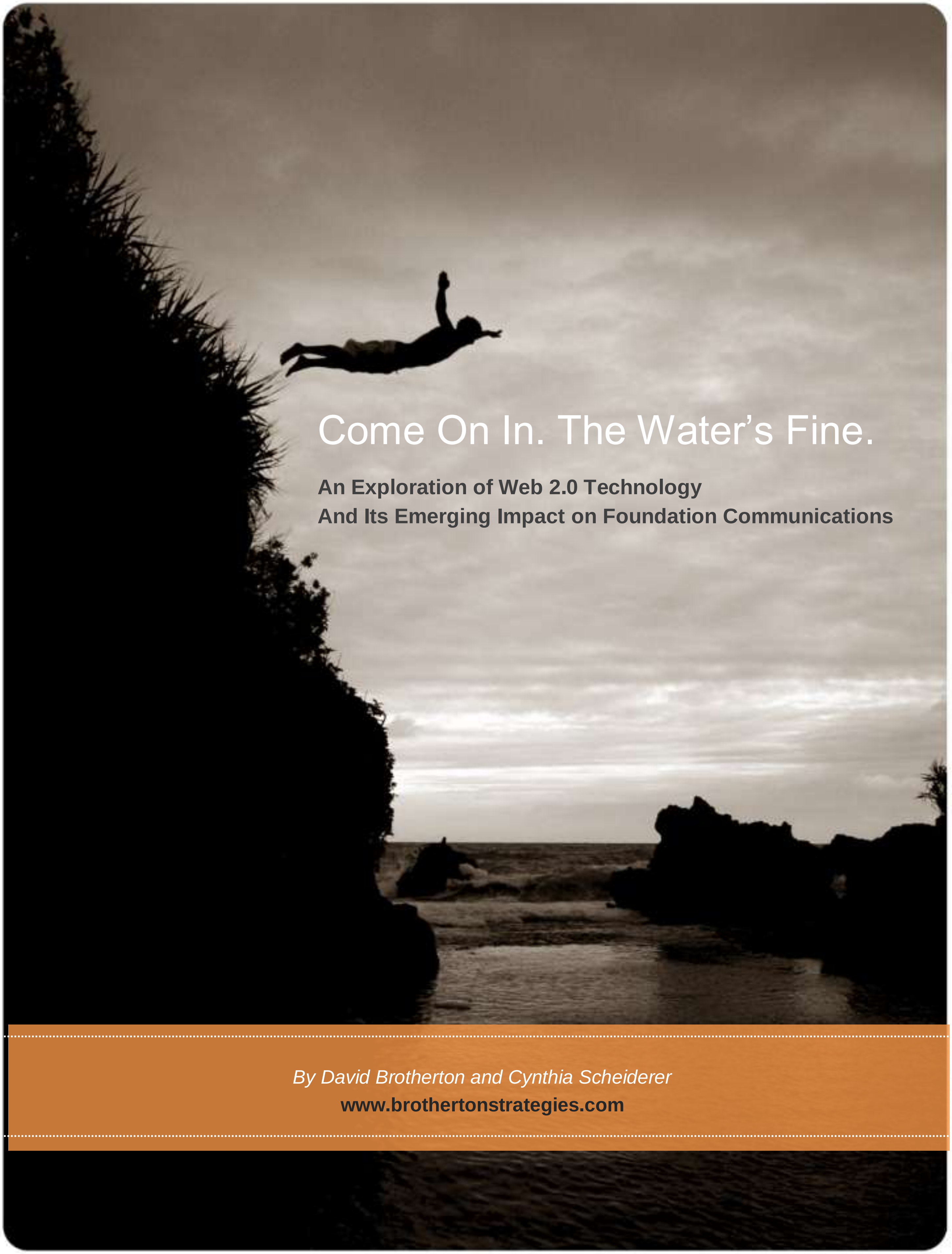

Come On In. The Water's Fine.

An Exploration of Web 2.0 Technology And Its Emerging Impact on Foundation Communications

By David Brotherton and Cynthia Scheiderer
www.brothertonstrategies.com

Come On In. The Water's Fine.

An Exploration of Web 2.0 Technology
And Its Emerging Impact on Foundation Communications

Prepared for The Communications Network
SEPTEMBER 2008

By David Brotherton and Cynthia Scheiderer

www.brothertonstrategies.com

The Future Has Arrived

When the **Communications Network** first came up with the idea for a report about how foundations are using new communications technologies, we had an internal working title: *High Tech Tools or Expensive Toys*? By even suggesting a hint of frivolity in the rush by foundations to embrace these new things, we were letting our bias show. We were signaling that maybe there wasn't more there than met the eye, or at least not yet. And if there *was* something significant underway, we felt a responsibility to approach it with caution. Still, our deeper wish was that our concern—even skepticism—about the value of using the new tools would be proven wrong.

Well, wrong, we were. And we couldn't be happier.

As this report shows, many foundations are embracing new communication tools—from interactive Web sites to podcasts to blogs and wikis to social networking applications. Early evidence suggests that these tools and applications are extending and enhancing the ability to communicate more effectively with a range of audiences. But the more important finding is that we're just on the cusp of the real promise the technology offers.

And it's not just the promise of getting messages out the door more effectively that matters. It's also about engaging more people in the work foundations do. As you'll read, these new tools and applications, which are loosely bundled under the heading of "Web 2.0," enable foundations to invite people inside their organizations. And the invitation is to do more than just to take a look around. When used well, these interactive, two-way communication tools enable online visitors to be part of the larger discussions that foundations need to have if their work is going to have lasting influence beyond the grants they make.

Those like myself, who have been in the field long enough to remember when the Internet was in its infancy, can also recall when we first greeted the idea of foundation Web sites as novelties, with comments like: "Isn't that interesting," "Does your foundation have one yet?" and "What do you do with yours?"

Back then, Web sites were more or less just a new way for repurposing what we'd already said in print, recreating digital versions to post online for easy access or reference. Later, we added e-mail newsletters, spiffier versions of annual reports, videos, and the like. But it was still the same way we'd always communicated: "us" telling "them" what they "needed" to know.

What we are seeing, or being offered, today hardly compares. To put it simply, these new tools are ushering in more than just a change in what we distribute and how we distribute it, but how we communicate. The old "tried and true" methods are giving way to new experimentation, greater openness, and an understanding that the best communication is two-way...or multi-directional. The field is beginning to acknowledge that success is not measured in how much we say, how often, to whom, how many clicks our Web sites receive, or how many publications are downloaded. Today effective communication is measured on what it is that people are actually hearing (from what foundations are saying), what are they doing with or about the information they're receiving, and how this more circular process is changing not only the *words*, but the *actions* of foundations as well.

This is not a time to be cautious, but instead to be welcoming and embracing. As we all know, the world of communications, notably commercial print and broadcast media, is changing rapidly. As new forms of media keep springing up, where and how people get information is morphing by day. Foundations that have relied on traditional media—or even their own Web 1.0 sites—to effectively communicate now face increased competition for mindshare. Failure of foundations to hold on to—or more importantly, expand—their audiences can only compound the well-documented challenge they already face in failing to convince many influential Americans about the value of philanthropy to our society.

But rather than approach the use of technology as a way to address a deficit in what the public knows about foundations, the work they do, and the underlying missions and issues that drive their grantmaking, there is a far greater opportunity—an opportunity to build meaningful relationships with audiences that matter.

As others who are studying the changing media landscape have pointed out, people are becoming less and less dependent on traditional media for their news and information. They are turning to other credible places and sources. There is no reason foundations cannot be part of that mix and use that development to their advantage. But to do so requires that foundations play by the new rules and model their offerings after those organizations and entities that are attracting growing and engaged audiences.

Ernest James Wilson III, dean and Walter Annenberg chair in communication at the University of Southern California, suggests that to master and make the best use of what the technology offers, foundations should concentrate on three things:

- Build up the individual “human capital” of their staffs and provide them the competencies they need to operate in the new digital world
- Make internal institutional reforms to reward creativity and innovation in using these new media internally and among grantees
- Build social networks that span sectors and institutions, to engage in ongoing dialogue among private, public, nonprofits and research stakeholders

As Wilson also says,

> All of these steps first require leadership, arguably a new type of leadership, not only at the top but also from the “bottom” up, since many of the people with the requisite skills, attitudes, substantive knowledge and experience are younger, newer employees, and occupy the low-status end of the organizational pyramid, and hence need strong allies at the top.

This report is our contribution to helping stimulate progress toward those goals. It is a beginning step, not an end point. Our aim is to stimulate discussion, foster robust debate, spotlight new and emerging practices, and serve as a place where people can learn from and share with each other.

The rest is up to you. But don’t wait too long.

Bruce S. Trachtenberg
Executive Director
Communications Network
September 2008

Come On In. The Water's Fine.

An Exploration of Web 2.0 Technology
And Its Emerging Impact on Foundation Communications

EXECUTIVE SUMMARY

Communications professionals at many of America's top foundations will be the first to say that when it comes to reaching an audience, we live in a very different world from just five years ago. With the advent of Web 2.0 technologies on platforms like **Google Reader**, **Facebook** and **YouTube**, mass communication has never been so interactive, networked, or user-driven. While it's hard to know where the next innovation will land us, it's safe to say that sitting on the sidelines is no longer an option for those that want to remain relevant.

