspire the actions of residents in each of our communities and help us build a better democracy and a successful future."² The shorthand that staff use to describe this approach is "talent, opportunity, engagement."

In guiding the implementation of its Fostering the Arts and Engaged Communities goals locally, the foundation was influenced greatly by a multi-year polling project it undertook with the Gallup organization to learn what factors help residents feel attached to their local community. The Soul of the Community (SOTC) project, which polled residents in the 26 Knight cities from 2008–2010, found that the top three factors attaching people to place were the availability of social offerings, openness to diverse populations and visual aesthetics.³ "We believe that the arts are a catalyst for public dialogue and that shared cultural experiences contribute to a sense of place and communal

identity,” the foundation says. The poll found that these factors were consistent across diverse demographic groups and across the 26 cities.

The foundation’s work in journalism is what receives the most national attention. Ibargüen is credited with changing the foundation from a funder of legacy news organizations and journalism schools to digital journalism and media startups. Ibargüen made a strategic decision early in his tenure to shift the foundation’s emphasis from “journalism” to a broader conception of “information” that was intended to be less ideological and more neutral, and to invite participation from other actors and fields and foster new modes of dissemination and financing.⁴

The foundation has helped launch several journalism centers targeting such initiatives, such as the Tow-Knight Center in Entrepreneurial Journalism at the City University of New York and the Center for Collaborative Journalism at Mercer University in Macon. While the foundation continued to support traditional academic journalism programs, it uses targeted funding to upgrade curricula and make programs more relevant. The Knight News Challenge, Community Information Challenge and Media Learning Seminar have evolved as signature features of the foundation’s efforts to democratize journalism and information access at the local level, including through its community foundation partners.

The Journalism program’s objectives are to “support people and organizations committed to advancing excellence in journalism and informing people in communities of all sizes through experimentation, innovation and leadership.”

The Media Innovation program area seeks to “improve how we create, share and use information essential to commu-

nities by providing early-stage funding for experimentation and growth.” The foundation emphasizes the value of sharing the learning from such experiments, whether they succeed or fail.

To foster innovation, the foundation also runs an Enterprise Fund, which invests in “early-stage companies at the frontier of media and technology that improve people’s access to quality information” and a Prototype Fund that enables “media makers, technologists and tinkerers” to test out new ideas for six months with \$35,000 grants. Knight can then decide to invest in scaling up the most promising projects. According to Juan Martinez, the foundation’s vice president of finance, the Enterprise Fund serves as a vehicle for mission-related investments, in this case to for-profit media companies, and they are not included in the calculation of Knight’s annual payout.

The foundation has two other cross-cutting programs. The Entrepreneurs and Innovators initiatives are intended to “support talented and skilled leaders; empower creative people and focus creative energies; and support diversity in leadership.” Knight funds Open Information Systems through support of “systems and standards for the free flow of information; projects that turn open data into useful products; and initiatives that support values of the open Web.”

A review of the foundation’s largest grants issued from 2013–2015 (excluding challenge grants) demonstrates Knight’s willingness to invest significantly in institutions and initiatives that promote urban revitalization and support technological innovation in journalism and information access.

Table 2: Knight Grants of \$2 Million or More, 2013-2015

Recipient Name	Recipient City	Grant Amount	Description
Fairmount Park Conservancy	Philadelphia	\$5,400,000	For support of efforts to reimagine Philadelphia's public spaces. The Reimagining the Civic Commons initiative aims to revitalize and connect libraries, parks, trails, plazas and community centers, which in turn will attract and retain talented workers to the region, advance economic opportunity, encourage civic participation and level the playing field between affluent communities and those in need.
Code for America Labs	San Francisco	\$5,000,000	To expand one of Code for America's four programs to 13 communities. Also, to allow the organization to redeploy apps and platforms it successfully develops to more communities, helping to accelerate innovation in local governments.
Community Foundation for Southeast Michigan	Detroit	\$5,000,000	To continue support of a key funder collaborative that drives economic development for the Detroit region through coordinated entrepreneurial and place-making activities.
Mozilla Foundation	Mountain View	\$4,016,000	To expand the Knight-Mozilla partnership to grow and strengthen a community of journalism technologists.
Rockefeller Philanthropy Advisors	New York	\$4,000,000	To continue support for ArtPlace, a creative placemaking initiative in communities across the U.S.
Sunlight Foundation	Washington	\$4,000,000	To help the Sunlight Foundation expand its open datasets and tools, serve a larger public and share lessons learned to improve open government.
Austen BioInnovation Institute in Akron	Akron	\$4,000,000	To help strengthen the organization's efforts to advance the biomedical entrepreneurship sector in Northeast Ohio.
University of Chicago	Chicago	\$3,500,000	For the Place Project, which will expand and test a community development model that supports arts and culture to help transform communities and promote local growth and vibrancy.
New York University – Robert F. Wagner Graduate School of Public Service	New York	\$3,120,000	For GovLab Research and Academy to train graduate students across disciplines and institutions to design, build and implement technology-based solutions to the challenges communities across America face.
Columbia University – Tow Center for Digital Journalism	New York	\$3,000,000	For support of a fellowship program that explores the relationship between journalism and technology.
Historic Macon Foundation	Macon	\$3,000,000	To recharge revitalization efforts in Macon's Beall's Hill neighborhood.

Recipient Name	Recipient City	Grant Amount	Description
Guardian News and Media	London	\$2,600,000	For support of an innovation lab that will develop and create new approaches to delivering news and information using mobile technology.
Saint Paul Foundation	Saint Paul	\$2,235,000	To engage community members in developing and executing projects that increase the vibrancy of neighborhoods and commercial districts along the new Central Corridor Green Line.
Miami Dade College	Miami	\$2,180,000	For support of its multidisciplinary Idea Center.
Geraldine R. Dodge Foundation	Morristown	\$2,000,000	To help local news startups experiment with revenue models to make them more sustainable in the long term.
National Public Radio	Washington	\$2,000,000	To develop a local–national listening platform and deliver content tailored to listeners based on their location and content preferences.
National Public Radio	Washington	\$2,000,000	For the enhancement of NPR's on-demand digital listening platform for news and other public radio programming (Project Carbon).
Miami Foundation	Miami	\$2,000,000	To establish a donor-advised fund that will provide grants to local nonprofit online news organizations, giving them some additional operational support, and enable strategic investment toward sustainability and journalistic excellence, as part of the Knight Local Media Initiative.

Sources: Foundation Center's Foundation Directory Online and Knight Foundation Website

KEY FINDINGS

1. Knight Foundation is synonymous with “innovation,” which has led to some significant outcomes.

The one consistent finding across all of Knight’s communities and focus areas is the foundation’s commitment to innovation. Innovation is an important, if not overarching, factor in how the foundation selects its grants. In the 2014 GPR, when grantees were asked what one word best described the foundation, “innovative” was by far the most frequently used descriptor. Excluding Knight staff, 30 interviewees for this assessment mentioned the themes of innovation and entrepreneurship, unprompted, when discussing Knight Foundation. Perhaps not surprisingly, innovation was most closely identified with the foundation’s journalism and media grants inasmuch as “innovation” was in the title of the program area. However, stakeholders also frequently mentioned the challenge grants as examples of an “outside the box” approach to grantmaking.

A number of interviewees referred to the founders’ roots as entrepreneurs and see Knight’s comfort with risk-taking as integral to the “DNA” of the foundation. They see this willingness to experiment as a refreshing change from the cautious nature of many large philanthropies.

“In many cases Knight is the first funder of that particular project or initiative, catalyzing a lot of experimentation and change. ... My perspective is that they are willing to fund things that are new and innovative and unproven and that have huge potential. ... There is a lot greater opportunity for impact if you are willing to fund innovation.”

“In journalism, if you’re not innovating, you die. Knight does a good job of seeding new ideas that have a good business plan. Those two things are important with potential investments.”

“To some extent there is more emphasis placed on the ‘headline’ – perhaps natural given the newspaper roots of the foundation and of many staff. They clearly have the ability to take risks and support innovation – and this is a major contribution to philanthropy. They are on the cutting edge here. But it is much harder to get the work done and this stuff isn’t sexy or headline-grabbing for people who aren’t like us, aren’t immersed in it.”

Peer funders and grantees praised Alberto Ibarguen, whose own background embodies the DNA of media entrepreneurship, for his leadership in pushing innovation, even when some of his own staff and board may have been challenged by this embrace of risk and uncertainty.

“When people were resisting tech change in journalism, Alberto Ibarguen was out there pushing it. He was very visionary.”

“It starts with Alberto Ibarguen, the CEO; he has instilled the organization with a sense of entrepreneurialism and a comfort with taking risks, with a desire to try new things, experiment, and a belief that we won’t have the biggest impact we can have if we just do the same things.”

“One of the things I think is Alberto’s strength is that he is willing to try different stuff and willing to fail. But this is very countercultural to all of philanthropy. I liked

it and thought it was the right way to do it, but it was stressful for [Knight] teams and confusing for grantees, and [Knight's] board didn't always understand why [staff] were doing what [they] were doing. But they trusted the man."

In addition to seeding new ideas in each program area, Ibarguen and his team see their strive for innovation as a means to engage many more people than might otherwise be reached through a traditional grantmaking model. Ibarguen said:

"Our intentional focus to support innovation leads to more engagement: a higher number of smaller grants. We changed processes to support, through faster grantmaking, processes that are less painful for grantees."

The foundation also enlists other philanthropic partners in its pioneering initiatives. Damian Thorman, former Knight national program director and current director of the White House's Social Innovation Fund, effectively recruited a handful of other funders to support the New Americans Campaign. Ibarguen and other philanthropic leaders pushed more foundations to get involved with Detroit's "grand bargain," which helped save the city from bankruptcy, and prevented the auctioning of the Detroit Institute of Arts' collection. Knight also partnered with the Ford Foundation, MacArthur Foundation, Open Society Foundations and the Mozilla Foundation in the NetGain Initiative, which seeks to expand internet capacity and literacy.⁵

This drive for innovation has led to positive outcomes such as helping journalism transition to digital platforms, increasing the capacity of libraries to be community information and digital access hubs, and opening up grantmaking to a broader set of individuals and organizations through its vari-

ous challenges. The Knight challenges invite ideas from anyone, and initially applicants provide merely a brief description. Only finalists have to submit a full proposal. (See more about Knight challenge grants under Finding 4 on page 28.)

As one grantee observed:

"I think from the Knight Cities Challenge, [Knight asks] how do we identify local stakeholders and local communities' leaders to properly impact? So, that, to me, is what I think their strategy is: How do we engage, empower and understand what's going on within these particular regions? And then how do we find ways to support them financially to really support their growth, really help them scale and take their programming or their mission to the next level?"

Pursuit of 'Shiny Bright Objects'

However, at least nine Knight grantees and other stakeholders questioned the goals and impact of the foundation's innovation focus. Is it an end in itself or a strategy to achieve a greater purpose? Who ultimately benefits?

"One concern is Knight seems too much into the 'sizzle' because of its media background. They are doing very innovative things with media and arts and placemaking. But very glitzy."

"They've had some great results. There's some really great ideas. I'm excited about that. ... Seems cool and fun, but slightly fluffy."

"Beyond the programmatic outcomes and targets for each individual organization, I'm left wondering what the big audacious change is that they're going after. I don't know how they've crafted their big vision and what they hope to change."

Nine stakeholders used the term “shiny bright objects” or a variant, unprompted, and suggested that the foundation’s strategy is to chase the coolest, most innovative projects and people it can find. One grantee went further, suggesting that this is how Knight measures its impact:

“I think in the media field, Knight sees its impact as finding attention-getting, field-shaping projects before everyone else.”

Some Knight grantees expressed frustration that Knight would not fund, or ceased funding, proven, but “plain vanilla,” strategies because of its preference for the “shiny bright objects.”

For its smaller grants, it seems that Knight often acts more as a venture capitalist firm funding many entrepreneurial grantees, while knowing that the majority of them will likely fail. While it is laudable that Knight is willing to fund unproven grantees and new ideas, many of these grants seem to be “one-and-done” and, again, it is unclear what the foundation’s goals are. Is it critically evaluating its startup grantees, carefully deciding which to continue funding and which are no longer promising, or, is it constantly moving from one cool idea to the next?

“It’s hard, they have funded a lot of things that haven’t been able to move on to another level. In a way, they have fallen in love with the ‘let’s be entrepreneurs in the tech industry’ approach and, in a way, dismissed some of the players that may have better business models and more sophisticated approaches.”

While innovation is a primary component of Knight’s Fostering the Arts and Engaged Communities focus areas, it is of particular importance to its Journalism and Media

Innovation grantmaking. In recent years, under the leadership of Michael Maness, former vice president of Journalism and Media Innovation, and John Bracken, his successor, Knight’s Journalism and Media Innovation grantmaking shifted away from funding legacy news organizations to focusing on Silicon Valley, funding startup projects and companies that often have, at most, a tangential connection to journalism. In late 2014, Knight split the Journalism and Media Innovation program area into two separate program areas, hiring Jennifer Preston, a 19-year veteran of *The New York Times*, to head the Journalism program. Bracken continues to head Media Innovation.

