



FOUNDATION STRATEGY: THE CHALLENGE OF MAINTAINING FOCUS

Although foundations are uniquely positioned to set audacious goals for themselves, maintaining the focus required to achieve these goals is a difficult challenge. The leaders of two foundations that concentrate on health issues – the Robert Wood Johnson Foundation (RWJF) and Flinn Foundation – find that measurable goals, a strategy, and the right data are critical tools in helping them keep their eyes on the prize.

While both foundations use strategy to define their activities more sharply and rely on data to make decisions and measure outcomes, they take very different strategic approaches. RWJF is a national foundation that focuses on a broad spectrum of health and health care issues, and Flinn concentrates on building Arizona’s bioscience economy.

MAINTAINING FOCUS AT RWJF

President and CEO of RWJF Risa Lavizzo-Mourey is no stranger to lofty goals. RWJF has been a key player in supporting the creation and spread of today’s modern emergency medical system (9-1-1), building the field of end-of-life care, and reducing tobacco use. The Foundation recently announced another major goal – to reverse the epidemic of childhood obesity by 2015. Moving the needle on such bold objectives demands a disciplined approach and a method for measuring progress along the way.

Lavizzo-Mourey said she took the helm at RWJF at a time when “we were being pushed by our board to have more impact and to describe the results of our investments better.” There was also financial motivation: A drop in its assets meant that RWJF needed to find ways to maintain, or even increase, its level of impact with more limited resources.

To help meet that goal, Lavizzo-Mourey and her team began collecting information. A tool she found particularly useful were “one-minute essays” written by key stakeholders. “While they took much longer than



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one minute to write,” she said, “these essays gave us a lot of input about what people in the field were thinking.” One message from grantees was the need for clearer communications and a more tightly focused strategy.

To help address this issue, RWJF leadership added new components to their scorecard – a tool they had been using to track their performance since 1993. The scorecard helps the Foundation define short-, medium-, and long-term objectives and measures so it can regularly assess its progress against larger goals.

A focused strategy enabled RWJF to mobilize a fragmented field in the historic fight against tobacco use. The collective effort has reduced the number of cigarette smokers in the U.S. by more than 50 percent over a generation.

While RWJF played a significant role in driving the sea change in the country’s rules related to smoking, measuring its individual impact was difficult but essential to ensuring its strategy was effective. “Be disciplined about looking at where your strategy works and where it doesn’t,” advised Lavizzo-Mourey. “You may not be able to prove that your actions drove the change, but you can be reasonably sure that collectively the strategy was an important one and that you pushed toward more transformative change.”

CHANGES AT FLINN FOUNDATION

When John W. Murphy arrived at the Flinn Foundation in 1981, it was the largest foundation in Arizona even though its assets were relatively modest. Back then it had a broad goal to “improve the quality of life in Arizona.”

A recent emergence of new foundations in the state with greater wealth than Flinn motivated its board to revisit and refresh the Foundation’s direction. For starters, Flinn’s leadership began to think more broadly about the Foundation’s potential role within the health care sector. They compiled facts and figures that helped them evaluate the impact of prior grant programs and assess future trends in the field. They also looked at data about the state’s biomedical infrastructure, assessing its current situation and future potential. “We focused on external measures of institutions that were in the forefront in medical science and education to see what Flinn could do as a lever to facilitate them in getting where they wanted to be,” Murphy said.

After assessing three different scenarios, the Board adopted a strategy that aims to position the Foundation as a major force in making Arizona a thriving bioscience economy within the next decade. Flinn has taken the lead in identifying priorities and shepherding major initiatives to strengthen the state’s biomedical infrastructure. Partnering with other primary players in higher education, research institutions, and government and corporate leaders in the community is an important part of that strategy.

Flinn is able to assess its progress toward its goal using an array of measures. “One measure was to be among the top ten states in terms of the rate of growth in NIH grants, which is the research gold standard. In four years, we have surpassed the top ten states on that measure,” Murphy said, while cautioning that Arizona still has a long way to go when compared with other bioscience economies, such as Boston and San Diego.

DECIDING WHAT NOT TO FUND

Part of maintaining a strategic approach is having the willingness to discontinue programs that no longer support it. Murphy said that Flinn “closed the door gently” on former grantees by honoring all commitments and, in some instances, providing concluding grants to programs that didn’t fit with its new strategy. Flinn also reduced its program staff and bolstered its communications team.

Lavizzo-Mourey recommended setting timelines. “Be clear about a strategy having a beginning, middle, and ultimate outcome,” she said. RWJF adopted a “roots and wings” approach to give grantees a firm foundation and the ability to sustain key results over time. “To that end, we do more funding of business plans and matching grants and more technical assistance focused on sustainability, in addition to the technical assistance needed to launch a program,” she explained.

DEFINING THE ENDGAME

“Should foundations be defining outcomes?” moderator and CEP President Phil Buchanan asked. Murphy suggested that while foundations shouldn’t dictate, they can create an environment that will move things forward. “For example, we’ve identified a bioscience roadmap that involves research investigators and decision makers in various institutions in an ongoing dialogue. We encourage collaboration – that’s been our theme throughout.”

Foundations are in a great position to drive ambitious, collective visions, Lavizzo-Mourey added. Citing her foundation’s goal to reverse childhood obesity, she noted, “It is a difficult goal for individual organizations, our grantees, or others to achieve on their own, but as a group we can set out that kind of broad objective. It must be a collaborative effort. Foundations have the vision, assets, and ability to stay with something for a long time. Not a lot of other organizations can do that.”