With that in mind, in the fall of 2007, the Communications Network commissioned Brotherton Strategies to explore the opportunities and challenges presented to private grantmaking foundations by new media. This included taking a sample of what the field is thinking, doing and learning in these relatively early days of Web 2.0. Our method included an extensive literature review and one-on-one phone interviews with professionals selected from the Communications Network membership. We also spoke with several private consultants well-versed in both philanthropy and technology.

Web 2.0 tools offer a number of obvious opportunities for foundations because they are often free and accessible, allow for focused convenings and conversations, lend themselves to interactions with and among grantees, and offer an effective story-telling medium. Most exciting of all for foundations may be the newfound ability for a feedback loop where none existed before. Still, with notable exceptions, some in the field remain skeptical.

Foundation concerns are, by no means, insignificant. They include the worry of losing control over the foundation's message, allowing more staff members to represent the foundation in a more public way, opening the flood gates of grant requests or the headache of a forum gone bad with unwanted or inappropriate posts. Additional challenges include the perception of a daunting learning curve, the work required to make an effort relevant and targeted to particular audiences, and finding the staff time required to keep up with a medium that runs around the clock. All this within a longstanding penchant among foundations toward privacy and caution about how they communicate.

It's worth asking whether these concerns and challenges outweigh the opportunities. If foundations want to remain in the background and yield the spotlight to grantees, they might. In fact, our findings suggested that grantees are ahead of foundations in their use of Web 2.0 technologies simply because these tools allow grantees to meet so many critical needs not central to foundations like fundraising and recruiting volunteers.

Still, if foundations want to sustain influence among key audiences, traditional communication channels simply won't suffice. To decide not to join the myriad online conversations and networking opportunities is to cede territory to others who may have less means, knowledge or experience. In fact, the loss of ground may already be occurring if we regard a recent survey by the **Philanthropy Awareness Initiative** that found that more than half of

Americans surveyed—who hold a leadership, committee, or board-level role in an organization working on community or social issues—could not name a foundation on their first try.

Beyond just sustaining influence is the need to circumvent criticism in an era of increased skepticism. By opting out or continuing to wait on the sidelines, foundations risk appearing even more insular, perhaps inviting scrutiny by the new vanguard of citizen journalists busily blogging on the "outside."

Ultimately, it may come down to the fact that foundations have the ability to innovate, experiment and explore in a way few other institutions can. Many we interviewed felt that communicating those innovative efforts through these new technologies makes sense. Of course there are risks and challenges. But there is also the sense that whatever is "lost" in message control will be more than made up for by the opportunity to engage audiences in new ways, with greater programmatic impact.

For those interested in getting started, we gleaned some tips from those already in the game:

Assess your organization's appetite for innovation.
Identify support among leadership and program officers. Note where relevant online conversations are already taking place, with or without you.

Recognize and garner the resources required.
Assess current staff capacity and identify areas where training, realignment of priorities, or new positions may be needed.

Build internal allies.
Educate leadership on the organizational benefits of technological innovation, and the risks of inaction. Learn from other organizations that have been early movers.

Be strategic.
Don't lead with the tool. Start with the foundation's goals and priorities. Choose a Web 2.0 technology or tool only if it will help you tell the story you are trying to tell.

Leverage the great work of others.
Most of the best Web 2.0 tools you will need have already been built and employed by other organizations. There is no need to reinvent the wheel.

Go slowly and build on successes.
Do a small experiment or pilot program for a specific period of time. Then pause, step back, evaluate and reassess.

Among the key questions for the field to consider and pursue moving forward are:

Control and transparency.
How comfortable will foundations become with the participatory nature of Web communications? How long will it take foundations to adapt to this new communications world?

Generational digital divide.
Is the generation divide real when it comes to emerging technology? Will it take new leadership to truly adapt, or can early adopters model behaviors for others to emulate?

Influence.
How can foundations best maintain and increase their influence over the issues they care about? How will ideas and feedback generated from online communications best influence grantmaking decisions?

Alignment.
If communication is less about a unidirectional message, and more about how foundations engage with their audiences, what does this mean for integration of communications and programs?

Evaluation and measurement.
How will foundations assess and evaluate the impact or success of their online communication efforts? What are the right metrics? And how are the challenges inherent in the Web 2.0 world any different from the measurement obstacles of traditional communication?

Individual giving.
What are the implications of the rise of Internet-empowered individual giving for foundations? How will nonprofits adapt to the need to interact with foundations in a traditional way and social entrepreneurs in a new way, and how will this affect their capacity?

Grantee network building.
Should foundations be funding nonprofits to develop their capacity to communicate with and build networks among their service recipients, donors, practitioners, and volunteers? What is the right investment balance between a foundation's own communications efforts and that of its grantees?

Communicating with the general public.
Should foundations take advantage of the opportunities Web 2.0 offers to interact directly with the public? Is there a role for grantmaking foundations to use their resources and Web 2.0 technologies to help create networks of people interested in certain issues and connect them with grantees to take action (donate, volunteer, advocate)? Could this be a way to help advance progress on foundation priorities?

Certainly these questions do not have ready answers. Still, as many in the foundation sector wait for answers and weigh the risks and benefits, opportunities pass by daily. We do well to remember that without foundation support and innovation, mainstays of our communications infrastructure ranging from the Public Broadcasting Service to the 9-1-1 emergency system would never have been achieved.

So while we may not readily see that kind of impact in the Web 2.0 context, it is a disservice to society to assume that similar potential doesn't exist. Rather than continuing to hesitate, foundations have an incredible opportunity to be bold and lead by example. At this point, the result of such efforts can only be imagined.

Background

PROJECT OVERVIEW

In September 2007, the Communications Network commissioned Brotherton Strategies to explore how emerging Web 2.0 technologies are changing the way private grantmaking foundations interact with grantees, community members, policy-makers and other audiences.

We focused our investigation on several key questions: How is the digital landscape changing the nature of philanthropic communication? What role do social networks, wikis, video and audio podcasts, RSS feeds, blogs and other participatory technologies currently play for private grantmaking foundations? What Web 2.0 tools are grantmakers embracing (or avoiding), and why? What are they learning in the process? And, most importantly, how are those lessons helping to advance organizational or programmatic objectives?

By seeking answers to these questions, this report examines the challenges and opportunities inherent in the adoption of Web 2.0 technologies. This report is not intended to be an inventory of all Web 2.0 initiatives being undertaken by grantmakers everywhere. Rather, it samples, describes and shares what the field is generally learning in the early days of these technologies.

This study has been prepared for The Communications Network and its members. The research and reporting was made possible through the generous support of **The California Endowment**, **Edna McConnell Clark Foundation** and the **Robert Wood Johnson Foundation**.

Methodology

Brotherton Strategies began its research by surveying the breadth of available literature on philanthropy and Web 2.0 technologies including popular print and online media, trade publications, reports, Web sites, blogs and books. We cataloged more than 150 references, articles, studies and other citations. A select, annotated subset of those references is contained in Appendix A.

Based on our literature review, and in consultation with the Communications Network's executive director, we then selected a group of foundations and organizations from the network's membership that we believed could best inform our research and data collection. Senior communications professionals from the group were then invited to participate in one-on-one telephone interviews with the Brotherton Strategies team. Our overall response rate was high—nearly 80 percent. Only a handful of those invited were not responsive, and a few others declined to participate for internal reasons or because they felt they were unable to speak knowledgeably on the subject.

Interviewees included representatives of foundations large and small that have embarked on high-profile social media or Web 2.0 initiatives. We also spoke with several foundations which are moving more slowly into this arena—those taking a "wait and see" approach and others that have made small, incremental forays into the Web 2.0 space.

We focused our interviews with limited exceptions on endowed, private grantmaking foundations (rather than community foundations or operating foundations). We interviewed more than 30 senior-level communications professionals in all, representing 23 different United States foundations (see Appendix B). Interviews were also conducted with five consultants familiar with the fields of philanthropy and technology.

Our interview protocol (see Appendix C) was structured to allow for ample open-ended dialogue and accommodate the unique circumstances or perspectives of each respondent. We asked interviewees to describe their individual/organizational experiences with Web 2.0 technologies; we sought details about the organizational attitudes that drove adoption of these tools; and we identified common experiences, opportunities and challenges across organizations.

The results described in this report represent the informed opinions of the study's authors based upon all of the information collected over five months of research. The findings are by no means conclusive or absolute. Ultimately, what is reported here represents a "point in time" assessment of a sector in transition. Not surprisingly, some foundations have chosen to leverage the powerful new tools and technologies for increased organizational effectiveness, while others remain hesitant to upend the status quo.

Web 2.0: Concepts and Trends

The Internet has become not only a new medium for consuming information, but also a platform upon which every user has the power to produce content as well. The defining features of what has come to be called "Web 2.0" activities and applications are that they are interactive and networked: users participate by contributing content, or controlling it in some way, and sharing it within their networks of others interested in the same topics. Users can control the information as never before by customizing what they receive, how or where they view the content, and when they respond. In some cases, they aggregate, re-package, and redistribute content among their networks.

A broad set of tools and technologies has emerged which allow for this kind of interactive, networked conversation. The technologies and formats we focused on in our research include: blogging, online forums, podcasts and videos, interactive annual reports or research reports, wikis, social bookmarking, social networking, virtual reality sites, text messaging, RSS feeds and online searchable databases (see Appendix D for a glossary of terms).