Several stakeholders in Journalism and Media Innovation especially credit the foundation’s approach for being thoughtful and strategic:

“Knight occupies a unique position in the industry and philanthropy that supports journalism in the innovation space – how to transform the industry. They are very strategic here.”

“In media innovation, I thought the strength of Michael Maness’ work was that he tackled it with a very clear methodology. He came in with it and he made a lot of headway to push a lot of media groups to experiment, invest in and fund a lot of innovation. Knight played a role in helping everyone from NPR to MIT Media Lab to help the public good.”

However, some respondents see Knight as rolling the dice on innovative grantees, but failing to have a lasting impact on the journalism field, as the following journalism funder said:

“Journalism needs everything and more. The business model for reporting has kind of fallen apart. To some

extent, the field needs people to support it. 'Oh my god, how is journalism going to survive?' I have heard various critiques, mostly by grantees, about the way Knight tends to fund, often at the one-off, not renewing [grants] frequently. ... I don't know if the things they've placed bets on are successful at transforming journalism. They place a lot of bets: a lot of small bets, some big ones. I don't have the sense that they've hit the jackpot."

Knight's lack of strategy leaves open the question of whether it is driving change in journalism or merely adapting to it, as the following grantee suggested:

"I think Knight is really important for rapidly iterating options. Knight has been incredibly helpful for providing opportunity to try out first-generation ideas. [I'm] not as sure about substantial changes to the field they've been driving. A couple places where Knight's work is critical: podcasting ... transforming fields like that, absolutely there is evidence. More broadly, how has journalism as a whole changed? ... What I don't know is if Knight is responsible for change in the field, or if the field is changing on its own? Is Knight changing the perception, or is the field changing and Knight changing with it?"

One grantee speculated that Knight's limited impact is inherent in how the foundation is set up:

"They only fund in communities where the affiliated company [Knight-Ridder] had newspapers. Not in Los Angeles, but in Long Beach. Not in the Bay Area, but in San Jose. ... It doesn't always match what they want to do and where they want to have an effect. There are unrealistic expectations of what their money can do. With the approach they take with grantees, based on

my experience, funds don't match resources needed to move a mountain."

According to Knight staff, the strategy behind their journalism and media work is clear: focus on technological change to inform and advance the field. Bracken said:

"The approach for media innovation is not business as usual. A lot of the deals are with those who don't have philanthropic experience. It is not traditional grantmaking. In journalism, the field was missing new ideas. It was working with an old infrastructure, so Knight created an opportunity to upgrade the system."

Ibargüen elaborated:

"For example, we've endowed 20 chairs of journalism [programs], but they were teaching for an old industry. We shifted tactics: for Knight journalism chairs, as well as a program with Carnegie to support 12 journalism deans, we provide them support to upgrade curricula and make programs more relevant, with a focus on innovation, newsroom transition to digital, etc."

2. Knight lacks well-articulated long-term goals and strategies, in some cases making its intended impact unclear.

Skepticism about the purpose and impact of Knight's innovation focus persists. Beyond its tagline, the foundation does not provide any precise information on its strategy, and it has neither a strategic plan nor theory of change. This makes it difficult for its stakeholders to discern what the foundation is trying to accomplish. Some of the foundation's grantmaking, especially its collaborative efforts, identifies clear goals and strategies. In other

cases, it appears to be haphazard and seemingly done on a grant-by-grant basis. Beyond the general commitment to innovation, there is no clear connection between the grantees within individual Knight communities or focus areas. At least 12 stakeholders said they don't understand what Knight's strategy is, and several used words like "scattershot" to describe Knight's grantmaking. Table 3 shows comments expressed by Knight grantees and peers about the foundation's strategies.

Knight Foundation's "History" web page indicates that in 2000 the foundation undertook a strategic planning process that mandated "the most extensive reinvention in Knight Foundation's history":

"The 2000 strategic plan reasserted the foundation's commitment to journalism excellence and significantly deepened its ties to its communities, positioning it as a proactive partner focusing on results."

Yet, according to the foundation, it no longer uses a strategic plan. The Knight website provides a list of activities its board prefers not to fund, but the list only sheds light on the type of activities (e.g. fundraising) and type of organizations (e.g. religious organizations) it will not fund. The list does not provide any guidance on which strategies or impacts Knight is or is not interested in funding.

Thus, it seems that since Alberto Ibarguen took over as Knight's president in 2005, the foundation has consciously decided not to have a precise strategy beyond its mission to support "transformational ideas that promote quality journalism, advance media innovation, engage communities and foster the arts." If anything, the Soul of the Community report may be the best evidence of a strategy and theory of change: to ensure that its 26 communities thrive by helping them attract young, educated talent, offer diverse cultural amenities and inform and engage residents across geographic, social and economic divides.

Table 3: Selected Respondents' Comments on Knight Strategies

PEER FUNDERS	GRANTEES
<ul style="list-style-type: none"> ▪ "I don't really know what their strategies are. I just know what kinds of things they tend to fund." ▪ "I don't understand what they do with some of their work. What is the strategy? I don't get it. ... The grants they're giving out seem scattershot. Random people come in with an idea and, if they like it, they give them a grant. I feel like you should at least ask for ideas to fit in boxes that fit your strategy." ▪ "There are other foundations that I could be really clear about their niche, but Knight Foundation feels a little more all over the place. ... I don't know what centrally they have moved the needle on. They seem like they shift a lot. It's unclear; it feels like it's a place that could be doing 'this' this year and something different next year. I can't really pinpoint significant things that make their brand." 	<ul style="list-style-type: none"> ▪ "More needs to be known about what the strategies are. The tendency is to see [them] as all flash and no substance. We know this isn't the case because they have great, smart people and are innovating. But, without knowing what the strategies are, it's hard to know." ▪ "It's the Knight Foundation falling in love with some techy guy. ... I always look at who they're funding. ... They are funding a lot of great things. It's not clear what strategy is guiding those decisions." ▪ "Knight looks like it's chasing whatever is newest. It's hard to understand what its strategies are. They are very tactical, but not strategic. They have great tactics. But Knight is substantially weaker than most foundations I work with on long-term strategy. Knight understands quite well who is doing the most interesting things in media. Bump up a level: Why is media important? Why is it important to democracy? Knight is far less interested in that than most other funders I work with."

When asked at an Aspen Institute roundtable how Knight has adapted its metrics to reflect the innovation focus, Iburgüen said:

“Coming from a for-profit background, I’ve found that foundations try to come up with an equivalent for ‘profit’ in their work, but there isn’t one. I see ‘clear metrics’ as an excuse not to think or use judgment. I think the answer is somewhere in the middle. Impact doesn’t happen in one-year chunks, but I do have a responsibility to show my board that we’re making a difference.”

Evidence of Impact

Iburgüen uses at least two tools consistently to measure the foundation’s impact – a biennial Center for Effective Philanthropy Grantee Perception Report (grantee survey) and a biennial Community Leaders Survey conducted by Bendixon & Amandi, which involves more than 700 interviews with local leaders in the eight resident communities. Both were most recently conducted in 2014.

In the 2014 GPR, when asked, “To what extent has the foundation advanced the state of knowledge in your field?” respondents in Journalism and Media Innovation (then a single program area) rated the foundation highest of its three program areas, a 5.62 on a 7-point scale, exceeding the median ranking for a peer cohort of funders. Overall, the foundation scored in the 71st percentile, slightly lower than the cohort median and its own 2012 ranking. When asked, “Overall, how would you rate the foundation’s impact on your field?” grantees rated Knight highest in the arts program area, exceeding the median rank of its peer funders. Overall, Knight scored in the 43rd percentile, slightly below peers and below its 2012 ranking.

The Community Leaders Survey offered more positive signs of impact. It asked, “What specific institutions, organizations or foundations are having the greatest impact and inspiring innovation and change in your community?” About half of respondents (49 percent) mentioned Knight and its name recognition was the highest in Macon, Miami and Akron; 82 percent of respondents could name a specific project or organization that Knight supported in their community and 85 percent could name a specific arts project. Asked what level of impact Knight has had overall in their community, 52 percent of respondents said “significant impact” and 31 percent said “some impact.” Also, 77 percent of respondents said Knight was doing very or somewhat well at shaping a positive future for their community.

The Grantee Perception Report asked, “Overall, how would you rate the Foundation’s impact on your local community?” Knight ranked 5.54 on a scale of 7, in the 41st percentile. Knight’s ranking far exceeded its peer cohort, perhaps in part because its philanthropic peers do not have a comparable place-based program in multiple cities. And even funders with place-based strategies often don’t have program staff permanently located in those locales, as Knight does in eight cities.

Interestingly, its arts program area scored highest of the three program areas for community impact, a 6 out of 7. This result may suggest that its arts grantmaking in local communities is more visible and tangible than its civic engagement grantmaking. In fact, Knight sees the arts as a community development and engagement strategy, as with initiatives like ArtPlace and the Place Project.

The high ratings from arts grantees in the CEP report were echoed by some interviewees for this report. One grantee in a resident city said, “In the arts program, Knight has

certainly had an impact in changing the conversation, challenging the conversation, really providing an example of what can happen if you don't have entrenched ideas about how things have to happen." As discussed in other sections of this report, the Knight Arts Challenge is credited with giving smaller, more diverse organizations an opportunity to make their mark in the local community.

An area of emerging impact that a number of stakeholders discussed is related to urban planning, specifically neighborhood revitalization, transportation and transit-oriented development. Projects have happened or are underway in numerous Knight cities, including:

- A \$1.75 million grant to SPUR, a planning nonprofit in San Jose that will be instrumental in realizing the city's sustainable, transit-oriented growth plan.
- Revitalization of the Beall's Hill and College Hill neighborhoods in Macon.
- Central Corridor Funders Collaborative, which fosters affordable housing and transit oriented development along the new Central Corridor light rail Green Line between St. Paul and Minneapolis.
- Revitalization of the University Park neighborhood in Akron.

Knight sometimes uses challenge grants to support these place-based efforts, such as a Green Line Challenge in St. Paul and a Neighborhood Challenge in Macon.

3. While a quarter of Knight's grants typically support marginalized populations, this proportion of grant dollars has been declining over time. Knight funds a number of equity-focused initiatives, yet, without a stated commitment, stakeholders lack consensus about its intent.

NCRP examined a variety of data sources to explore the foundation's commitment to underserved communities and equity: Knight's own website and grant guidelines, Knight staff perspectives, a review of grant descriptions, Foundation Center data and stakeholder feedback.

There is no question that the foundation makes grants that intentionally benefit marginalized populations. However, without an overarching, overt strategic intent, it is unclear to what extent systemic inequities and marginalized communities are a definite priority in Knight's grantmaking. Knight's descriptions of each program area's mission contain no explicit reference to underserved communities. Engaging "communities" (i.e., the 26 Knight cities) is a consistent theme across program areas, and attracting talent and fostering economic integration and opportunity are central to the Engaged Communities portfolio. But Knight does not publicly indicate whether or how low-income communities and communities of color, or other disenfranchised groups, are targeted for engagement and economic opportunity, nor does the foundation publicly signal whether or how its approaches in each program area will reduce systemic inequities that disadvantage marginalized communities.

In an interview for this report, Ibarguen described equity and benefit for marginalized communities as an "implicit" value of the foundation, "moving to a more just society through our areas of expertise." He added that the foundation's approach is "tactical," for example, "within arts, we're supporting various projects that enhance culture and community in a variety of diverse communities." He also cited collaboration with the Ford Foundation on arts and media projects. Ford recently pledged to focus all its grantmaking on inequality.

According to Foundation Center data, Knight’s funding for social justice causes and underserved communities was down in 2011 and 2012 compared to the prior four years and to even higher levels a decade ago.⁶ Among a cohort of the top 45 independent foundations by giving in 2012, 30 foundations gave more to benefit underserved populations than Knight did.

When asked about underserved communities in a group interview, two of Knight’s then-vice presidents, Carol Coletta and Dennis Scholl, both pointed to the challenge grants as evidence of attention to such populations. Coletta explained:

“The best example of this work is our challenge programs. We use this to get ideas from different stakeholders. It gives people access to the foundation, including those who ordinarily would not have the attention of the foundation. We get a high diversity of applications.”

Knight’s shift to funding more organizations with smaller grants is also an effort to democratize its grantmaking. Knight staff talked about “reducing barriers to entry” for the grant application process. Several interview respondents also mentioned the various Knight challenges as examples of the foundation’s commitment to equity and inclusion.