Rather than referring to a specific application or technology, **Web 2.0** has been called a philosophy for how to use Internet-based tools and applications. Charles M. Firestone of the Aspen Institute describes it primarily as a change **"from 'push' technologies to the 'pull' approach . .**. .in essence a reversal in the flow of communications from the center out to the user up." Individuals "pull" the information they are most interested in, sometimes by researching and writing it themselves, at other times by aggregating or repackaging content from a variety of sources and, increasingly, by finding a network of others interested in the same topic and sharing content among themselves. In this Web 2.0 environment—where user control is king—it is increasingly difficult to "push" a single message to a single captive audience.

Benefits of Web 2.0 are emerging. In his seminal 2004 book The Wisdom of Crowds: Why the Many Are Smarter Than the Few and How Collective Wisdom Shapes Business, Economies, Societies and Nations, author James Suroweicki argued that aggregated individual information and opinions often result in better decisions than those made by individuals alone or "unwise crowds" and mobs prone to "group think." Some—including a growing number of foundations—are experimenting with Web 2.0 technologies as tools for tapping this collective wisdom.

For example, in a 2007 report for the Aspen Institute, **The Rise of Collective Intelligence**, David Bollier describes some early experiments, including the example of Gary Kasparov vs. The World in 1999, a chess match in which more than 50,000 people around the world voted via the Internet on "The World's" next moves. (Kasparov won after 62 moves.) Bollier also describes an experiment by a minor league baseball team. For the second half of the 2006 season the Schaumberg (Illinois) Flyers managed the team through fan voting on the Internet. (Their first half record was 31-17; they went 15-33 in the second half.) Perhaps more successfully, a 2005 study published in **Nature** concluded that Wikipedia "comes close" to the Encyclopedia Britannica in accuracy on scientific topics. In each case, we see evidence of new collaborative environments—networked, social, scaled—that have the potential to change behavior, and outcomes, in profound and unexpected ways.

Mass media in particular have seen dramatic changes as a result. Web 2.0 technologies influence how consumers of conventional media (print or broadcast) learn about the world. Producers, editors and other members of the mainstream press routinely monitor the blogosphere for breaking news, rumors and reports, trends and story ideas. What's more, approximately 12 million Americans maintain a blog, according to the **Pew Internet** and **American Life Project**, and a growing number of them consider themselves to be citizen journalists. Aided by the portability of laptops, the proliferation of wireless technology, the simplicity of digital media (from camera phones to movie-making software) and the immediate gratification that comes with making content available to hundreds of millions of readers worldwide, this citizen army now competes with the Fourth Estate in ways no one could have imagined even five years ago.

For instance, in 2007 TechNewsWorld published **the top 10 biggest news stories** that can be credited to bloggers. In this list they credit blogs for keeping the story of the December 2006 firing of United States prosecutors in the news. They also noted how bloggers pounced on a YouTube video of former Virginia Senator George Allen using an ethnic slur at a campaign rally; the story instantly became national news and was ultimately a significant factor in Senator Allen's defeat that November. And in one of the biggest blog stories so far, "Memogate," bloggers researched and exposed the authenticity of documents upon which Dan Rather based a "CBS Evening News" report during the 2004 presidential election about George W. Bush's Texas Air National Guard service.

The Asia Times notes that while communications systems failed to provide warning of or timely information about the 2004 Southeast Asian earthquake and tsunami, bloggers were pivotal in providing a constant flow of stories and pictures, information about resources and aid, and help to people searching for their loved ones. The mainstream media, to a great degree, relied on content that originated with the blogs. **In a ZDNet column** Richard McManus notes that in both the Southeast Asian tsunami and Hurricane Katrina in 2005, blogs and wikis were sources of up-to-date information, a way to organize aid efforts and ways for people to respond emotionally to the disasters.

In these and countless other examples we see how the Internet in general—and Web 2.0 tools in particular—are becoming a normal, even expected, part of how people manage information and enrich their social lives. The data bear this out. By 2007 **MySpace,** one of the world's most popular social networking sites, had more than 100 million members; **Facebook** claimed more than 50 million. And contrary to initial assumptions, these socially networked masses are not all kids. More than half of MySpace members are 35 or older. So, too, with Facebook, **LinkedIn** and other popular networks.

According to **USC's Annenberg School for Communication annual survey** for 2007 and the **2007 report** from the **Pew Internet and American Life Project:**

- 78 percent of Americans older than age 12 regularly use the Internet
- Two-thirds of Web users access the Internet from home, and nearly half of those Internet home users have broadband connections
- The average home user spends at least 14 hours online each week
- Nearly half (47 percent) of Internet users say they feel empowered by the Internet
- Two-thirds of people who participate in online communities say that these communities are very or extremely important to them
- The average Web user is 45 years old (the same as the average New York Times reader)
- And 37 percent of Internet users have participated in some form of user-generated content

As Internet access, mobile technology and particularly a networked, social, interactive way of accessing information are becoming more and more common, people's expectations of the groups, networks and organizations with which they associate are also changing. Increasingly people expect a conversation in which they contribute as well as consume information.

Literature Review

While much has been reported over the past three years about the meteoric rise of Web 2.0 in the corporate, political and media spheres, relatively little has been written about how grantmaking foundations are—or are not—embracing these emerging technologies in their communication efforts. To date, the vast majority of Web 2.0 news coverage and analysis of the nonprofit sector has focused on how community groups, advocates, political parties, non-governmental organizations or other grant recipients are adjusting to the new wave of tools and services. In particular, the literature about the social sector's use of new media falls into three main categories:

- Reports of how nonprofits are using Web 2.0 technologies to build networks of donors, volunteers and activists (usually without reference to funders)
- Studies about the need for technology infrastructure support and capacity building among nonprofits seeking to take advantage of Web 2.0 opportunities
- And stories about the use of these technologies among an emerging set of social entrepreneurs interested in "social philanthropy" or "e-philanthropy" as a way to encourage individual giving

Much less has been written about grantmakers' use of Web 2.0 technologies because funders have been slower to embrace them. There are some notable exceptions. The literature describes foundation participation, sometimes by funding nonprofits' infrastructure and technology needs, and sometimes by encouraging individual charitable giving.

In the area of non-profit technology needs, **The Overbrook Foundation** helps grantees acquire and use Web 2.0 technologies in their environmental and human rights work. According to **Elizabeth Miller**, a senior program associate at Overbrook, the need for Web 2.0 capability "bubbled up to us through Overbrook's grantees" as the foundation realized many of them were beginning to use social media very effectively and others were struggling with how to take advantage of the new tools. Overbrook now provides support through regular convenings to help grantees learn from each other and share their

> Funders need to understand that communities of practice and open spaces for innovation are essential where ideas and alliances can emerge—emerge from unexpected corners, places, and people.
>
> – Katrin Verclas, MobileActive.org

experiences with blogs, wikis, social networking and other new media.

In the area of individual giving, the **Case Foundation** launched two highly publicized initiatives aimed at increasing charitable giving through the use of Web-based networking tools, partnering with Facebook in a program called **America's Giving Challenge**, and later with PARADE Magazine in the Causes Giving Challenge campaign. The Case Foundation reported that the initiatives together raised more than $1.7 million from more than 80,000 donors.

The Case Foundation site for America's Giving Challenge

While relatively little has been written specifically about funders' use of Web 2.0 technologies in their own communication efforts, in our literature review we did identify a number of general themes that seemed particularly relevant to grantmakers. These themes also figured prominently in our conversations with foundation staff. Among them:

Adaptation.

As the private sector, public charities and the general public participate with increased frequency in social media, foundations everywhere are facing a common choice to adapt or risk being left behind. Allison Fine, a social entrepreneur and senior fellow on the Democracy Team at Demos editorialized in a **2006 Chronicle of Philanthropy column** that, "Perhaps more than anything else, a shift in control from a few leaders at the center out toward the many people at the edges who want to contribute meaningfully, but who are, for the most part, now locked out of the process, is the key to success in this new era."

Giving up control.

As noted above, the Internet in the Web 2.0 era is about "user contributed content" and users "pulling" content (downloading, receiving and viewing it when, where and how they want it) instead of having it "pushed" at them (passive receipt of top-down information). Again, Fine writes, "More progress is made more rapidly when organizations move to facilitating rather than controlling social-change efforts. We must learn to use our leverage more and lift less, to listen better and act smarter, to share and participate, not control and command."

Transparency.

An interactive digital environment creates expectations that organizations of every stripe—including philanthropies—will be more transparent and open with information. As Marty Michaels reports **in The Chronicle of Philanthropy**: "Many of the larger foundations say that they want to encourage honest, two-way communication about both successes and failures, and that doing so can only lend more credibility to their efforts."

Networking and movement building.
Web 2.0 tools greatly increase the ability of organizations to build virtual communities and network people around their shared interests. **In a blog** called "Grantmaking in a Web 2.0 World," Katrin Verclas, former executive director of **NTEN** and now co-founder of **MobileActive**, advises that, "Funders need to understand that communities of practice and open spaces for innovation are essential where ideas and alliances can emerge—emerge from unexpected corners, places, and people."

These themes—adaptation, control, transparency and networking—informed our interviews. We hope that these concepts and this report in general contribute to the small but growing body of literature addressing the relevance of Web 2.0 for philanthropy.

Our Findings

Adapting to a Changing World

The advent of Web 2.0 technologies is fundamentally shifting the way communication takes place—including the way foundations talk about their work to grantees, peers, the news media, policy makers and the public at large.

The Current Landscape

There is a growing realization among communications professionals at various foundations that message discipline—once considered a fundamental element of any effective communication strategy—has grown increasingly slippery as employees, grantees, researchers, fellow funders and other stakeholders who care about a foundation's issues are blogging, commenting and making and sharing videos and podcasts. Old fashioned, top-down, "command and control" communication tactics are being rendered increasingly ineffective with each new wave of technology, as content in all its forms is cut, pasted, forwarded, blogged, tagged and aggregated, often without the knowledge, or consent, of the original messenger.

Some industries and fields have learned to adjust to this phenomenon out of necessity. For instance, ***TechNewsWorld* describes** how a blogger unhappy with Dell's customer service generated enough negative attention for the Texas-based computer manufacturer that the story landed in *Newsweek* and *The New York Times* in 2005. Dell ended up taking significant steps to respond and change the way they interacted with customers and the blogs, including launching **www.ideastorm.com,** essentially an elaborate, interactive online suggestion box.

In addition to dealing with negative attention and new competitors, corporations of every stripe have also recognized the potential for Web 2.0 communications. In a recent article, "**Social Media Will Change Your Business**," *BusinessWeek* points out that the once unimaginable data collection and personal information tracking now possible via the Web is changing the way advertisers aggregate, dice and slice audience data, quoting Jeff Weiner of Yahoo, "Never in the history of market research has there been a tool like this."

The implications for the public sphere are equally significant, as the Internet has facilitated once unfathomable engagement for political campaigns large and small. In a recent ***Wall Street Journal* column**, former White House advisor and Bush campaign strategist Karl Rove described the tactics of the current and recent presidential campaigns: "Like Mr. Bush, Mr. Obama has harnessed the Internet for persuasion, communication and self-directed organization. A Bush campaign secret weapon in 2004 was nearly 7.5 million e-mail addresses of supporters, 1.5 million of them volunteers. Some volunteers ran 'virtual precincts,' using the Web to register, persuade and organize family and friends around the country. Technology has opened even more possibilities for Mr. Obama today."

Leveraging online telephony and an array of tools that help supporters connect, join local groups, create and promote events and set up personal fundraising pages, **My.BarackObama.com** was instrumental in the coordination of nearly 4000 house parties in late June 2008. It has also helped the campaign raise more than two million individual donations of less than $200 each.

Is it Web 2.0 we're after, or Communications 2.0 that we're after?

-Rich D'Amato, The Case Foundation

Even government agencies have gotten into the act according to **an article from *The New York Times*.** The Transportation Security Administration (TSA), which ranked next to last in favorable public opinion among public agencies in an Associated Press survey from December 2007, launched **a blog of its own** in early 2008. The blog provides a platform for angry travelers to voice frustrations and gain information. The feedback acquired through the site has now been credited for positively influencing security rules and procedures. Through the blog, for example, TSA learned that a rule about removing electronics from carry-on luggage was being inconsistently applied at different airports and the agency was able to correct the problem.

Philanthropy Lags Behind

The philanthropy sector, by contrast, is only beginning to catch up.

There are numerous theories about why this is so. Some speculate that philanthropy's failure to embrace Web 2.0 stems from the fact that foundations do not experience the same customer demands or competitive threats that modern corporations and public institutions face on a daily basis. Others point out that foundations as a group have historically shied away from extensive self-promotion or publicity, preferring instead to promote and advance the work of their grantees. In some cases avoidance of Web 2.0 tactics may be a holdover from the conventional, unidirectional communication structures that guided the businesses through which private philanthropists originally built their endowments.

Whatever the cause, it seems increasingly clear that communication practices that worked well for decades may no longer be effective. As users share and comment on what they care about most, more conversations begin to take place away from an organization's address (physical or virtual). Study participants repeatedly stressed that this shift demands a wholly different way of thinking about communicating. As **Rich D'Amato**, vice president of communications for the Case Foundation asked, "Is it Web 2.0 we're after, or Communication 2.0 that we're after?"

Giving Up Control

The primary issue in this shift is control of the message. Successfully participating in social media requires a fundamental pivot away from traditional dissemination of a message in a linear manner (expert/source > messenger > recipient) to a transactional approach that allows audiences to influence and shape the message in real time (user < messenger > user).

In the simplest of terms, Web 2.0 puts individuals in the driver's seat. Because of the constraints of the medium, most mass communication has traditionally followed a largely linear, broadcast model. Web 2.0 technologies create the ability for mass media communication to happen in a way that is much more transactional, and closer to interpersonal and group communication. As **Teresa Detrich**, director of electronic communication for the **Lumina Foundation for Education** describes, "The one thing more important than anything is to really understand how people are using new media—and their use of it is completely different from old media. You cannot control the message. It's collaborative now. And that's a good thing. And you have to help folks understand how good that can be. Everyone now is creating the message."

As times change, there are numerous foundations starting to experiment with this interactive way of communicating. When the **W. K. Kellogg Foundation** established an online forum, "**What Helps Vulnerable Children Succeed**," it opened the doors to all those interested in discussing this strategic priority. Any member of the public could simply register and comment in the forum. Rather than leading with their own assumptions and beliefs about the needs of vulnerable children, the foundation framed an online conversation with three questions: What makes children vulnerable? What could make vulnerable children successful? What's working now, or what's possible? The foundation opened its site to encourage user-contributed feedback, moderated the comments that arrived and adopted a policy of removing only posts that were inflammatory or inappropriate.

Kellogg Director of Public Affairs **Dianne Price** acknowledged the risks inherent to this approach. Inevitably, perspectives that the foundation disagreed with would be surfaced on their Web site's forum. "That was the point," Price explained. "If we didn't hear those other opinions, this experiment would have failed. We were looking to generate new ideas and hear from many points of view."

The Kellogg Foundation forum,
What Helps Vulnerable Children Succeed

One of the reasons commonly cited for inviting stakeholders to post and share alternative perspectives—even those that may bump up against a foundation's chosen strategy—is the opportunity it gives the foundation to know what's being said and respond publicly as appropriate.

In August 2006 **the Robert Wood Johnson Foundation** launched a blog called "**Pioneering Ideas**" as an initiative of their Pioneer Portfolio. The Pioneer Portfolio "seeks ideas that could lead to health or health care breakthroughs." From their **Web site:** "Several Pioneer projects apply approaches from diverse sectors such as finance, design and entertainment to forge new solutions in health and health care arenas." Given that RWJF's portfolio strategy is to discover novel ideas from inside and outside of healthcare, it follows that they would employ a Web 2.0 strategy to generate discussion and ideas from a broad audience (see case study abstract, Appendix D).

The Robert Wood Johnson Foundation blog, Pioneering Ideas

Larry Blumenthal, the senior communications officer responsible for the foundation's Web operations, understood the internal concerns that people might use the blog as a forum to criticize the foundation or advocate different points of view. However, he didn't see those concerns as a reason not to move forward: "A key goal behind launching the blog was to provide a forum for interesting, direct dialogue that would move the field forward. We know there are people with different viewpoints working on the same issues as us. We want to encourage those

One big mistake foundations often make is thinking they have to be the convener of the discussion, or that they have to be the hub where the best thinking takes place. In truth, the success of many good Web 2.0 projects starts with their willingness to give up control.

– Michael Hoffman, See3 Communications

discussions. What better way to hold that conversation than on your own forum, where you have the ability to pose questions and respond to different points of view?"

Corrie Frasier, senior web product manager for the **Bill and Melinda Gates Foundation,** agreed. "This concept that we have 'control' of our message is ultimately false," Frasier explained. "At least with interactive Web 2.0 tools we are able to participate in the conversation."

But the sector is not without misgivings about the risks and rewards of this approach. **Julee Newberger**, online communications associate for **The Annie E. Casey Foundation,** has a perspective that is shared by many foundations nationwide.

Newberger explains that sometimes foundations may be more comfortable publishing a report or convening a meeting where interested parties can discuss it and provide feedback in person, than moderating an open conversation online and trying to steer the conversation if it goes in a direction the foundation doesn't like. The "brick and mortar" convening and discussion model remains the preferred option for many grantmakers, and will sometimes be the best strategic choice. However, it is important to realize that even if a foundation chooses not to convene or host a discussion, the conversation is probably still happening somewhere else. So a foundation needs to decide whether to participate in the online conversation or sit it out.

Internal concerns about control of message aren't only about the public's comments. They are also about allowing more staff to represent the foundation in a very public way.

For example, foundations that have experimented with blogs rely on program staff to post content and respond to comments. This means trusting how the program staff will represent the foundation. The concern is simple: if program staff members speak as individuals with specific content expertise and points of view, they may not always be "on message." There are more opportunities in this interactive environment for someone to misspeak, misrepresent or be misunderstood—and greater challenges in correcting the "public" record when they do. However, if foundations can trust that program staff have the expertise and good intent to represent the foundation well, the benefits can far outweigh the risks.

Eric Brown, director of communications for **The William and Flora Hewlett Foundation**, says, "I think that allowing staff to participate in online communities can be a smart move. It's just a matter of understanding both a staff member's abilities and the medium. In many cases, giving staff this kind of freedom can certainly offset the risks."