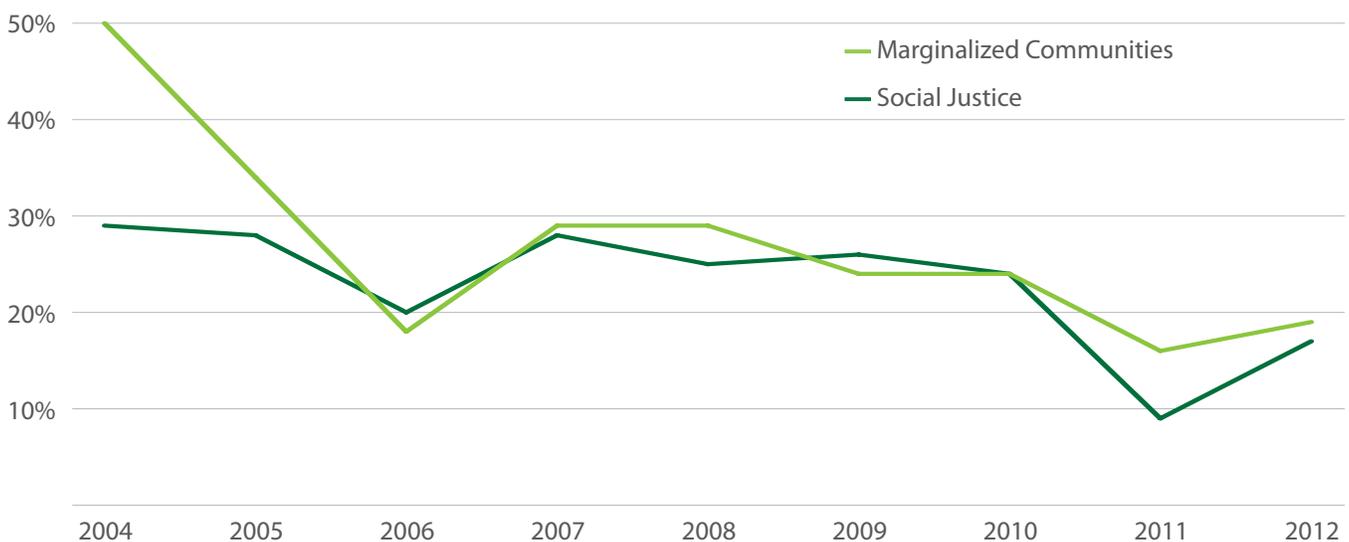
Stakeholder Perceptions on Equity and Underserved Communities

Among 47 interviewees who were asked “How effective are the foundation’s strategies to address systemic inequities and marginalized communities?” 22 (47 percent) answered positively, 11 answered negatively, and 14 said they didn’t know or it wasn’t relevant to Knight’s work.

Respondents who said the foundation is effective in advancing equity cited the following examples:

- Promoting digital access to media and information among low-income communities.

Table 4: Knight Funding for Social Justice and Marginalized Communities (2004-2012)
Shown as a percentage of grant dollars



Source: Foundation Center

- Funding small and grassroots arts organizations.
- The Knight challenges.
- Funding work in blighted neighborhoods.
- The grand bargain in Detroit.
- Engaged Communities’ “opportunity” focus.
- Fostering a thriving journalism field to promote democracy, in some cases specifically targeted at “news deserts” or immigrant press.
- Computer coding in communities of color.
- Postcard Project to engage residents across neighborhood divides.
- Leadership programs targeted to youth and men of color.

A review of recent grants in Knight resident communities confirms that a number of funded organizations and projects seek to benefit underserved communities, including:

- Three-year \$1 million grant supported a workforce development initiative in Detroit to help existing residents access jobs in the health sector.
- Support for arts and culture activities among specific racial and ethnic populations in several cities.
- Black youth mentoring in Philadelphia.
- Latino immigrant peer mentoring in San Jose.
- Online engagement of residents in low-income neighborhoods in Minnesota.
- Poetry project for LGBTQ residents in Miami.

Table 5: Contrasting Stakeholder Views on Knight Foundation’s Attention to Marginalized Communities and Equity

<p>“We watched what Knight was doing for a while, with amazement, but also because we were wondering ‘What’s happening on the other side of the tracks?’ For us, seeing what was going on and not seeing any of that trickle to the Black community was a problem for us. ... You need to make sure your ecosystem is inclusive of all Miami communities. There have been steps in the right direction [at Knight] in the past year.”</p>	<p>“Entrepreneurship in Miami, they were very clear, unapologetic: ‘We believe if we can leverage this unique thing that Miami has, which is a high rate of entrepreneurship, that bodes well for this community.’ Do they have a focus on entrepreneurship in marginalized communities? No, they don’t. That’s not what they do or said they would do. Do they try to support groups ... creating entrepreneurship space in Liberty City? Yes, they will.”</p>
<p>“I get the sense – just a guess – that they’re evaluating equity work. [Asking themselves questions like]: ‘Are we working with people of color?’ I do sense that even though it’s not a forefront Knight initiative, it does seem to be a strong driver in the process.”</p>	<p>“The biggest issue I have with Knight’s work: They don’t have a very present social equity lens in their work.”</p>
<p>“They are deeply connected to the living face of inequity. Some of the work [Knight] has done, like postcards project – where they have people in a city write postcards to each other from different neighborhoods – that was a really cool thing. I think that’s a great example of on the ground, shows that people who are getting squeezed out are parents like me, create some human connection.”</p>	<p>“[Systemic inequities] is not what they work on. I’ve been told several times that Knight is not a social justice foundation.”</p>
<p>“Knight is very responsive to the need to address diversity within journalism.”</p>	<p>“I guess in a broad sense you could argue that the survival of journalism is important for equity but at the individual level, they aren’t solving broad social problems.”</p>

Two of the foundation's recent initiatives that were most targeted to underserved communities – BMe (Black Male Engagement) and the New Americans Campaign (NAC) to increase naturalizations among eligible immigrants – were championed by former Knight staff members. The BMe program was the brainchild of former Knight vice president Trabian Shorters. When Shorters left the foundation, he spun off BMe into a nonprofit of which he is now the CEO.

BMe has evolved rapidly from its initial focus in 2011 of fostering new Black male community leaders to instead tapping the existing broad base of Black men who already exercise local leadership and mentorship in informal, unsung ways. BMe is supporting and networking these leaders in five cities, while also connecting them to media sources that can help change the prevalent negative narrative about Black men in our society.

The New Americans Campaign, spearheaded by former Knight national program director Damian Thorman, is also making a difference. According to one participant in the collaborative, “More than 150,000 individuals have completed [naturalization] applications, and 38,000 have gotten fee waivers, saving communities \$130 million that they can spend in the community.” Since Thorman left the foundation in January 2014, observers are unsure of Knight's ongoing commitment to NAC. Knight has reportedly reduced its investment in the campaign, and its staffing of the initiative is described by a participant as less engaged.

Knight Foundation also joined an equity-focused philanthropic initiative, the Executives' Alliance to Expand Opportunities for Boys and Men of Color, when it was launched in 2013.⁷ After the Obama administration announced its My Brother's Keeper initiative in 2014, 10 large foundations, including Knight, made a combined \$200 million pledge

over five years to the president's initiative. In their announcement, Alberto Ibarguen offered a statement:

“Many men of color are already working to make their communities better by helping young people reach their full potential. They are truly assets to any community, and one of the best ways to help young men succeed is to invest in, connect and celebrate these grassroots leaders who are already making a difference.”⁸

For decades, Knight was also a partner in the Living Cities funder collaborative (originally called the National Community Development Initiative when founded in 1991). Most recently, a three-year, \$3 million Knight grant supported Living Cities and specifically its Integration Initiative, a multicity effort that “supports cities that are reshaping programs, policies and resource allocation to achieve enduring change that benefits low-income people.”⁹ Over the last few years, Living Cities has embarked on an intentional racial equity capacity building process with its local partners, publicly sharing the challenges and lessons along the way.¹⁰

Despite these examples and others above, the perception lingers that the foundation is not a national leader on equity. While one respondent noted that Knight had encouraged a community foundation to “make sure our board reflected the demographics of the community,” other respondents stated, “If I were the CEO, I would move toward helping low-income communities” and “Knight needs to be infused with a greater awareness of the diversity of the communities in which it works.” Another suggested adopting an “inclusion lens” to its grantmaking to assess whether a variety of groups is being served. A separate respondent shared that Knight should have more diversity in the racial and ethnic background of its convening participants.

A peer funder said, “They would never take a stand on Black Lives Matter or race. We need people with Knight Foundation’s stature to advance a conversation nationally on these issues.” It appears that the foundation is selective in its use of the bully pulpit to champion equity goals. For example, Knight was not among the 27 signatories of an August 5, 2015 letter from the Executives’ Alliance to the Obama administration urging it to “ban the box” that indicates whether applicants have been arrested or incarcerated on federal job applications.

Talent, Opportunity and Engagement Approach

According to the Knight Foundation website:

“We support the success of our 26 communities through investments that attract, retain and harness talent; that expand opportunity by increasing entrepreneurship and economic mobility; and that build places that accelerate the growth of ideas and bring people from diverse social and economic backgrounds together.”

A key question regarding the foundation’s equity commitment is: to what extent are its place-based “Talent, Opportunity and Engagement” strategies (informed by their Soul of the Community survey) intended to improve neighborhoods and urban systems for existing low-income residents, residents of color and other marginalized populations? Interviews revealed that some stakeholders believe the foundation’s drive to help its 26 cities thrive economically may be more about attracting and retaining college-educated talent than about helping the underserved residents of those communities grow their own talent and prosper.

According to Knight’s recently appointed director for community foundations, Lilly Weinberg:

“What we are seeing across the country is that urban cores in downtown areas are rapidly changing, and that is the place where talent (we define talent as 25-34 year old college graduates) are moving. They are choosing to not live in the suburbs, they are actually choosing to live in the denser areas. That’s important to know for these cities. If [cities] are going to make place investments, then it is smarter to do it in the downtown areas because having a vibrant downtown is critical for talent retention and attraction. . . . One other thing I am looking at is how to better connect the university to the downtown areas, so that rather than having an island within the city, we can better integrate it into the community.”

Retaining talent is a legitimate concern. A staff member of a Knight-supported community foundation noted that their community’s 25–34-year-old population is declining, even though the college-age population is rising. However, other community foundation leaders expressed frustration that the focus on talent retention was taking away time that could be spent on broader community challenges:

“I don’t think that [equity] is Knight’s interest. It’s around talent, which they define as college graduates. They talk about getting people to vote and have access to information, and those are really good things. It may be present in their journalism and media stuff, but in their place-based grantmaking they are into creating places where talent wants to stay or migrate to. They talk about voter engagement, but they lean toward the talent side. They talk about wanting to have income-diverse neighborhoods, but when I really dig into it and look at the grant funding and all, it’s really more about those college graduates. There are not as many college graduates in the poor neighborhoods. I don’t think what they are doing is bad or wrong, it’s just not what you asked me about.”

A peer funder agreed that retaining talent is important, but only one part of the equation:

“[Knight’s] philosophy is: ‘Successful cities are the ones that attract top talent. If you’re not set up to give them what they need, you won’t succeed as a city.’ [Knight’s] right about that, but that’s 30 percent of the city. ... [Knight’s] not engaging with people working on the other side of the equation.”

Digging into Knight’s large community revitalization efforts reveals a complex story on the extent of benefit for marginalized residents. A \$3 million multi-year Knight Neighborhood Challenge in Macon supported community revitalization for a neighborhood that was 68 percent white, in a city that was then 62 percent African American.¹¹ The final report for the project observed:

“With race playing such an important role in the city’s history, it is important to note that the College Hill Corridor is within immediate proximity to neighborhoods that are predominantly black. Given this local diversity, one of this study’s objectives was to identify opportunities to blur physical and socioeconomic boundaries between communities.”¹²

This focus on the integration of economically and racially diverse populations within cities is a key element of the Engaged Communities approach, influenced by the SOTC survey data. When asked whether or how Knight balances attracting outside talent with growing the talent of existing underserved residents, Weinberg pivoted to social integration as the solution:

“The talent bucket is focused on attracting or retaining 25–34-year-old college graduates, and the reason that

it is one of the buckets is because if the city can attract or retain that demographic, then they’re doing very well in other buckets, like economic opportunity, and it helps the general public to attract and retain that talent. ... The Economic Opportunity piece, which we are still exploring, hits on that [question]: How do we invest in places or civic innovations on the seams of different socioeconomic backgrounds? What are those investments that can bring in different backgrounds together? And that’s really rooted in data and research, where that mixing of backgrounds is critical for uplifting individuals who have isolated systemic poverty. That could be looking at [the role of] libraries, for example, and the actual placement of the library is also very important. ... It could be a very critical and impactful investment.”

Evidence shows that fostering integration and creating more “bridging” social capital benefits the whole community. Yet poverty and systemic inequity also require more targeted and systemic solutions to elevate wages, reduce household expenses and increase educational success. A talent attraction and retention strategy relies on rising tides to lift all boats. Targeted universalism posits that focusing resources on the most disadvantaged ultimately benefits everyone.¹³

On the other hand, some of Knight’s initiatives seem to pay more attention to equity concerns. Knight helped Macon tackle revitalization in neighborhoods that are more distressed, such as Beall’s Hill, and recently rallied the city to address blight. Beverly Blake, the Macon program director, described how a survey of residents identified blight as a pervasive issue:

“Blight was something everybody had been talking about here for decades, but nobody did anything about

it. [A community engagement project] not only brought the conversation together, it brought people together to advocate for some kind of action. It actually changed public policy. We now have a nine-member county commission [since government reorganization occurred] and they took action to issue \$14 million in bonds to fight blight. That has never happened here in Macon, never. It went from a conversation about ‘those difficult neighborhoods’ to [people saying], ‘We are proud of our city, we are proud of our community, and we have got to take action on this.’”