The upside Brown describes includes getting people more deeply involved in the foundation's issues, communicating what its strategies are and gaining new champions for the cause. Message control may be decreasingly feasible; it also may not be entirely desirable. The benefit of learning what the public is hearing and thinking about the foundation and its work may surpass the risks involved in having a somewhat “messier” conversation.

Taking the Conversation Outside

As noted above, interactive communication means less control over *what* is said, and it also means that the boundaries are blurring as to *where* the conversation takes place. On virtually any issue—from animal rights and childhood obesity, to climate change and global development—there are Web communities, forums and virtual gathering places where lively discussions play out on a daily basis. In these networks, thought-leaders hold court, pundits post and community activists exchange effective strategies. It is also where misinformation, unpopular viewpoints and petty squabbles get aired. These are the places where foundations (and grantees) increasingly find themselves needing to congregate.

This shift in mindset may seem obvious to some, but it is hugely consequential. As **Claire Baralt**, communications officer for the **Doris Duke Charitable Foundation,** said, “We’ve realized it’s not about drawing people to your Web site anymore; it’s about getting your content out there in the Web wherever people are or wherever the conversation happens.”

Michael Hoffman, founder and CEO of **See3 Communications,** explained it another way: “One big mistake foundations often make is thinking they have to be the convener of the discussion, or that they have to be the hub where the best thinking takes place,” Hoffman said. “In truth, the success of many good Web 2.0 projects starts with their willingness to give up control. It’s so much better to seed the conversation, or feed it, than to try and control it. If you want to control it, you are going to become quickly and sorely irrelevant.”

Alfred Ironside, director of communications for **The Ford Foundation** sees the positive side of this communication transformation, “The ceding of control is not about losing.” It may in fact be the best way to reach some audiences, and sometimes the only way to reach them.

The **Daniels Fund** is a case in point. The fund provides scholarships to college-bound high school graduates with financial need from Colorado, Utah, New Mexico and Wyoming. **Peter Droege**, Daniels’ vice president of communications, discussed the challenges of communicating with them once they’re in college. He explained that not only were their scholarship recipients bypassing the Daniels Fund Web site, they also weren’t responding to foundation-generated e-mails. “For them, e-mail is kind of the 8-track player,” he said.

While Daniels Fund staff wanted to share information with their young scholars about their scholarships, they also hoped to create a sense of community among the cohort. The Daniels program team recognized that scholars who had been in the program for a while could be helpful to new scholarship recipients, and anticipated that a sense of camaraderie might foster student success. After investigating various social networking options, the Daniels team created **a dedicated network on Facebook** (see case study abstract, Appendix D).

The Daniels Fund dedicated network on Facebook

The Lumina Foundation for Education provides another example of how to use new Web technology to meet the evolving communication preferences of its constituents. For its “**KnowHow2Go**” campaign, a “public-awareness effort involving the Ad Council, the American Council on Education and other allies, designed to encourage low-income students in grades eight to 10 and their families to take the necessary steps toward college,” Lumina commissioned short videos aimed at “tweens” to help them think confidently about preparing for college. Rather than housing the videos on their own Web site and trying to drive traffic there, videos were disseminated through video sharing sites such as YouTube where they could be tagged, rated and shared. Teresa Detrich, Lumina’s director of electronic communications, calls this portion of the campaign “viral video.”

The Lumina Foundation’s KnowHow2Go campaign

For a second initiative, Lumina commissioned a research study exploring how Latinos are affected by the educational attainment gap. Detrich found the results to be culturally rich, substantive and somewhat unusual. “There was a lot of beauty in this research,” Detrich explained. She decided to present the data in a new and interactive way. Rather than producing a typical printed document of Lumina’s findings, Detrich’s team instead created a searchable, interactive, multimedia Web site called **Camino a la Universidad** (see case study abstract, Appendix D).

The site was designed to appeal to a wide audience, including the communities and cultures that were the subject of the study. She wanted to reflect the richness of the research information and communicate it in a unique, compelling way. In true Web 2.0 fashion, and consistent with Lumina’s intentions, the report is stand-alone and sharable. It has been used as an interactive presentation in various higher education settings, effectively enlisting others to spread Lumina’s information.

Changing the Mindset

While efforts like Lumina’s demonstrate what is possible when foundations are open to adapting and willing to embrace new ways of reaching out to their audiences, many grantmaking institutions still struggle with internal impediments to change. For decades, foundations have sought to control their message and communicate in a unidirectional way with grantees and the public by issuing reports, publications and press releases. Many of those we interviewed describe themselves and their foundations this way, noting that they were trained in “traditional” journalism or corporate communications and are still learning new ways of thinking about communicating in an online world.

The generation gap is one of the biggest hurdles. According to a recent Community Foundation CEO Network and Council on Foundations **survey** of community foundation CEOs, 65 percent are over the age of 50, and 19 percent are over the age of 60. The leadership at most endowed foundations mirrors this demographic. The leadership is of an older generation that did not grow up with cell phones or wikis or blogs. But interviewees were also very well aware that times, and expectations, are changing. What worked well in reaching baby boomers no longer applies for younger generations or “millennials.”

> As long as foundations stay out of this space, their influence will be on the wane. We are missing opportunities to get our perspective included. We have a lot of knowledge we've learned over the decades, especially with issues we've been funding for a long time. And our voice is not being heard in some of the more substantive online spaces.
>
> – Mitch Hurst, The Mott Foundation

Opinions among interviewees varied greatly about the likelihood that senior foundation leadership will fully embrace or adapt to the changes in technology—from pessimism that things will not change until the "old guard" retires, to optimism that there are leaders in executive suites and board rooms who will promote and encourage innovation.

"I don't think it has to be viewed solely as a generational challenge," said **Jennifer Humke**, communications officer for **The John D. and Catherine T. MacArthur Foundation**. "There are a number of 60-plus-year-olds online and in philanthropy leadership who are willing to experiment and try things. There is a certain frame of mind that younger generations are willing to communicate in certain ways, but there are older leaders willing to embrace these technologies as well."

Mitch Hurst, team leader – new media for the **Charles Stewart Mott Foundation,** summed up the imperative: "As long as foundations stay out of this space, their influence will be on the wane. We are missing opportunities to get our perspective included. We have a lot of knowledge we've learned over the decades, especially with issues we've been funding for a long time. And our voice is not being heard in some of the more substantive online spaces."

Regardless of the age of the foundation leaders or their discomfort with new communication technologies, they ignore Web 2.0 communication methods at their peril. Foundations must adapt to, incorporate and welcome these new technologies, along with their attendant challenges and opportunities. Otherwise, they risk losing the support of the next generation of grantees, policymakers, philanthropists and stakeholders, and losing the ability to effectively promote their ideas and programs among the public at large.

Opportunities for Greater Influence

So what are the opportunities for participating in this conversation?

There are two fundamental aspects of the private foundation model that have enabled them to be such powerful agents of change to date. The first is the liberty foundations enjoy as wealthy institutions that are largely free from the conventional consumer-driven market imperatives that drive most for-profit organizations. The second is their non-profit tax status and the freedom it affords to make sizeable, long-term investments in innovative, often untested, or even unpopular ideas, initiatives and programs.

"True accountability of nonprofits—including foundations—to public agencies is, for all practical purposes, slight," wrote Joel Fleishman in his seminal 2007 book *The Foundation: A Great American Secret*. "Because of their peculiar combination of attributes, foundations are able to deploy wealth in what they regard as the public interest in ways that are available to no other entities in American society."

Convening Networks

Foundations are uniquely positioned to fund the best and brightest ideas and convene broad communities of experts and stakeholders in order to identify those ideas and build on the lessons learned from them.

Web 2.0 technologies are ideally suited for helping foundations play this convening role. The tools themselves are largely inexpensive, many of them free, which allows foundations to increase the scale and scope of their convening power without diverting dollars from existing programs.

Many of these tools also allow grantees to participate without incurring costs, travel and time away from their core mission. The tools are increasingly ubiquitous and platform-neutral, allowing nontraditional stakeholders greater access and opportunity to participate. And they can help a foundation be more transparent about their strategies, goals and practices.

Several foundations that participated in this study have launched initiatives to convene grantees electronically. The idea is that more experienced grantees will help newer grantees learn about the foundation and that the online community will provide a forum for sharing best practices and lessons learned in a given program area.

For example, **The Wallace Foundation** has a grantee-only section of its Web site for education grantees. Several foundations have or are planning similar extranet sites for grantees.

As **Lucas Held**, director of communications for Wallace, points out, grantors have several reasons for ongoing communication with grantees during the course of a grant: to ensure goals and strategies remain clear; to hear what is working and what is not; to monitor performance; to allow grantees to learn from each other; and to surface insights and experiences that could lead to valuable lessons.

The Wallace Foundation "grantee-only" section of its Web site

An extranet is one way to facilitate this communication, although it is not without challenges, namely that successful online discussions typically require a moderator, an agenda and a time-bound period in which they occur. Some foundations have concluded that convening grantees in this way is essential to advancing their goals, and online communication can make this more time- and cost-effective, especially for the grantees.

Linda Braund, communications manager for the **Heinz Endowments**, says a measure of success for the foundation's online communication efforts is to see "a vibrant grantee community." Foundations are realizing they can be a catalyst for issue-specific, geography-specific, or research- or practice-focused conversations, in a way that isn't burdensome to the foundation or the grantees.

Whether convening grantees only or opening up forums for the public, Web 2.0 technologies present an opportunity to be a credible, reliable source for shared learning in a way that goes beyond the Web 1.0 "brochureware" Web site. As **Albert Chung**, senior communications associate of **The Edna McConnell Clark Foundation** put it, "I think that's one key benefit; because it's much more interactive, you can build upon everyone's learning, and the whole becomes greater than the sum of the parts."

It's not about the tools; it's about the story that you are trying to tell.

– Victor d'Allant, Social Edge, The Skoll Foundation

Study participants frequently cited researchers, practitioners, policy makers and other funders as key audiences and noted the value that can be added to a foundation's brand when these audiences view the foundation as a credible source of knowledge among a broad community interested in a specific issue.

Taking this one step further, some foundations are experimenting with idea generation on the Web. One example is the "**Audacious Ideas" blog** by **The Open Society Institute** in Baltimore. OSI lines up community members and issue experts each week to post short blog entries with an idea for how to improve their city. The posting is then open for the public to comment. This has generated 5,000 registrations and 500 loyal, repeat readers who are spending enough time on the OSI Web page to read and comment regularly on the entire posting (postings often generate around 25 comments each).

The Baltimore Sun has, on several occasions, asked to reprint the blog postings in their entirety.

The Open Society Institute's Audacious Ideas blog

Debra Rubino, director of strategic communications for OSI noted that this is a new way of bringing attention to their foundations' priorities. The blog has been quantifiably successful in terms of attracting a larger audience to their issues. However, it's too early to know whether a blog posting will result in an idea being developed to the point of being funded.

By convening the conversation, foundations can then disseminate stories about their programs and policy priorities. Web 2.0 technologies can enhance the ability to tell those stories in a compelling way, and some nonprofits have been pioneers in this effort.

For example, **Social Edge** is a program of the **Skoll Foundation** intended to be the global online community where social entrepreneurs and other practitioners of the social benefit sector connect to network, learn, inspire and share resources. They use video extensively to tell short, compelling stories in their **Global X series of X-Interviews**. Social Edge also pushes them out to wider audiences through YouTube, iTunes and Yahoo! Video where they can be discovered, picked up and shared with viewers who may not otherwise find their way to the Social Edge Web site. Executive Director **Victor d'Allant** notes, "It's not about the tools; it's about the story that you are trying to tell," and using technology to do that can help organizations compete for—and win—people's time and attention in a cluttered and over-mediated world.

The Skoll Foundation's Social Edge Program Global X series of X-Interviews

> These tools offer some new ways to be more transparent and have active conversations with people behind the grantmaking wall.
>
> – Claire Baralt, The Doris Duke Charitable Foundation

Ultimately, the hope of some foundations is that this leads to commitment and action. Electronic communications create an opportunity to connect people who are interested in an issue with each other and the grantees working on the issue. As foundations experiment with how to best conduct and benefit from the myriad digital conversations about their priorities, they are also hoping to reach new audiences.

Because many of the Web 2.0 tools themselves are very inexpensive or free, foundations can increase the scale of their communications dramatically to a broad audience without a corresponding increase in cost. In contrast, communications professionals traditionally invest significant resources to promote their brand to a targeted and segmented key audience. When you want to influence highly educated, progressive-leaning news junkies, you buy sponsorship time on National Public Radio; if you need to reach sports fans, you advertise on Monday Night Football; and so on. Foundations also traditionally spend money on producing high-quality materials such as an annual report and mailing them to their mailing list. Now, with Web 2.0 tools, foundations can potentially reach people anywhere in the world who are interested in or curious about the foundation's issues, inexpensively and immediately, by building or tapping into online networks and contributing content.

Transparency and Accountability

Many of those interviewed for our study cited the desire for greater transparency and accountability as a significant impetus for participating in and convening conversations about the foundation's work online. Any tools that help demystify or shine greater light on the deliberative, and often difficult, work of responsible grantmaking are worthy of consideration, several respondents said.

But others questioned the presumed connection between Web 2.0 technologies and greater philanthropic transparency—pointing out that moderated "public" conversations are still moderated and controlled, even if they happen in a public medium like the World Wide Web. There are still gatekeepers controlling what is or isn't posted, and editorial judgments being made about content and message. Respondents in this camp were not sure that Web 2.0 tools in and of themselves provided any greater daylight on the secretive world of grantmaking. For example, online grant databases, 990s, financials, funding guidelines, program officer contact information and grantee perception reports can all be posted on a basic Web 1.0, "brochureware" Web site. The act of making such information public is only "transparent" by degree.

However, the interviewees that did see a strong connection tied it to a further step of not just posting information about priorities, strategies and activities, but doing it in a way that allows people to comment and even disagree and creating a feedback loop, a window into the way the foundation works.

In this case, the feedback loop is the "big idea" that separates Web 1.0 from Web 2.0. As Claire Baralt of the Doris Duke Charitable Foundation described it, "These tools offer some new ways to be more transparent and have active conversations with people behind the grantmaking wall." These conversations may increasingly be thrust upon foundations, whether or not they want to face them. William Schambra, director of the Hudson Institute's Bradley Center for Philanthropy and Civic Renewal, described in **a 2005 column for *The Chronicle of Philanthropy*** how blogs latched onto a column in the *New York Post* questioning foundation influence in campaign-finance laws. He predicted that the growing network of bloggers across the political spectrum will increasingly scrutinize philanthropy's activity, concluding that "Any foundation interested in public-policy activism can now expect its implicit political inclinations to be vetted far more thoroughly and publicly than before…All foundations—not just those on the right—that want to shape public policy will now be treated as political actors."

Calls for foundation transparency and accountability are increasing from all corners. Grantees want to better understand how funding decisions get made. Policy makers and regulators want to see how tax-exempt foundations are spending their money. Media watchdogs are closely tracking how foundation investments do, or don't, align with foundation missions. And so on.

Foundations are traditionally reluctant to self-promote, and some will make the argument that they should not be spending their resources on any form of self-promotion. It can be advantageous to a foundation's brand and strategic priorities, however, to be seen as a credible, expert convener of a community working to solve a problem, and it does not need to be about self-promotion. It can be about promotion of the issue and the entire community working on it, and transparency of the foundation's role in the larger picture. By making the whole community working on a program area more visibly involved, Web 2.0 technologies can be a relative easy and economical way to expand a foundation's credibility, influence and effectiveness.

Challenges

Resources

While Web 2.0 technologies themselves are relatively inexpensive—sometimes even free—there are other costs involved in adopting an effective social media strategy. Most notably, the time commitment and staffing support can be significant. Not only is communication staff time limited, so too are the hours program officers have available for added duties and responsibilities that may come with an expanded Web presence.

In making the shift from "control" to "conversation," the learning curve of new technologies, and the organizational culture shift and internal education all take time, energy and persistence. There are significant infrastructure and staffing implications for following, establishing, moderating, or sustaining any online community. And once a foundation makes these shifts, the decentralized nature of most online communities makes it very difficult to accurately measure and evaluate impact.

Because Web 2.0 tools require an adequate platform upon which to operate, several foundations are currently redesigning their Web sites, and Web teams, to better leverage the potential of Web 2.0 services. The Ford Foundation, Robert Wood Johnson Foundation, Bill and Melinda Gates Foundation and **John S. and James L. Knight Foundation** have all recently completed or are in the process of redesigning their Web sites and platforms. All are aiming for greater flexibility, real-time updating and the ability to create online communities where conversations and knowledge sharing can occur around core program priorities.

The new **Robert Wood Johnson Foundation site**, for example, is fully enabled for Really Simple Syndication (RSS). RSS is a Web feed format that publishes new and updated online content. When a site's content is RSS enabled, a user can "subscribe" to that feed, so that whenever content is updated or added, it will appear in the user's "reader," aggregated with any other RSS feeds the user has subscribed to. All RWJF had to do was enable their Web site with RSS; now anyone can "pull" RWJF's content by subscribing, and RWJF is able to track who is receiving which types of information about the foundation's various programs.

The Robert Wood Johnson Foundation RSS-enabled Web site

While a number of larger foundations are moving forward with major Web site redesigns and updates, others are still playing catch up with technology trends or their own expectations for where they should be by now**. An article from *The Chronicle of Philanthropy*** discusses the **Technology Affinity Group's** biennial ***Grantmakers Information Technology Survey Report*** finding that the percentage of foundations reporting that they are "lagging behind" in technology infrastructure and adoption went from 22 percent in 2003 to 37 percent in 2005 to 57 percent in 2007. Without sufficient investment in technology infrastructure, communications staff will be limited in the online initiatives they can carry out.

Working with Web 2.0 technologies also takes a new alignment of resources. The John S. and James L. Knight Foundation is one of the foundations that has created and hired a full time staff member to manage online communities. To advertise the opening, **Marc Fest**, vice president of communications, created a simple and short video that showed him describing the position, giving a tour of Knight's office and asking selective staff to answer the question "what do you like about working at Knight Foundation?" Knight posted the 3:08 minute video on YouTube, in an example of taking their message where the conversation was happening.