Ibargüen separately noted that the anchor institutions driving the Beall’s Hill revitalization effort did not have diverse representation at first, and the foundation influenced the composition to make it more reflective of the community.

Another Knight-supported initiative, the Central Corridor Funders Collaborative, spurring Green Line transit-oriented development in the Twin Cities, has an explicit focus on affordable housing to avoid displacement. The collaborative notes, “Gentrification isn’t just about what happens to real estate. To minimize displacement, we must also look at how to maintain and strengthen the economic and social fabric of neighborhoods.”¹⁴ Ibargüen noted that Knight also encouraged the collaborative to support the hiring of minority and women-led disadvantaged business enterprises.

Finally, one grantee credited Knight Foundation for its role in Detroit’s grand bargain, suggesting that it will ultimately result in greater financial stability for the city’s mostly lower-income residents.

“Knight’s involvement in Detroit is powerful. The less visionary approach would have been to let the bankruptcy manager just sell off all assets (including the

art). Knight and others pushed them to consider other options. They recognized the importance of the Detroit Institute of Art not only to Detroit’s economy but also to the community – that it is a civic asset that should be cared for and available to Detroit. Secondly, Knight recognized the importance of stabilizing the public pensions not only to individuals and families, but also to communities and the local/regional economy. These jobs are the pathway into the middle class.”

Knight’s subsequent multimillion dollar investment in Detroit’s economic revitalization signals a strong commitment to the city and its residents.

A national foundation colleague insisted that equity is a core concern of Knight’s leadership:

“The Knight brothers were conservative. Ibargüen has evolved a strategy that is modern and contemporary, stays within the Knight brothers’ ethos, but is concerned about communities that are left behind. He and the board care deeply about this. ... Knight may not be approaching it explicitly as a race/class thing, but it is supporting low-income and minority communities.”

During an Aspen Institute forum, Ibargüen explained the foundation’s approach:

“Knight has shifted from focusing on charity to social investing. Knight wants a return of desired impact. I look for funding opportunity, not need. If grantmaking is based on need, there will be little impact because Knight doesn’t have the funds to cure poverty or fix education. Instead, leverage and accelerate what is already happening in the communities. Use information from partners to learn what is going on in the community.”

Yet, some stakeholders challenge the notion that the foundation previously focused on “charity”; rather, as one said, Knight “made a thoughtful, bold attempt to change systems.” Another agreed, adding that Knight “invested in organizing the most marginalized community residents and helped nonprofit organizations become more effective advocates on behalf of their constituencies.” This interviewee added:

“There are many good reasons for a foundation to decide to invest in what’s ‘already happening’ in communities, and Knight has continued to support a great deal of interesting, important and impactful work. But there are also risks associated with focusing where there’s already energy and investment – namely, that a foundation can further perpetuate existing power imbalances. Of course, no private foundation can singlehandedly alleviate poverty or fix education. But foundations that ground their investments in a desire to help the ‘neediest of the needy’ can and do have tremendous social impact.”

The foundation could dispel confusion in its communities and with its key partners – grantees and community foundations – by using more explicit language to demonstrate this commitment, especially in the Engaged Communities (EC) portfolio. Knight staff point out that the EC goals are intentionally broad so that each of the 26 cities can tailor them to local conditions. Katy Locker, program director for Detroit, explained:

“That Engaged Communities has a broad set of goals is appropriate because they do apply across all communities, and that’s the power of them. They apply from Akron, which is a much smaller community, to Detroit to San Jose, and the contrast between my colleague in San

Jose and my work is an example of how we have to look at what is happening in our cities and then really determine how to tackle Talent, Opportunity, Engagement given that context. ... That is the beauty of what Knight does, is ensure we have someone on the ground very mindful of context so that Talent, Opportunity, Engagement is not applied blankly across 26 communities, but instead we have somebody very mindful of the context of the community in order to interpret it.”

Yet, even with broad goals in place, equity values and an equity lens can provide an overarching frame for locally determined solutions.

Equity and Technology Innovation

Several stakeholders raised another concern with equity implications that relates to the foundation’s drive toward innovation. Because Knight is focused heavily on technology innovation, much of its grantmaking has shifted to Silicon Valley-based startups and tech companies, which are dominated by white males. Several of the foundation’s Journalism and Media Innovation grantees and peers said they feel that Knight’s grantmaking has become a white men’s club.

“I just feel like there is a very male bias. I have heard this from other women in the journalism field. ... If [Knight staff like] you, you get a grant. If you are a late 20s, early 30s techie, you get a grant. I have heard this from so many women; it’s very relationship-driven.”

“I have raised with [Knight] the need to get more participants of [diverse] racial/ethnic background involved in the convening, that they should do better outreach to get beyond the usual suspects. Their heart is there, so once Jennifer [Preston] gets grounded, we’ll see.”

“There is no question, you felt it was all boys [at the convening] and you felt very uncool, even though you were doing cool things. It was very much that way. It’s not a fault of theirs in that so much of innovation coming out of Silicon Valley is so male-driven. So they are hooking up with the hot, new innovators who tend to be guys. It was very much a ‘Silicon Valley’s cool’ vibe.”

“When I go to events that [Knight does], the demographic of that looks very much like it does in Silicon Valley. I can’t blame the Knight Foundation for not creating a diverse tech space, but that is also reflected here. Probably more Hispanics are involved by nature of Miami, but you clearly see who the speakers and entrepreneurs are. It mirrors the lack of diversity of women and people of color who are cracking code to get into that space.”

In the last few years, Knight has made a number of grants totaling at least \$1 million to address the lack of gender, class and race diversity in technology, including to Girls Who Code, CodeNow Inc., Code Fever and Code 2040. John Bracken reported that Knight engaged in “light touch” facilitation to make the infrastructure for government purchasing of technology more open to women vendors.

4. Knight Foundation is strongly committed to civic engagement, leveraging community foundations as key partners. Without explicit strategies to build resident power and adequate staff capacity to capitalize on opportunities, the potential for its community engagement grants and innovations to have long-term impact can be limited.

Knight Foundation funds community engagement activities in its 26 cities and uses the challenge grant competitions to engage community members. Knight believes

art is a way to engage communities (one peer funder described this as its “sweet spot”) and also to make cities more appealing places to live, thus helping to attract and retain talent. Community engagement and civic participation are viewed as ends in themselves, not necessarily as empowerment tools to then push for change in local governments and systems.

One community leader appreciated learning from a Knight convening about work done to foster “bridging” as well as “bonding” social capital, so that dissimilar people make connections with each other in local communities. Social and economic integration is a high priority of Knight’s Engaged Communities program.

Several interviewees applauded Knight for fostering community collaboration and directly engaging local communities in its resident cities. As one said, “They push people to think outside traditional boundaries and to really think bigger and to look for ways to engage people, not just get a project done. To really bring in people and get them energized around a project and a cause.”

Detroit stakeholders were particularly positive about Knight’s approach there, but respondents in other cities also were enthusiastic. For example, Knight funded a very grassroots resident engagement effort in Macon as part of one of its neighborhood master planning efforts. A grantee commented:

“Right now, we [in Macon] are involved in a blighted neighborhood. From the very beginning ... the foundation was involved by going to the neighborhood and attending meetings of the neighborhood. They literally participated in a cleanup of the neighborhood. They are getting down to the grassroots.”

Another said:

“They get really high ratings there [for community engagement]. They funded work we did in Detroit. ... [They also funded] Charlotte work on economic integration. They are on the ground in different places. They are not just in Miami doing national grantmaking.”

In its 18 nonresident cities, Knight often relies on its local partner, a community foundation, to engage residents and other community members. As Lilly Weinberg affirmed:

“We see the community foundation [leader] as the person in the city, on the ground, in the community that can help source ideas, and help us with grantmaking. We also have a community advisory committee, which is usually two to three people who are key individuals in the community or individuals who care about things we care about, and also people who help with advising on where the grants go in the community. ... It’s a mixture of people. The community foundation is definitely a key partner; some are stronger than others. But they are usually well connected in the community. So when I go and visit the community, they set up meetings for me.”

One community foundation leader observed this about Knight:

“I would say they are interested in civic engagement of the community as a whole entire community being informed and engaged, but [with] particular interest in underserved parts of our community. ... They really ... are looking for a more authentic kind of neighborhood engagement, resident engagement, civic involvement. They are interested in what and how you are doing it, not just that you say you are doing it. That is part of the

consideration, if not all you are trying to achieve.”

The community foundations sometimes reported that Knight leaned on them too heavily to engage communities without providing the local funder with capacity funds to do so:

“They do [community engagement] through [my community foundation] ... as a vessel. The Knight Cities Challenge is totally great; it engaged a lot of people. But the engagement [staff] came [from] the community foundation. ... It’s a lot of work for nothing, actually. ... I appreciate the resources, it just seems like, on a return-on-investment basis, it didn’t pay for us.”

Also, the complex, ambitious structure of marrying local grantmaking with national programs does not always serve local engagement goals well. An arts grantee in a Knight resident city noted a disconnect between Fostering the Art’s local impact and that of Engaged Communities.

“Engaged Communities, in contrast to the arts program, is not building from scratch. It’s a legacy program; it’s hard to change what already exists. They have a person in each of eight communities. What I can say is that we feel more impact from Arts than from Engaged Communities, even though there is no [local] arts program here. It sounds awesome that each city has a program director; that should be best way to go. But it has created a weird disconnect between the overall foundation and the local environment, so the VP of Engaged Communities never has to come here. It creates a confusing set of communication lines about who you are supposed to talk to, who has the ability to put resources toward something, whose agenda it is. ... In their current iteration, they’ve rolled out, in contrast to arts, a lot of

national strategies that are supposed to be one-size-fits-all, which won't net the true engagement that they want. It feels like marketing more than changemaking."

Other grantees in some of the more populous resident cities indicated that the local program director may be stretched too thin or is not local enough to effectively engage stakeholders.

"The organizational design is flawed. It's way too much for one person to be running [my local Knight office]. There needs to be someone else; the current role [is too much to do]: 1. They have to be the community engager. 2. [They're] the person who analyzes what is going to get funded. 3. They have the power to fund things under \$25,000. 4. They are also the face of the foundation locally, always on the media, etc. [acting as a] thought leader. I don't know if this person has even a full time assistant."

"For whatever reason, they did not hire a local person. We are helping him understand our community, become embedded in the politics. ... He is a great individual but taking a long time to learn the community. I reject the idea that there was no one in San Jose to do the job, we have stellar talent here. How diligent was the national team in its search for the new program officer and how focused were they on actualizing the idea of having someone for and by the community? This is a big thing for San Jose, because our previous program officer lived outside San Jose and feedback was that she was disconnected from our community."

Another critique from a community foundation was that Knight does not address the barriers that hinder civic participation for people experiencing deep poverty.

"[The nation's current attention on inequality] is a great opportunity, but right now [Knight's] focus is on information. Is there a role for information in there? For people to be participants in a democracy, they have to know that it makes a difference and feel motivated to be engaged. When they are isolated or marginalized, then it's hard to feel like you can do much more than get up and go to your two-point-five jobs each day. [Inequality] would be a wonderful core issue for Knight to take on. But we'd like to do it in partnership."

There have been some projects that directly address inequity. A 2013 grant initiative of \$495,000 sought to foster civic participation and digital inclusion and provided funding to six local community-based organizations in Silicon Valley, at least some of which directly targeted low-income residents and youth.¹⁵

More recently, during summer 2015, Knight completed a challenge grant process devoted to encouraging voter participation. The Knight News Challenge on Elections asked, "How might we better inform voters and increase civic participation before, during and after elections?" NCRP asked several seasoned civic participation funders to review the grants list¹⁶ and share their observations on how the funded projects could help more low-income and marginalized residents become informed and motivated voters. These foundation representatives praised Knight for seeking to generate creative ideas to increase voting. They especially appreciated the grants that were targeted to specific underserved populations, such as people with disabilities, formerly incarcerated individuals with prior felony convictions and African American men (to be engaged via barbershops). They were also excited to see that Knight funded two projects to better inform the public about judicial elections – an area that doesn't usually get attention.

However, they were skeptical that most of the projects would ultimately reach or benefit low-income and marginalized residents. One funder said:

“There is a dissonance. They want to increase participation, but the disenfranchised will not be motivated through these tools. [Knight and its grantees] would need to partner with folks who could make these tools more effective. The [network of voter engagement groups] is already there.”

For example, another funder suggested that Knight could work with the network of State Voices organizations that coordinate nonprofit voter engagement, perhaps in states that overlap with Knight’s cities (such as Florida, Georgia, Minnesota and California).¹⁷ This grantmaker added:

“Almost none of these grants [have] a direct impact for marginalized communities; it’s indirect. If the goal is a more direct connection, you may need to be corrected a little bit. It is technology heavy. I’m really skeptical. We are a tech supporter but we use it from a race lens.”

The risk for Knight is that it may pursue innovations in civic engagement, particularly through technology, without discerning the context in which those innovations can be meaningful for underserved communities. Reflecting on a funder collaborative that Knight participates in, a peer funder observed:

“Knight brings a real appreciation of technology that is helpful for philanthropy. [Our funder collaborative has] this nice ‘try, innovate, iterate’ spirit, and that comes in part from Knight. ... The flip side of adding technology innovation and rapid iteration into the room is that they have a tendency to look for shiny bright objects and

they don’t know the context of the nonprofit field and nonprofit realities. ... You need to have a really deep knowledge and understanding [of nonprofits and communities] to know [if a] tool is going to be successful.”

Some grantees expressed frustration that Knight’s engagement efforts do not seem geared toward achieving long-term systems change. The following comment is typical of this viewpoint:

“Because they don’t really support social services, it becomes challenging in the sense that there’s policies and systems change that is needed. They do want organizations to drive that change, but I don’t know how many they’re really funding. In [my city], their funding is more urban planning, not run by people [who live in our underserved neighborhoods], but we need to engage them as well.”

Meanwhile, some of Knight’s peers viewed the foundation as too cautious, missing opportunities to organize residents to achieve greater impact. For example, Knight funds the New Americans Campaign, including new tech applications for online naturalization procedures, but it doesn’t fund advocacy or organizing to make the citizenship applications shorter or the costs to become a citizen cheaper. Nor does it fund work with other immigrant populations. A grantee noted:

“One of their VPs said their theory of change is all around voter registration. To me that’s not the only answer; 95 percent of the people we work with are undocumented. Voter registration isn’t going to help them get support and rights. [Immigrant rights is] not what they do, at least in [my region].”

However, there are some examples of Knight-funded support for activities leading to policy change. One is the Macon anti-blight campaign. Another that shows potential is Knight's work to close the digital divide and expand the role of libraries as central community institutions. In a rare example of wading into policy waters, Knight funded a poll in Miami showing public support for libraries, which influenced the city council to reverse its decision to slash its libraries budget. One fellow funder gratefully commented:

"What impressed me was that they wanted to be interested in libraries. I can count the number of foundations interested in the future of libraries on less than one hand. That they can see our country's free libraries as way to provide access to information is terrific."

Grantees noted that Knight is closing the digital divide not just by increasing access to technology, but by increasing access to news itself:

"It's [closing] the digital divide, but it's also bringing news outlets to underserved communities in a way that [goes beyond] the broader digital divide. [They're providing] not only access to tools, but access to news."

5. Knight's challenge grant programs have successfully attracted nontraditional grantees and fostered community collaboration.

Knight Foundation is considered a leader in philanthropy when it comes to challenge-based grantmaking, in which a panel of reviewers awards grants in response to a general call for ideas, sometimes requiring awardees to raise matching funds. Although the concept generated controversy recently when the Council on Foundations

planned and then scuttled a challenge-style session at its spring 2015 conference,¹⁸ challenge-style grantmaking was praised by many Knight stakeholders as a way to attract nontraditional grantees and outside-the-box ideas. Initially, applicants need only provide a 100- or 150-word description of their idea. If they advance to the final stage, then they have to submit a full proposal, and often receive coaching from the foundation about how to prepare their application.

Several grantees noted that Knight's various challenges increase equity by attracting applicants beyond established nonprofits, including individuals, for-profits and smaller nonprofits that may be closer to underserved communities. Knight used to refuse grant requests from individuals, according to our analysis of Foundation Center records, but now encourages them through the challenges. The challenges also bring together diverse people to serve as judges. One stakeholder who has been both a grantee and a challenge reviewer noted:

"So, it's not just civic organizations; it's also nonprofits [and] can-do startups that are impacting communities. And I do like that they're varied in their approach. It's not just that they only work with nonprofits. ... If there is a startup that is addressing the needs of the community, that serves the needs better than, particularly, a nonprofit, maybe we could help support them and test out their ideas."

Dennis Scholl, former vice president of arts, explained that Knight does assessments of challenges, as well as targets grassroots organizations. He explained, "It is clear that this is not business-as-usual. There is an intentionality in its structure and focus." Scholl shared the key elements of the challenges:

1. Knight focuses on making smaller grants available in order to reach a broader cross section of the community.
2. Knight conducts strong outreach by advertising the various funds available, including in ethnic media, Facebook and ads. Knight recognizes the mobility of many racial/ethnic communities, so it does targeted advertising to increase participation (e.g., advertise free opera concerts in communities and zip codes that don't ordinarily attend opera and make free tickets available). Knight also works with racial/ethnic leaders to spread the word. For example, Knight started with one Jamaican leader; this led to increased participation by other Caribbean communities.
3. Each challenge is akin to a community organizing strategy in that it is highly promoted to the community and their input is solicited to select winners. Q&A sessions are held in neighborhoods.
4. All proposals are read by 10 members of the community of the entity applying for the grant. Readers are from communities and neighborhoods, organized by discipline.

In the last few years Knight has held numerous local and national challenges, and has a few pending, including:

- Knight News Challenge on Libraries, 2016
- Knight News Challenge on Elections, 2015
- Knight News Challenge on Libraries, 2015
- Knight News Challenge, 2014
- Knight News Challenge, 2013
- Knight Arts Challenge, South Florida, 2016
- Knight Arts Challenge, Akron, 2015
- Knight Arts Challenge, St. Paul, 2015
- Knight Arts Challenge, Detroit, 2014
- Knight Arts Challenge, St. Paul, 2014
- Knight Arts Challenge, South Florida, 2014
- Knight Arts Challenge, Detroit, 2013
- Knight Cities Challenge, 2015 (in 12 Knight cities)
- Knight Cities Challenge, 2014
- Knight Prototype Fund, 2015
- Knight Prototype Fund, 2014

More than one-quarter of interviewees gave unsolicited praise for the Knight challenges. Not surprisingly, strong positive feedback came from recipients:

"Much of the [Knight Arts Challenge] work has been to bring to light disenfranchised artists and organizations with less capital. In that way, they are making a marked difference."

"I thought it was great because we had heard of Knight Foundation before, but we didn't fit into any of its core portfolios. This was a way for the foundation to fund something that wasn't a slam dunk fit for its traditional funding. We were shoe-horned into the News challenge, not a traditional fit."

"We would not have seen ourselves as eligible for a normal Knight grant. ... It was clear to us from observing others who might not otherwise have applied or been selected that there was an intentional effort to attract nontraditional grantees, people of color, individuals, not [established] organizations."

"[Knight] is pretty uninterested in your entitlements; particularly, that's why it started the Arts Challenge. ... The foundation funds individual artists, small and

scrappy, artists of color, for-profits, etc., and puts them on even playing field with big institutions.”

The challenges also were praised by other foundations. One national peer observed, “I like their process. I’ve thought about whether I should do it that way.”

Some grantees who received funding through one of Knight’s challenges praised the application process for not being too cumbersome and for providing support after the grants are handed out:

“[The application process did not involve a lot] of pre-planning. The initial proposal was 150 words. We found it to be a refreshing and reinvigorating process, an elevator speech. . . . It’s a good organizational strategy and tactical thinking process.”

But others found the process too quick:

“The only thing I would say they could improve, and they have talked about improving, is to give more time between the announcement of the program and the proposal deadline. They look to do something new and turn it around quickly, but people need more time to coordinate a response. It was a short turnaround, maybe less than a month.”

Some stakeholders questioned whether Knight pays enough attention to the implementation of its challenge grants:

“I have concerns about the challenge programs. They are very sexy and generate a lot of enthusiasm and attention. But what’s the value of generating thousands of ideas if there isn’t attention paid to implementation? Yes, they are selecting great ideas, but I’m not sure there is enough un-

derstanding about how to get it done, both on the part of the foundation and grantees. . . . They need to understand what it takes to get stuff done, who in a local community can do it, who has credibility, networks, depth of knowledge. Can these challenge grantees execute?”

Knight staff in the resident cities see themselves as eyes and ears on the ground for the challenge grants. Detroit program director Katy Locker commented:

“From my national colleagues’ perspective, when they’re doing work in Detroit, whether that’s an arts challenge or news challenge or a prototype fund grant that is Detroit-based, they have somebody who can [tell them about local grant applicants] – who are these people, what is the context, what’s their reputation in the community, and also, I can monitor the grant once it’s delivered by my colleagues in arts, or journalism or media innovation in a way that they can’t from afar.”

Challenge judges were generally very positive about their experience reviewing creative proposals with a group of diverse and smart peers. A few reported that Knight provided limited guidance on how to judge the challenges and didn’t deliver information about the challenge competitors in a timely manner.

“They gave us an awful lot of material to read and judge in very little time. I found that off-putting; we had three days to read reams of material, and a lot of it was technical, in too short of a time period.”

One Arts Challenge judge noted:

“We were very much trusted based on who we were to uphold Knight values, but there were no specific criteria;

it was open-ended. That's not a negative critique. That's probably a pretty great way to work; it allows interpretation and flexibility. I wondered sometimes which was a higher priority: civic engagement or high quality art? It might be good to have a specific rubric for upholding which priorities."

Also, some challenge grant recipients said Knight left them unclear whether the grant was a one-off or if there was an opportunity for sustained funding, and what they would have to do to get additional funding. This respondent's uncertainty was representative:

"I don't know if there is a path to a continuing relationship with the foundation. If we hit our metrics and do great work, do we get continued support, or [is it] 'nope, you're on your own after this?'"

Some Knight challenges require winners to raise additional funding. At least one person suggested that the match requirement can be a burden and wondered whether it can be a barrier to implementation of good ideas. Yet, most others thought the match requirement helped rally community support.

A fellow grantmaker summarized key benefits of the challenge approach:

"The very concept of contest style grantmaking is collaborative in the sense that they are not saying: we have all the answers or know all the right people to be able to fund the best projects. Instead, [let's] learn from the field what the most interesting projects are. It is inherently humble, if not collaborative. ... By doing open contests and welcoming proposals and ideas from anyone, you are at least going to avoid old school backroom chummy philanthropy where ... [lack of attention to] social

equity issues have been about chumminess. Opening the doors and doing contests isn't sufficient to being equitable, but it's a step in the right direction. It won't be as chummy as philanthropy was in the past."

6. Knight collaborates extensively with multiple sectors at the local and national levels. Yet, stakeholder perspectives about Knight Foundation as a partner vary widely, from glowing to frustrated.

Knight Foundation engages in a wide array of partnerships with other national and local grantmakers, first and foremost with community foundations in its 26 cities. Other collaborations mentioned in this report include Detroit's grand bargain, New Americans Campaign, Central Corridor Funders Collaborative, Executives Alliance and ArtPlace America. Knight was a partner in Living Cities for decades.

Knight also collaborates with the public sector, including its support for My Brother's Keeper and its 2013 pledge of \$5.75 million for Detroit revitalization, made in conjunction with federal and local governments, the private sector and other foundations.¹⁹

In February 2015, Ford, MacArthur, Open Society, Knight, and Mozilla foundations announced a partnership, the NetGain Initiative, to work with each other, nonprofits and the government to preserve the internet for the common good.²⁰ Knight's visible influence on the initiative's approach is manifested in the collaborative's launch of a series of NetGain challenges to surface ideas from anyone about how philanthropy can ensure that the internet is a resource for social change and progress.²¹

There is a wide range of experience and opinion among community foundation partners, grantees and peer funders

when it comes to their relationship with Knight. Twelve grantees and five community foundation leaders specifically mentioned convenings as a valued aspect of their partnerships with Knight. Most frequently mentioned were the MIT Media Lab convening and the Media Learning Seminar. The MIT-Knight Civic Media Conference is “the leading gathering of media innovators shaping the future of news and information”²² and was held annually through 2014.

One community foundation leader said:

“I think the learning community that Alberto Ibarguen has created around convenings, bringing together fabulous people that we can all learn from, [and letting us] share learning with each other, [is] excellent, especially the Media Learning Seminar.”

Knight has been holding the Media Learning Seminar annually since at least 2008, and according to the foundation’s website, it “gathers foundation, media and technology leaders to explore ways to meet local information needs.”²³ Typically, all of the community foundations in Knight’s 26 cities are invited to attend, but Knight also has opened up its seminar to non-affiliated community foundations.

Both the Media Learning Seminar and MIT-Knight Civic Media Conference are invitation-only, but sessions are often live-streamed. Community foundations in the nonresident cities were most appreciative of these types of opportunities, which even included a recent trip to Copenhagen to study urban planning, for those lucky few who made a successful pitch to the foundation to secure an invitation.

“Knight has been my saving grace – the training, annual gatherings, services with webinars. I talked to [my two lo-

cal funders] about the Knight Foundation model and how it’s helped build relevance for the community. To me, it heightens the level of professional capacity having them as a partner. Both [of my local foundations] are good funders that support our community, [but] they haven’t been as good as Knight. ... We’re blessed, hands down.”