Foundations like Knight that have created new positions are recognizing the value of having an internal technology "evangelist" on staff, someone who can influence the organizational culture, acting as an advocate for new media and contextualizing it for other staff members who may not understand, much less appreciate, its potential. Fest said that Knight's goal was to find someone who could help the foundation deepen "a culture that values outside influences" and ideas for change, the type of perspectives that can be found by tapping into new networks and new media. "Once you engage in the Web 2.0 route, you give up a certain level of control—and you run into staffing/resource issues. But it's about having a vision for how these new technologies can benefit your mission. It requires seeing how creating this 'outside-in' information flow can make a positive difference in how you operate as a foundation."

Dianne Price of Kellogg Foundation, who also has a recently created "new media manager" position, said she looked for someone who could bridge generations as well as multiple external and internal audiences. It wasn't enough to just be a technology whiz.

Blogs and other interaction-intensive forums can require a full time staff person to help

> Communications people in traditional organizations are often naturally oriented to command and control communications models, message discipline. But that's not how it's going to work any more.
>
> – Chris DeCardy, The Packard Foundation

line up content and moderate the comments. According to Victor d'Allant of Social Edge, any organization considering a new blog should ask themselves: "Can we commit to it for the next six to twelve months? If you don't have enough to say for that period of time, it's probably not a blog, it's something else. So don't start."

In addition to a commitment for the long haul, online communications happen at a completely different pace from traditional communications. Resources are needed to keep up with and respond to the 24/7, anytime/anywhere nature of online communication.

Some interviewees questioned whether the need is really for *more* staff, or differently aligned staff with greater clarity on priorities. **Chris DeCardy**, vice president and director of communications at **The David and Lucile Packard Foundation** noted that "the talent pool to tap may not be communications skills as much as organizing skills, or networking skills. Communications people in traditional organizations are often naturally oriented to command and control communication models, message discipline. But that's not how it's going to work any more."

William Hanson, director of communications and technology for the **Skillman Foundation,** wondered if his foundation invested in a new media refresh of its Web site, would they need to stop doing other things, like producing the usual array of print publications? Are snail-mailed newsletters, for example, being eclipsed by electronic bulletins? How much longer will foundations continue to produce costly annual reports?

In addition to communications staff dedicated to online communications, the shift to the Web 2.0 world requires a different kind of involvement from program staff. Several interviewees described the challenge of persuading overburdened program staff to participate in blogs or other interactive forums. Program officers cite not only a lack of time, but also a lack of familiarity with the technology. Still others are hesitant to risk putting themselves "out there" to such a degree, out of a fear that significant public exposure will open the floodgate of unsolicited requests and inquiries from prospective grantees.

One way to encourage program staff to support Web 2.0 efforts is to demonstrate the ways in which technology can enhance information gathering and program development. When the Packard Foundation's Conservation and Science Program wanted input on how to best tackle the growing global problem of nitrogen pollution, **it created a wiki** to collect the best thinking from a large community of experts and stakeholders, many of whom the foundation had not previously worked with (see case study abstract, Appendix D).

Through the wiki experiment, the foundation hoped to gather more than just information from individuals. According to Packard's summary of the project: "A wiki, in theory, would allow people from different perspectives to collectively generate new and better ideas than they would have been able to generate on their own. Instead of relying solely on experts it already knew, the Packard Foundation hoped to expand its network by using the power of the Internet to include a broader range of stakeholders, academic institutions, the private sector and interested individuals."

The Packard Foundation's nitrogen wiki

The wiki experiment, they posited, had the potential to help improve the goals and elements of a grantmaking strategy while also helping the foundation to identify individuals, institutions and projects that could play a role in carrying it out. After creating the wiki, the Packard team promoted it on some 40 different blogs, Web sites and e-mail lists to generate interest from communities interested in nitrogen research. More than 120 registrants signed up in all, with several dozen actively engaging in the site on a regular basis. Discussion was lively, though sometimes intermittent during the planned project lifespan of about six weeks in early 2008.

All told, foundation staff spent an estimated 500 to 600 hours over four months creating, managing and evaluating the project—a sizeable time investment to be sure, but one full of useful lessons. Chris DeCardy said the foundation "found that the value of the overall process was about equal to an input/output of pursuing a more conventional program development or fact-finding model. It definitely helped shift Packard's strategy, or played a role in shifting it, but the net return was not exponentially greater than the models we have traditionally used."

Internal Alignment and Support

Whether it's making the case for more or differently aligned resources, or for participation in online conversations by leadership and program staff, many interviewees cited the need for internal advocacy and education as a significant challenge. There was near consensus on the need to be prudent in staging your approach, assess overall value along the way and build on successes where and when they emerge.

A phased approach with small, incremental steps seemed important to participants especially because it can be difficult to measure and evaluate the reach or impact of Web 2.0 communication efforts. It's easy to keep track of a site's basic Web stats, but that only goes so far. It doesn't assess reach beyond the foundation's own Web site, and it doesn't assess the impact of the communication effort. There are ways to get additional feedback, including anecdotes, tracking comments and focus groups. Several respondents mentioned the importance of investing in testing and feedback. However, the general sense is that no one has really figured out yet how to determine the return on investment for interactive online communications.

Several participants made a case for their Web 2.0 initiatives based on consistency with their foundation's theory of change or institutional values. Ideally this is grounded in direction from leadership to innovate and generate ideas, and a desire to solicit feedback from as broad of an audience as possible. For example, leadership at the John S. and James L. Knight Foundation made it a priority for the foundation to understand and become expert in how Web 2.0 technologies are changing journalism and public discourse, consistent with the foundation's origin and mission.

In another example, The John D. and Catherine T. MacArthur Foundation has made very visible, cutting-edge **forays into the virtual reality site Second Life,** consistent with their programmatic priority around digital media, learning and education (see case study abstract, Appendix D).

With something as new as virtual reality, creating a presence in Second Life raises questions about what MacArthur was hoping to accomplish and who they hoped to reach. However, since one of MacArthur's programmatic priorities is to understand how new generations are participating and learning in a digital world, they made the strategic decision to be early adopters and experiment in an effort to learn by doing.

The MacArthur Foundation's foray into the virtual reality site Second Life

While Web 2.0 technologies can provide access to a broader audience than foundations have traditionally had, another challenge is whether all the audiences the foundation wishes to communicate with have access to online communications and wish to participate. In other words, are foundations reaching the right audiences with Web 2.0 communication efforts?

Julee Newberger of The Annie E. Casey Foundation points out, "I might know the demographic for the average person who reads The New York Times; that's easier to determine than who is reading various blogs. Then there is the question of whether they fit into our audience group."

While use of the Internet has been on a steady upward trend in this country—**78%** of Americans older than 12 years regularly access the Internet—not everyone has access to technology, or the inclination to be on the Web, or the knowledge to fully and meaningfully participate. There are also issues of culture, language and geography to consider, especially for foundations needing to communicate with a multicultural or global audience.

And even among those who do participate in online communities, as **Michael D. Smith**, director of social investment at the Case Foundation points out, "It's no longer about 'build it and they will come.' That's the Web 1.0 approach," he says: "In Web 2.0 it's about building it, making it relevant—even fun, providing all kinds of reasons for people to participate in the conversation and then distributing in as many different places as you can. You have to bring it to where people are so that taking action is easy, repeatable and meaningful to the user." At the Case Foundation they're finding that for many people, that incentive is the opportunity to take action and make a difference in an issue they care about.

The Roles of Foundations and Grantees

If people will participate in an online community for an issue they care about, what is the role of the foundation compared to the role of grantees? Nonprofits can usually provide more of an action step for the general public (donating, volunteering, even lobbying). Foundations have often stayed in the background in favor of the grantees getting the spotlight.

This seems to be borne out by a recent survey by the **Philanthropy Awareness Initiative** which found that more than half of engaged Americans (individuals who hold a leadership, committee, or board-level role in an organization working on community or social issues) surveyed could not name a foundation on their first try.

Several participants noted that many nonprofits are ahead of foundations in using Web 2.0 technologies to advance their goals.

Mitch Hurst of the Charles Stewart Mott Foundation said, "It's my view that grantees are well ahead of their funders when it comes to Web 2.0 because they (the grantees) have other motivations that force them to think about how to use these tools strategically: to raise funds, find volunteers and fill other sorts of bottom-line needs that foundations just don't have."

Michael Hoffman agreed. "There isn't a fundraising pressure, or a membership pressure on a foundation the way there are on nonprofits or membership organizations. And absent that, foundations have been slower to move and adapt. Foundations do have communication goals though. And these new technologies—if applied strategically—can help meet them."

Some described this as a branding or identity issue. **Amanda Rounseville**, grants officer of communications and public affairs for **The California Endowment** put it this way: "There is a personality question, in terms of where foundations want to be. How important is the role of the foundation, and how important is the role of the work? Most foundations realize that it's critical to support the work by taking risks and investing in new communication strategies. On the flip side, they are also realizing that they can use innovative platforms to better leverage their own voice to advance an issue."

William Hanson of the Skillman Foundation took the argument to this conclusion: "Would it be better spent if communications professionals that work for foundations got a pot of money to help nonprofits communicate about the work they're doing?" Maybe it's less important that people recognize foundations by name and more important that they are aware of and engaged in the issues foundations care most about and are trying to change.