Journalism grantees also expressed great appreciation for the networking role Knight plays, including bringing together the Knight-endowed journalism schools:

“Knight is highly engaged with grantees and sees us as partners. They host regular convenings of deans and project directors of journalism schools to share ideas, best practices, innovations, as well as challenges and roadblocks. They host three or four times per year over the weekend. It is relatively high level, with 12 to 15 participants, but the foundation is very responsive to helping folks address issues. It has also helped build relationships across the field.”

Knight sometimes convenes its challenge grant winners and often provides them with networking opportunities at its big convenings, which several awardees appreciated.

Numerous respondents also value Knight Foundation for exercising public leadership and leveraging its name brand recognition on the issues central to both Knight and their own organization’s mission. A national peer funder observed,

“Knight is an important thought leader – very committed to both knowledge generation and knowledge sharing. The foundation uses its brand to convene (they are very good conveners), generate and disseminate ideas. They are better than any other foundation in using social media. This makes them highly influential.”

Regarding the News Challenges, stakeholders noted:

“I think that they’ve been leaders in a lot of ways, saying we have to do philanthropy differently. ... I would say Alberto Iburgüen himself is a very good spokesperson and somebody who has a big national and international presence and is a leader on thinking about journalism in the digital age. They have successfully positioned themselves, and philanthropy has to act differently, more like a tech startup and all that. I think that’s great.”

“I would say that their open calls for proposals help raise issues. Even the projects that didn’t get funded were given a platform to publicize what they were working on. When winners were announced, it was a very public process. ... One way to measure [impact] is that, when we have press releases that cite the Knight Foundation News Challenge, it is taken as a sign of respect, from more places than I would have expected. We don’t see that big picture [effect], but it feeds back through the value of its imprimatur.”

Among all stakeholders interviewed, 30 of them, or 64 percent, spoke positively about their relationship with the foundation and 51 percent said it was an effective partnership because they valued the relationship with Knight staff. These stakeholders were particularly impressed by the foundation’s openness, collaborative spirit, receptivity to input and feedback and provision of support and resources beyond the grant. Respondents used words such as “personable,” “highly engaged,” “smart” and “visionary.” One comment captures this perspective well:

“[Knight has] good staff. Everyone I’ve worked with in terms of [administering our grant] is very responsive, accommodating, very bright, asks good questions. They have bright people who have faith in people they

make grants to. They find good projects and people and support them well. It’s an engaged conversation. They have a curiosity and (again, this is just the staff I’ve had experiences with). ... [They] understand that real innovation is happening outside of them, and that their work is to support and guide [this innovation] in a collaborative fashion. It’s both providing you assistance but also offering you respect. They are not giving money and asking for a bunch of paperwork for the sake of paperwork but thinking about how to support the institution so we can support the lives of the people we’re trying to improve.”

Several grantees and community foundations appreciated that Knight provided them with free access to either staff or consultants with expertise in areas such as media and evaluation.

“They provided us with the resources for an evaluation team, over the last six months, to articulate our vision for the work. [They] helped us not only create a theory of change but also tools to gather information, and we’re getting to the end of that process. So we are articulating tools and can document them, then reflect work as we’re doing it.”

A member of a challenge grant selection committee commented on the Knight staff’s dynamism:

“Knight staff were actually very engaged in this project. What also impressed me during the day’s proceedings and dinner the night before was the spirit and energy of staff. You don’t always see that at large national foundations. Sometimes, it’s ‘Woe is me; I have such a hard job,’ and it’s like, ‘Really?’ But they had a lot of positive energy and enthusiasm for what they were doing.”

However, the CEP Grantee Perception Report indicates that relationships in the field are an area for improvement for Knight. Whereas the foundation scored close to or above the median of its peer cohort on measures of impact, Knight ranked at the lower end on measures related to its grantee relationships. For CEP's overall summary measure of funder-grantee relations, Knight ranked in the 12th percentile of its peer cohort, and for the question, "Overall, how responsive was the foundation staff?" Knight ranked in the 7th percentile. In both cases, this was a slight improvement from 2012, and grantees in the arts program area gave the highest scores. Finally, whereas 36 percent of grantees of the average foundation reported initiating contact more frequently than the foundation staff did, 55 percent of Knight grantees reported initiating contact more often than Knight staff.

Also, Philamplify interviews revealed widely divergent perspectives on relationships with Knight. For every comment praising Knight Foundation's partnership with stakeholders, one or more respondents expressed a contrary opinion. While it is rare to find unanimity of opinion about a foundation among its constituents and peers, the variation in experience documented in this assessment was pronounced relative to other foundations reviewed by Philamplify.

As described above, grantees that were given opportunities for learning, convening and access to Knight's expertise spoke glowingly of their relationship with the foundation. Yet, 31 stakeholders (more than 60 percent) had mixed or negative experiences with the foundation. Some found the foundation to be inaccessible or heavy-handed, felt it provided too few convening and networking opportunities or wished for access to some of the resources and support seemingly enjoyed by other nonprofits supported by Knight.

Twenty-five of these interviewees specifically referenced staff interactions. Two said they found Knight staff so difficult to work with that they questioned whether to continue the partnership. One reported that a program officer yelled at a grantee staffer, causing her to cry.

"They have a really bad bedside manner. They have a tendency to play hardball with us. The program officer we worked with had that reputation. Three people I've worked with there are all that way. ... [The] fourth person is nice and sweet as can be."

A stakeholder in one of the eight resident communities described the local Knight program director as "dreadful."

"[The program director] thinks s/he knows better than everyone else. S/he always talks about how everyone needs to collaborate but what that really means is they need to do it just like s/he wants. And if you don't, you become persona non grata. ... But it's really hard, because [the director] has dreamed big and done a lot of really good things, but s/he does not get along with other people." *(Note: quote modified to make gender of Knight staff person neutral to ensure anonymity.)*

Several grantees said that relationships with Knight staff are the cause of this dichotomy: If grantees build strong relationships with the Knight staff they work with, they may gain access to Knight resources beyond funding. If not, they may be left frustrated with the funding partnership. Some grantees found their program officer to be uncommunicative and slow to respond, sensing that, for whatever reason, they were not considered worthy of a response. One Miami grantee reflected on this experience:

"I think the Knight Foundation is missing empathy. It has tons of the positive, 'let's make things happen' quality, but it's missing empathy, even from all their staff. [Knight] is probably one of the most important stakeholders in the community, but there is a human factor that is missing. I wish they were more human-centered."

An arts grantee with a strong relationship to the foundation was more blunt:

"Knight has their favorites. That's true of most foundations, but [others] are not transparent about it. Knight is more transparent about the fact that they work with some organizations more, are more invested in their success. There are definitely other organizations that have had similar experiences to ours. Once invested in your success, Knight wants to be supportive. It's great to have a privileged relationship to ask for those things. ... We have a different ability to ask. Not everyone feels that open of an invitation."

A couple of grantees also countered the view that the foundation is open and flexible. Instead, they wrestled with onerous contractual terms after the grant was awarded.

"In Knight's case, once you have a contracted budget, if you have 5 percent or more change, you need approval. For small organizations, that is onerous. We don't have the people. I applaud the effort to make grants available to smaller organizations, but we don't have a whole accounting staff to monitor those things. A lot of times we have good plans, but stuff happens and we need to make changes. So the 5 percent window is restrictive."

On the other hand, in the communities in which Knight is the largest, or only, foundation, grantees and commu-

nity foundation leaders often are so grateful for Knight's funding that they are effusive in their praise. The following comment from a grantee in a smaller Knight community was representative of this viewpoint:

"They're a 10 on scale of 1–10 compared to other funders. ... It's a great partnership. [Our city] would not be what it is without the Knight Foundation here."

Knight Foundation's relationship with community foundations is central to its strategy in its 26 cities; yet, these relationships are uneven, in part because of a structural reorganization that created two tiers, resident and nonresident, among the 26 cities. Among respondents, some community foundations have very positive things to say about their relationship with Knight, while others see unrealized potential.

Out of the four community foundation leaders in nonresident cities interviewed for this assessment, three expressed the unsolicited opinion that having only one program officer for 18 cities is insufficient for building meaningful relationships with each:

"One of the very significant changes that they have made in terms of supporting the 26 communities is they've identified eight resident communities. That's been a transition from the work [previously] put in place where there was one program officer that served one to three communities. ... For those of us that are in the 18 Knight communities that are served by one program officer, that's a huge agenda for one person. I don't have a sense of what drove that decision. ... Before, we had considerably more contact with that program officer. We had Knight advisory committee meetings, and that person attended. It was a much closer working relation-

ship, to choose funding priorities, more opportunities to hear about other Knight funding opportunities. It's logistically more difficult for one person to reach 18 communities."

Although Knight Foundation has been praised for its convening role and does bring all the community foundations together once a year for the Media Learning Seminar, some community foundation leaders faulted Knight for not fostering more interaction and cohesion outside of annual conferences:

"Knight does zero to foster connections with the other 18 cities. I usually try to approach [other community foundations] at a Knight conference or community foundation conference. Several others have contacted me to say, 'What's going on with Knight?' There is no intercommunication between those cities that's fostered by Knight. That's a missed opportunity, because while it might not be cost-effective to travel or do a regional meeting, there could be webinars for boards, for staff working on similar projects. We are pretty bold on advocacy, on school readiness. I would love to share this with others. It's mostly a top-down agenda with Knight."

At the time interviews were conducted for this report, Knight announced the appointment of Lilly Weinberg as the new program officer for the 18 nonresident cities. Weinberg reported that she is developing activities to foster more shared learning and networking among the 18 local partners and between them and Knight's national office, including through frequent webinars and funding pots for learning exchanges. Weinberg noted that the Council on Foundations' purported decision to discontinue its separate conference track for community

foundations has ramifications for how Knight thinks about its role building capacity for community foundations more broadly. Jon Sotsky, director of strategy and assessment, added:

"Now, there are less natural homes or convening spots for this group. What Knight has done, whether with our Community Information Challenge or Giving Days, we try to be as useful to the field as possible."

Weinberg's staffing change is just one of many in recent months. In fact, there has been a lot of turnover in Knight staff, as well as recent program reorganizations, which together have created uncertainty in the field for grantees and peers. One grantee observed:

"Knight is very person- and personality-driven. There's an enormous amount of flexibility in Knight's orbit based on who is in charge on any given day. It has a less central strategy than other foundations. When there are staff changes – which happens a lot – strategy changes quite a bit."

Perhaps more than at other major foundations, Knight relationships with stakeholders are very staff-specific. Without detailed strategies governing the staff's work, staff turnover can create more turmoil than might otherwise be the case. For specific program areas, it can feel as if a new CEO has come in when a VP or program officer leaves. This also may be exacerbated because the foundation has made a number of changes to its program area structures in the last few years. During the year in which this assessment was conducted, three of Knight's eight Engaged Communities program directors left the foundation, including two long-time program officers and one who had only been on the job a few months. As this

report went to press, two resident city program director slots remained unfilled for more than six months, in St. Paul and Philadelphia. In addition, Knight's arts program had turnover in leadership and staff, and Eric Newton, a chief advisor to Alberto Ibargüen, left the foundation. Structurally, Journalism and Media Innovation was divided into two program areas, and Michael Maness, who oversaw this division, left in September 2014.

Several grantees and other stakeholders expressed concern about such changes and having to build new relationships.

7. Knight Foundation is a learning organization that communicates abundantly and creatively but not always strategically.

Knight has a stated commitment to learning that is both collaborative and informs decision making. According to its website:

Knight Foundation uses assessment for planning, learning and improvement.

In partnership with our grantees, we support the arts, community engagement, journalism and media innovation. Evaluating our work in these areas allows us to learn from both successes and failures. These insights help our grantees strengthen their projects, help us plan and executive strategy, and contribute to general knowledge in philanthropy and the fields where we invest.

OUR APPROACH

These principles guide us:

1. *Assessment should provide insights tied to key decision making and planning.*

2. *Assessment should be participatory and collaborative, so that grantees have ownership in the process and the findings.*
3. *Assessment should be continually integrated into all phases of our work.*
4. *Assessment should be shared publicly to communicate what our grantees and we are learning.²⁴*

Jon Sotsky reported that Knight conducts a review of grants using success metrics; each grant agreement contains learning questions agreed on by the program officer and grantee together. A few grantees and peers were unsure how the foundation measures its own success, as distinct from grantee success measures, but many assume Knight is doing so. Some grantees would like to better understand this process. As one News Challenge grantee commented:

"I think I would take a hard look at the News Challenges and look at what's worked, really try to understand and articulate what the strategy and success is, what does success look like from Knight Foundation's standpoint, and really assess whether that is working."

When asked about whether Knight staff solicit input and make midcourse corrections, several stakeholders said yes and recalled specific instances of being invited to offer feedback, either at Knight convenings or one-on-one. The fact that Knight has made a number of structural changes in recent years suggests that the foundation is making real-time adjustments in response to information.

Interviews with Knight staff confirm this. Jon Sotsky said the two biennial surveys are highly influential in shaping the way the foundation does its work. When the 2012 GPR found that grant processes were cumbersome, Knight

adopted an online system and speeded up the approval process. Dennis Scholl noted that the challenge grant process was tweaked to respond to community requests for more input by adding a People's Choice Award.

The Integral Role of Communications

Ibargüen believes that “one way to change society is through communications. Communications is not just an adjunct activity, but integral and complementary to all program strategies.” Andrew Sherry, vice president of communications, described Knight’s communications strategy as threefold: (a) to market the challenge programs; (b) to promote grantees; and (c) to assess and share what the foundation is learning. The foundation produces numerous reports each year to inform learning in the field – at least 13 publications were issued between January 2014 and August 2015. The foundation does not produce an annual report summarizing all of its activities or accomplishments from the prior year.

The foundation is active on social media, with pages on Facebook, LinkedIn, Twitter and YouTube, as well as a blog. Most of its various centers and partnerships also have their own accounts. Ibargüen is an active Twitter user. Hashtags used by the foundation include: #mediainnovation, #storytelling and #KnightCities. In the 2014 Grantee Perception Report, respondents reported that Knight far exceeded its peers in the use of social media resources.

Some stakeholders praised the foundation for its cutting-edge communications approach while also wondering what the strategy behind it is. A peer funder admired Knight’s leadership in philanthropic communications: “When I talk to the communications folks at other foundations, about how to maximize use of our blog, social media,

we all say, ‘Let’s go see what Knight is doing. Let’s check out their Twitter feed.’” This person added:

“I do have a question, though, which is: They put out a lot of stuff; I wonder how much analytics they are doing and how strategic it all is. They roll out a lot of content and see what sticks to the wall, to use a metaphor. We all do deal with the issue of data smog. Are they producing more content than they need to be and covering up their key messages because they are throwing so much out there? I suspect they do pretty good analytics, but that would be my main question about their communications: what are they putting out there, and is it too much to really be effective?”

Knight does indeed communicate much to the public. It is transparent about what it funds. It provides a list of grantees on its website going back through 2005 that can be sorted by the year the grants were made, the size of the grants and other details. A potential grantee also can use the website to apply for funding. The foundation shares ample information on its website about its initiatives and also promotes the work of its grantees, frequently linking back to the websites of its partner organizations.

Despite its general openness, Knight does not participate in the Foundation Center’s GlassPockets transparency initiative and is selective in what it shares. For example, although the foundation conducts two independent surveys every two years – a CEP grantee perception report and a Bendixon & Amandi poll of community leaders – the foundation does not publicly share the full results of either survey.

The foundation makes strategic changes based on these surveys and other evaluative data; yet, grantees often don’t

know what exactly guides strategic decisions. This suggests that Knight may need to better convey the rationale to its stakeholders. For example, several community foundation leaders expressed uncertainty about why Knight decided to create eight staffed resident cities and have one staffer for the other 18.

8. Knight Foundation engages in several good grant-making practices and has proudly grown the diversity of its investment managers.

Knight Foundation exercises leadership in some key areas related to funding and investments. Between 2009 and 2012, the foundation paid out at or above 6 percent of assets toward grants and operations, higher than the minimum 5 percent required by law and its own investment policies, and above the level to which most private grantmakers adhere.²⁵

The foundation's investments are diversified. All of its stock investments are through funds, and its largest investment, Blackrock Equity Index Fund B, accounts for about one-seventh of its total corporate stock holdings. The foundation does not screen out particular stocks such as oil and gas or engage in shareholder activism. The foundation has used its assets to be a ground floor investor for ventures such as Document Cloud, a collaboration of (the nonprofit) *Pro-Publica* and (the for-profit) *The New York Times*. As Ibargüen noted in an Aspen Institute forum:

“The primary goal of investing is the greatest return for the foundation. As we started funding media innovation, we realized ‘why not make angel investments in new media companies?’ PRIs are confusing; [there are] lots of gray areas about when you’re actually funding for self-interest. We don’t do them often. It’s much easier to

say: this is a grant, this is an investment.”

In 2013, the Foundation's PRIs totaled about \$2 million, according to its 990-PF. Also, Knight has proudly expanded its use of diverse money managers, growing the amount managed to almost 15 percent of its endowment. Ibargüen reported, “When I first started at Knight, we invested \$7 million in funds managed by African Americans; that was the only \$7 million managed by women and minorities. Now it’s \$350 million.”

Knight has demonstrated that it values diversity on its board and staff. Knight's board of trustees has 15 members, including Ibargüen. Four of the board members are women and six are nonwhite. Board members are compensated, with 2013 salaries ranging from \$28,000 to \$71,000 (excluding Ibargüen). NCRP discourages board compensation, which is not linked with greater effectiveness. The foundation does not collect demographic information about its employees. The staff is more than half female, and it appears that a third is racially and ethnically diverse – primarily Latino, reflecting the demographics of its Miami home.²⁶

Notably, most of the Engaged Communities leadership and all of the resident city program directors are white. (Two positions were open as of the writing of this report, in St. Paul and Philadelphia.) Four of the resident cities (half) are majority nonwhite and a fifth city is only 52 percent white. Six of the nonresident cities (one-third) have 43 percent or more residents of color. Median income for six of the eight resident cities and 15 of the 18 nonresident cities is lower than the national median of \$51,939. (See Appendix A for a demographic profile of the 26 Knight communities.) Perhaps in recognition of this, one national peer suggested:

“Knight needs to be infused with a greater awareness of the diversity of the communities in which they work. Knight’s leadership (Ibargüen, the board) gets this, but not everyone else on staff gets this.”

A well-documented best practice in philanthropy is to provide long-term flexible support so nonprofits can plan for stability and be empowered to allocate those resources as needed from year to year.²⁷ Knight Foundation’s pursuit of innovation and letting a thousand flowers bloom may leave some stakeholders with the perception that the foundation does not provide long-term operating grants. However, according to Foundation Center data, Knight has significantly increased its provision of core support grants over the last five years, although not consistently from year to year.

Some stakeholders spoke to the value of receiving core operating support and others would like more such support from Knight. A journalism grantee talked about how an operations grant from Knight enabled it to “offer scholarships to support racial/ethnic and low-income students.” A small arts grantee and a small community foundation each spoke to the lack of operating support and urged the foundation to consider providing it. The grantee said:

“I would point to one thing [to change]: we always look to foundations to have an interest in unrestricted dollars. For any organization, but especially a smaller organization, [we need operating] funding for sustainability and growth, multi-year funding for staff building. Otherwise, they’re a really terrific partner.”

Another grantee suggested that Knight could incentivize collaboration in its challenge grant applications by offering groups that apply collaboratively to each receive operating support.

A perception exists among some peers and grantees that Knight tends to fund “one-off” or “one and done” grants. Yet, some promising and effective organizations and initiatives would be more viable with long-term funding, because “change doesn’t happen with a one-year grant.” At least seven respondents raised concerns or critiques related to length of funding. As mentioned earlier, some new grantees had no idea whether they were even eligible or would be invited to apply for a second year of funding. In practice, from 2007–2011, Knight dependably gave at least 40 percent of its grants and 75 percent of its grant dollars in the form of multi-year commitments (more recent data is not available from the Foundation Center).

Staff turnover can exacerbate uncertainties about future funding. A grantee whose funding was cut after a national Knight staffer moved on said the effect had been damaging. Its program was set up in specific Knight cities precisely because they were Knight cities, yet the nonprofit would no longer have the capacity to sustain them. “There should be a responsibility. . . . I would almost rather a foundation not fund me than to start initiatives and not be around to help us get traction.” Adding to the frustration, the grantee lost access to funding directly from the program directors in those cities, who seemingly had responded to the grantee only at the behest of their national colleague in Miami.

As previously mentioned, many grantees appreciated getting additional support beyond the grant, often in the form of advice and technical assistance from national Knight staff to help with communications and evaluation. In Detroit, Knight funded a capacity-building program to boost the ability of local nonprofit organizations to contribute to the city’s revitalization.²⁸ Yet, some grantees that did not receive these types of support wondered how the foundation prioritized access to capacity building opportunities.

CONCLUSION AND RECOMMENDATIONS

In many ways, Knight Foundation represents a breath of fresh air in philanthropy. Its broad mission to engage and inform communities and its commitment to innovation have liberated the foundation from exclusively traditional modes of grantmaking, enabling the foundation's staff to be entrepreneurial and avoid the top-down tendencies of strategic philanthropy.

The flip side of this innovation ethos is a lack of well-articulated goals and strategies, leaving many Knight constituents confused about the foundation's long-term goals. Moreover, the foundation's grantees and peers often have differing opinions about whether Knight wants to help disenfranchised populations and advance equity or not.

Knight is a complex institution with many moving parts, and it still has not found its organizational "sweet spot," as reflected in very contrasting opinions about the foundation as a partner. Knight Foundation, as one observer noted, represents and attracts "the cool kids you wish you could sit with in the school cafeteria." It embodies a youthful, smart and ambitious staff team and convenes its grantees at signature events that bring in star speakers in their respective fields. This culture is fresh and dynamic, but does not always feel inclusive for women and communities of color. Also, internal structural changes and staff turnover have negatively affected relationships with some community foundations, grantees and peers. This poses challenges for the important relational work the foundation must continually undertake with its partners in the 26 Knight cities.

Knight has accomplished much for which it can be proud. It has made challenge grants a defining feature of its grantmaking, engaging and supporting many little-known organizations and individuals. Its flexible approach allows staff to tailor programming to local conditions and needs. Knight's impact is most visible in the wide breadth of arts and culture organizations it has funded in its resident cities, the urban planning and revitalization efforts it has supported and its push to help journalism survive and thrive in the digital age.

Knight can amplify its impact by marrying the best of its innovation ethos with more explicit equity values and larger investments for underserved populations, to ensure that the foundation is engaging, informing and benefiting all of the residents in its target cities, especially the most marginalized, to realize its deeply rooted democratic ideals and achieve lasting change.

RECOMMENDATIONS

- 1. Keep embracing risk and innovation, especially as embodied in the Knight challenge grants.** The foundation should continue its most effective features, including the challenge grants and prototype funds, convenings and abundant communications to promote its grantees.
- 2. Articulate explicit goals and strategies for each program area, including how pursuit of innovation will lead to long-term systemic change.** The founda-

tion eschews traditional “charity” grantmaking in favor of “social investment,” but it can have greater impact by setting clearer objectives for these investments. Chasing innovation, funding startups, issuing challenge grants and targeting nontraditional grantees are all great ideas individually, but the lack of an overarching strategy limits their combined effectiveness. A grantee may create an innovative product, such as a voting widget, but that doesn’t guarantee it will have widespread benefit, let alone help to effect systemic change.

3. Make an explicit commitment to increase grantmaking that benefits and engages marginalized communities, and describe how Knight seeks to advance racial and other forms of equity. The foundation’s implicit commitment to equity and underserved populations will be realized more effectively when (a) Knight increases the proportion of grant dollars benefiting underserved communities, (b) its equity goals are stated overtly and (c) each program area incorporates these goals into its grantmaking. Doing so can open the door to new relationships and strategies. For example, partnerships with community foundations can extend to support their LGBTQ funding programs in cities such as Charlotte, Miami and Detroit. Collaborating with funders seeking to diversify the tech industry could lead to bigger investments in developing women and minority entrepreneurs.²⁹

4. Make internal structural changes that will improve the quality and consistency of relationships with community foundations, grantees and other partners. Knight Foundation is a complex organization with both national and local grantmaking programs, resident and nonresident communities, traditional grants, donor-advised grants and challenge grants. To its credit, the foundation has made structural changes over the last several years to try to align these many moving parts, but it has not found the sweet spot yet. It needs to address local demand for more interaction across the 26 cities, high staff turnover, uneven responsiveness to partners and perceived disconnects among programs to boost the foundation’s impact.

5. Communicate clearly to grantees and applicants about how and when the foundation uses general operating support, capacity building and multi-year funding to achieve impact. Clearer communication across programs and cities can address some stakeholders’ perception that many Knight grants are “one and done” and their uneven experience with being able to access core support or additional assistance beyond the grant.

APPENDIX A

DEMOGRAPHICS OF KNIGHT TARGET CITIES

	Population	White (%)	Black (%)	Indian/Native (%)	Asian (%)	Hispanic/Latino (%)	High School Graduates (%)	Median Household Income	Below Poverty Line (%)	Foreign-born (%)
Resident Cities										
Akron	199,038	62.4	30.7	0.3	2.5	2.1	85.4	\$33,909	27.5	4.5
Charlotte	737,757	52.4	35.0	0.4	5.2	13.3	88.0	\$52,375	17.1	15.4
Detroit	706,663	11.8	81.7	0.3	1.2	7.1	77.6	\$26,325	39.3	5.1
Macon*	91,316	29.4	67.2	0.1	0.7	2.4	76.9	\$25,773	35.0	2.2
Miami	407,526	74.9	19.8	0.1	0.9	70.3	70.9	\$30,375	29.9	57.7
Philadelphia	1,536,704	41.5	43.3	0.3	6.5	12.7	81.2	\$37,192	26.5	12.2
San Jose	968,903	45.9	3.1	0.6	32.8	33.2	82.3	\$81,829	12.2	38.6
St. Paul	288,802	61.1	15.7	0.9	15.5	9.7	86.2	\$47,010	23.0	17.9
Nonresident Cities										
Aberdeen	26,506	92.5	0.7	4.4	1.3	1.8	91.2	\$47,963	10.7	2.2
Biloxi	44,354	67.9	20.5	0.8	4.7	7.7	86.3	\$39,666	22.4	7.7
Boulder	100,363	89.1	0.9	0.3	4.4	8.8	95.6	\$56,312	22.8	10.3
Bradenton	50,329	76.3	16.4	0.2	0.9	19.0	83.9	\$41,099	18.4	13.8
Columbia	131,004	51.1	42.3	0.2	2.4	4.9	86.7	\$41,344	23.8	5.2
Columbus	194,949	46.5	45.1	0.3	2.3	6.8	85.4	\$41,339	19.6	5.4
Duluth	86,234	90.2	2.6	2.2	1.7	1.5	93.3	\$43,064	22.1	2.9
Fort Wayne	254,435	74.3	15.9	0.3	3.2	8.0	87.9	\$43,969	18.7	7.6
Gary	79,922	12.2	83.5	0.2	0.3	4.5	82.9	\$26,885	38.1	1.6
Grand Forks	53,315	89.1	2.4	3.0	2.4	3.2	92.4	\$43,436	18.8	4.8
Lexington	308,411	75.7	14.5	0.3	3.2	6.9	88.6	\$48,398	18.9	8.9
Long Beach	465,689	52.8	13.5	0.9	12.8	40.9	79.3	\$52,711	20.2	26.0
Milledgeville	18,840	54.5	41.1	0.1	2.1	3.1	77.5	\$23,036	45.1	4.0
Myrtle Beach	27,884	75.7	13.3	0.3	1.7	14.0	84.4	\$36,923	26.6	18.4
Palm Beach County	1,339,221	75.8	17.5	0.2	2.4	19.5	87.5	\$52,432	14.5	22.6
State College	41,948	82.9	3.8	0.2	10.1	4.0	96.1	\$26,007	50.2	10.8
Tallahassee	183,638	57.0	35.3	0.3	3.8	6.5	92.2	\$39,524	30.2	7.5
Wichita	383,703	74.7	11.2	1.0	5.0	15.5	87.2	\$46,011	17.6	10.2

* The jurisdictional boundaries of Macon have changed, but demographic information for the new jurisdiction is not yet available.

Source: U.S. Census Bureau, American Community Survey, 2013

APPENDIX B

“IF YOU WERE CEO OF KNIGHT FOUNDATION ...”

Top Issues Raised and Illustrative Comments

NCRP asked interviewees to imagine they were CEO of Knight Foundation and tell us which aspects of the foundation’s approach they would maintain and which they would change. Below are illustrative comments for the topics most frequently raised in response to this question:

Which aspects of its approach would you maintain?	Which aspects would you change?
GRANTEE RELATIONSHIPS	
<ul style="list-style-type: none"> ■ “Keep broad access across entities in terms of accepting applications across broad range of citizenry. More year-round and holistic effort to connect with the populace. Great communication of program services happens with local grantees.” ■ “Absolutely keep the personal relationships it has with its communities. There is an openness that exists with Knight. Foundations are usually guarded. ... Not that Knight isn’t sometimes guarded, but ... there is an openness that I think is very, very useful. I would keep that.” 	<ul style="list-style-type: none"> ■ “One of the things that makes it very difficult for grantees is that when changes occur in an organization, you can’t just throw out the baby with the bathwater. We understand there are no givens. You may have an excellent result with a particular institution, but at end of the day, when they [Knight] undergo transitions they should look at grantees supported and what kind of success they’ve had with them. ... With Knight there’s no dialogue about how to fit into future priorities.” ■ “I think by bringing us together more the work of the foundation becomes more amplified and more powerful. If they are going to shift [priorities], explain when and why and what do they consider to be great successes. If they are clear about it, the grantees are able to hit it. They used to have all these mantras like ‘fail fast’ and ‘experiment.’ In your grant report, they don’t want failures. If you say you failed 400 times and [are] successful 3, I’m not going to get another grant. You want to set up organizations where they can fail and move on, and basically be very successful with the funds we have.”

“IF YOU WERE CEO OF KNIGHT FOUNDATION ...”

Top Issues Raised and Illustrative Comments

Which aspects of its approach would you maintain?	Which aspects would you change?
GRANTMAKING STRATEGY	
<ul style="list-style-type: none"> ■ “I think [Knight has] a really good overall idea of engaged and informed communities that is real and different than just wanting to support good things. Hits right space between specific and broad.” ■ “I would maintain the dialogue with my grantees, because I think there is a heavy investment in learning from their grantees. They have some idea about learning from best practices. They rely on grantees to find those answers, want to develop scalable practices, and information sharing among grantees.” 	<ul style="list-style-type: none"> ■ “[Knight is] finding ideas by one call [for a challenge grant] involving reviewers who have expertise. If that’s your intake process, you need a system within the foundation whose whole job is to analyze how individual grants and whole movements are doing, so you can pivot and help the field advance systemic change. ... [Role of] the board as grant review committee is outdated, just as [role of] a program officer as gatekeeper is.” ■ “It’s important that someone is out there to jump into emerging fields, but it needs to be complemented by a stronger long-term period of change. What I would work on is work with staff, grantees and the Knight board for a more clearly articulated theory of change, and do a stronger job of building my monitoring & evaluation around that strategy.”
KNIGHT COMMUNITIES	
<ul style="list-style-type: none"> ■ “I would maintain what they do as far as the trends and seeing what this community needs and wants. The planning process is really ideal involving as many people as they do and making these decisions. Public and private, great partnership.” ■ “[Knight] did a network of its community foundations ... and did cross-foundation learning and best practices. Created online toolkit that anyone can access, beyond Knight communities. There were online calls, facilitated by a consultant in social media, not so much about one day or six weeks but about capacity building into 21st century around social media and online fundraising.” ■ “Knight is a huge player nationally, internationally, and in their local communities. They are having a huge impact on the world.” 	<ul style="list-style-type: none"> ■ “There’s a real disconnect on connecting the community as a whole. How to get community foundations to address entire communities ... When we’re operating as a community poorly, I would have a flexibility fund – 10–15 percent of flexible resources to address communities’ systemic needs. And provide one of those circuit riders, people who are experts in certain fields of community. Also with opportunity. We could use some more support to do high impact work. Have resources available to help communities address those.” ■ “I would like to see tech as a diversifier of our economy so all people can benefit ... how to incorporate that technology piece in bridging more into the community with it, how it can address the issues ... think about if a start-up had to answer ‘how can your social enterprise have a multiplier effect on the community?’, use all that creativity to address community issues, rather than putting an idea out there and see if it trickles to the rest of community; we’ve already seen that doesn’t work. They have power to influence how people are thinking out here, I know because I see code this and code that, because that’s what’s getting funded. That’s what people are focused on, the best new bright and shiny idea, but not how that concept relates to the community.”

NOTES

1. For example, Kapor Capital, Kapor Center for Social Impact and Level Playing Field Institute recently committed \$40 million to diversifying the tech entrepreneur field. See Sue-Lynn Moses, "Can a \$40 Million Investment Bring Diversity to a Field Dominated by White Men?" Inside Philanthropy, August 21, 2015, <http://www.insidephilanthropy.com/home/2015/8/21/can-a-40-million-investment-bring-diversity-to-a-field-domin.html>.
2. See <http://knightfoundation.org/what-we-fund/engaging-communities>.
3. See <http://knightfoundation.org/sotc/>.
4. Seth C. Lewis, "From Journalism to Information: The Transformation of the Knight Foundation and News Innovation" (*Mass Communication and Society*, May 2012) <http://www.tandfonline.com/doi/abs/10.1080/15205436.2011.611607>.
5. Katti Gray, "Five foundations collaborate on building better digital society," Knight Foundation, February 13, 2015, <http://knightfoundation.org/blogs/knight-blog/2015/2/13/five-foundations-collaborate-building-better-digital-society>.
6. Knight Foundation declined NCRP's invitation to sign onto Philanthropy's Promise, in which grantmakers affirm that 50 percent of their grant dollars will benefit underserved communities and 25 percent will support systems change efforts such as advocacy, community organizing and civic engagement.
7. The Executives' Alliance is a national philanthropic alliance that will "evaluate promising approaches, advocate for effective public policy and systems change, and invest in young men as assets for America's future. See more at <http://bmafunders.org/alliance>.
8. "Foundations Pledge \$200 Million to Expand Opportunity for Young Men of Color," *Philanthropy News Digest*, February 28, 2014, <http://philanthropynewsdigest.org/news/foundations-pledge-200-million-to-expand-opportunity-for-young-men-of-color>.
9. See <https://www.livingcities.org/work/the-integration-initiative>.
10. Tynesia Boyea-Robinson and Jeff Raderstrong, "The Challenge of 'Necessary but Not Sufficient' in Introducing Racial Equity to Grantees," Living Cities, <https://www.livingcities.org/blog/884-the-challenge-of-necessary-but-not-sufficient-in-introducing-racial-equity-to-grantees>.
11. According to Beverly Blake, Knight Foundation program director for Macon, the Macon municipal jurisdiction has since been reorganized, changing the racial composition so that now it is only 50 percent African American.
12. College Hill Corridor/Mercer Village Master Plan, January 2009, http://www.interface-studio.com/isftp/Macon/FINAL_CollegeHillCorridorMasterPlan.pdf.
13. "Targeting within universalism means identifying a problem, particularly one suffered by marginalized people, proposing a solution, and then broadening its scope to cover as many people as possible," according to John A. Powell, Stephen Menendian and Jason Reece, "The Importance of Targeted Universalism," *Poverty and Race*, March/April 2009, http://www.prrac.org/full_text.php?text_id=1223&item_id=11577&newsletter_id=104&header=Miscellaneous&kc=1.
14. See <http://www.funderscollaborative.org/vision/affordable-housing>.

15. "Six Silicon Valley community organizations to foster civic participation and digital inclusion with \$495,000 in support from Knight Foundation," People Acting in Community Together, August 21, 2014, <http://www.pactsj.org/news-media/news/six-silicon-valley-community-organizations-to-foster-civic-participation-and-digital-inclusion-with-495000-in-support-from-knight-foundation>.
16. See the grants awarded at <https://www.newschallenge.org/challenge/elections/winners>.
17. For more information and a map of states with participating organizations, see <http://www.statevoices.org>.
18. Rick Cohen, "Contest Philanthropy at the Council on Foundations: A Troubling Dynamic," *Nonprofit Quarterly*, March 23, 2015, <https://nonprofitquarterly.org/2015/03/23/contest-philanthropy-at-the-annual-meeting-of-the-council-on-foundations>.
19. "Detroit revitalization plan supported by \$5.75 million from Knight Foundation," Knight Foundation, September 27, 2015, <http://www.knightfoundation.org/press-room/press-release/detroit-revitalization-plan-supported-575-million>.
20. Alberto Ibargüen, Mark Surman and Darren Walker, "Philanthropy Must Jump-Start a Digital Revolution for the Common Good," *The Chronicle of Philanthropy*, February 11, 2015, <https://philanthropy.com/article/Opinion-Philanthropy-Must/228039>.
21. See <http://netgainchallenge.org>.
22. See "2012 MIT-Knight Civic Media Conference," MIT Center for Civic Media, <https://civic.mit.edu/conference2012>.
23. See "Media Learning Seminar 2015, Knight Foundation, <http://knightfoundation.org/media-learning-seminar/2015>.
24. See <http://www.knightfoundation.org/publications>.
25. See Knight Foundation's 2013 990-PF, page 3, http://990s.foundationcenter.org/990pf_pdf_archive/650/650464177/650464177_201312_990PF.pdf?_ga=1.93334366.2108403759.1439411106.
26. See <http://www.knightfoundation.org/about/staff>.
27. See Niki Jagpal, *Criteria for Philanthropy at Its Best: Benchmarks to Assess and Enhance Grantmaker Impact* (Washington, D.C.: National Committee for Responsive Philanthropy, 2009), <http://www.ncrp.org/paib>.
28. "Training program to help increase Detroit nonprofit and public sector capacity with \$400,000 from Knight Foundation," Knight Foundation, April 9, 2014, <http://www.knightfoundation.org/press-room/press-release/training-program-help-increase-detroit-nonprofit-a>.
29. For example, Kapor Capital, Kapor Center for Social Impact and Level Playing Field Institute recently committed \$40 million to diversifying the tech entrepreneur field. See Moses, op cit.

ABOUT PHILAMPLIFY

Philamplify is an initiative of the National Committee for Responsive Philanthropy that aims to maximize the impact of our country's grantmakers. At the center of Philamplify is a series of comprehensive reports conducted by highly regarded researchers assessing foundation grantmaking and operations. Assessments include key findings and recommendations, along with in-depth analysis of foundations' funding strategies and feedback from peer funders, nonprofit leaders, issue experts, community members and more. By making these assessments public, Philamplify seeks to build a culture of transparency, mutual accountability and knowledge sharing.

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