Many of the challenges of using new tools are best addressed by being strategic. Alfred Ironside of the Ford Foundation describes their process this way: "We are taking a very user-centric approach. We're using research to back-up and guide the decision-making. There is no need to reinvent the wheel. Just make sure tactics make sense to the strategy at hand. The Web is a place and 2.0 is a tool where a lot of good things can happen. But we're not going to just jump into that blindly or put up a blog because blogs seem to be a cool thing to do."

Taking this kind of strategic approach can help a foundation balance the opportunity for greater influence with the challenges of resources, prioritization, internal advocacy and measuring return on investment. After all, these challenges are always present—whether a communications professional is innovating with Web 2.0 technologies or spreading the word in more traditional ways.

Conclusion

As we found in our interviews, some foundations are embarking on bold innovations; some are taking baby steps; others are waiting to learn more about where it is all leading. Most foundations are thinking about the implications of a changing world, the opportunity it presents and the challenges of adapting to the times.

There seems to be broad acceptance that the rules of the game have changed and foundations will, eventually, adapt in ways that advance their mission. There is also significant optimism that the changes present an opportunity, and foundations stand to gain more in influence and relevance than they lose in message control and privacy.

Recommendations for Getting Started

Based on what we learned from these interviews, there are a few rules of the road that foundation communicators can keep in mind when weighing the Web 2.0 landscape. The good news is that getting started has less to do with specialized knowledge or technical skills and more to do with leadership skills:

Assess your organization's appetite for innovation.
Identify internal support among leadership and program officers. Assess how much internal educating you will need to do. Identify organizational values or priorities that are consistent with Web 2.0 communication. Note where online conversations relevant to your foundation are already taking place, with or without you.

Recognize and garner the resources it will take.
Identify the technology upgrades that you might need to bring your organization and its Web presence up to date. Assess current staff capacity and identify areas where training, realignment of priorities, or new positions are needed.

Build internal allies.
Begin by identifying program staff that may be receptive to experimentation. Certain Web 2.0 tools can be useful marketing opportunities to promote a given project, program or new initiative. Educate foundation leadership on the organizational benefits of innovation, and the risks of inaction. Point to other organizations that have been early movers, and learn from their experiences.

Be strategic.
Don't lead with the tool. Start with the foundation's goals and priorities. Identify the story you want to tell to achieve those goals. Identify the audience you want to reach; remember that the foundation is not the audience. Choose a Web 2.0 technology or tool only if it will help you tell the story.

Leverage the great work of others.
Most of the best Web 2.0 tools you will need have already been built and employed by other organizations. There is no need to reinvent the wheel.

Go slowly and build on successes.
It is never too late to start, and you can start small. Do a small experiment or pilot program for a specific period of time and stop to reassess. Try something for a few weeks, then pause to evaluate.

Key Questions for the Sector

From a sector perspective, the technologies and societal trends are new enough that not all of the questions have been answered yet. Among the key questions that emerged from the interviews for the field to consider and pursue moving forward are:

Control and transparency.

How comfortable will foundations become with the participatory nature of Web communication? With the transparency and exposure, and loss of message control? How long will it take foundations to adapt to this new communications world?

Generational digital divide.

Is the generation divide real when it comes to emerging technology? How can it be overcome? Will it take new leadership to truly adapt, or can the early adopters model behaviors for others to emulate?

Influence.

How can foundations best maintain and increase their influence over the issues they care about? How will ideas and feedback generated from online communications best influence grantmaking decisions?

Alignment.

How will foundations align resources in their communications functions, and between communications and programs, to best meet the opportunities and challenges of a Web 2.0 world? If communication is less about a unidirectional message, and more about how foundations engage with their audiences, what does this mean for integration of communications and programs?

Evaluation and measurement.

How will foundations assess and evaluate the impact or success of their online communication efforts? What are the right metrics? And how are the challenges inherent in the Web 2.0 world any different from the measurement obstacles of traditional communications?

Individual giving.

What are the implications of the rise of Internet-empowered individual giving for foundations? As Web 2.0 tools make it easier for donors to do due diligence and actively participate in their recipient organizations, will the public come to expect a more public vetting process for funding social issues than grantmaking foundations have traditionally provided? How will nonprofits adapt to the need to interact with foundations in a traditional way and social entrepreneurs in a new way, and how will this affect their capacity?

Grantee network building.

Should foundations be funding nonprofits to develop their capacity to communicate with and build networks among their service recipients, donors, practitioners, and volunteers? Do communications professionals in foundations have a role to play in such funding decisions? Do Web 2.0 technologies have implications for aligning communications and programs in a new way in order to have the greatest impact on the societal issue the foundation is focused on? What is the right investment balance between a foundation's own communications efforts and that of its grantees?

Communicating with the general public.

Should foundations take advantage of the opportunities Web 2.0 offers to interact directly with the public? Is there a role for grantmaking foundations to use their resources and Web 2.0 technologies to help create networks of people interested in certain issues and connect them with grantees to take action (donate, volunteer, advocate)? Could this be a way to help advance progress on foundation priorities?

Final Thoughts

Over and over again study participants noted that these technologies are new, and were mostly unheard of only five years ago.

Our pool of interviewees also noted that foundations don't have the same economic imperatives to force adaptation that for-profit or nonprofit organizations do. A foundation's ultimate success is not dependent upon e-commerce sales or click through rates, the way most Web-based businesses are. However, because foundations are uniquely insulated from more conventional economic imperatives (the ups and downs of the stock market notwithstanding), they enjoy the luxury of being able to innovate, experiment and explore in a way few other institutions can.

And many study participants believe that using new technologies to communicate those innovative efforts is one of the ways that foundations can build public will around their programmatic priorities. Yes, there are challenges and risks. But there is also optimism that whatever is "lost" in message control will be more than made up for by the opportunity to engage in interactive communication with new audiences, in previously unimagined ways. These newly opened doors can provide unique insights into what people really think of foundations and their issues, and have the opportunity to influence the conversation.

By continuing to innovate and share learning across foundations, the field will develop answers to the unanswered questions. As Victor d'Allant of Social Edge said, "We're learning as we go. There are no experts yet."

Or, as Rich d'Amato of Case Foundation said, "Come on in, the water's fine."

About the Authors

David Brotherton is the founder and president of **Brotherton Strategies**, a Seattle-based communications firm serving a mix of socially-responsible corporate, philanthropic and non-profit clients.

David is a communicator of conscience and practitioner with principles who has spent 20 years in public affairs and public relations framing complex issues, communicating corporate values and articulating persuasive messages. Through writing, research, evaluation, strategic planning and media relations, Brotherton Strategies helps its clients advance business objectives, foster positive social change and influence public opinion.

Before founding his own firm, David was director of communications for the Marguerite Casey Foundation, a grantmaker supporting the economic and social empowerment of low-income families and communities nationwide. He previously served as vice president of public affairs for Imagio | J. Walter Thompson; as director of public relations for RealNetworks; and as a senior writer and account executive with the Gogerty Stark Marriott agency.

David began his career in Washington, D.C., where he worked first as a Congressional staffer and later a political reporter. He has also served on numerous political campaigns at the federal, state and local levels.

David earned his bachelor's degree from Lewis & Clark College in Portland, Ore. and did his masters work in journalism at the University of Oregon. He currently serves on the boards of the **Communications Leadership Institute** and **826 Seattle**, the region's only free center dedicated to helping young people improve their expository and creative writing skills.

Cynthia Scheiderer is a strategist,researcher, educator and facilitator who has worked with foundations, technology companies and nonprofits. Cynthia helps organizations understand, influence and engage the public by asking great questions and skillfully including multiple perspectives and interests.

Working with foundations and nonprofits over the past six years, she has researched and developed outreach initiatives that include grassroots organizing, technology, storytelling, media and policy components. She is a former director of public affairs and communications at Casey Family Programs in Seattle, Wash., where she built a community outreach function, led the start-up of a national consumer advocacy group and managed grants focused on constituency organizing.

Prior to this, Cynthia spent seven years in the high-tech industry, including five years at Adobe Systems, where she managed teams and initiatives in customer support, knowledge management, education, training, business development and consulting. Cynthia earned her bachelor's degree in communication from California State University, Fullerton, and her master's degree in education from Seattle University.

Appendix A:
Select Annotated Bibliography

All Web site addresses and hyperlinks throughout the document are current as of September 2008.

Adler, R. P. (2007). *Next generation media: The global shift*. Washington, DC: The Aspen Institute.
www.aspeninstitute.org/site/c.huLWJeMRKpH/b.2589381/k.6E22/FOCAS_Interactive_Report.htm

This report from the Aspen Institute is not specific to philanthropy, but is a good overview of Web 2.0 technologies and their societal implications. Provides context for the issues, as well as a useful overview of concepts. References many Web 2.0 technologies and goes in-depth about Wikipedia, Second Life and craigslist. From the introduction: “Examines the growth of new media and their effect on politics, business, society, culture, and governments the world over.”

Baker, S. and Green, H. 2/20/2008. Social Media Will Change Your Business. *BusinessWeek.*
www.businessweek.com/bwdaily/dnflash/content/feb2008/db20080219_908252.htm?chan=search

An update of a 2005 article “Blogs Will Change Your Business,” describing the effect of blogs, social networking and other social media on the business environment.

Bernholz, L., Fulton, K., & Kasper, G. (2006). Staying ahead of the technology curve: Here's how the latest technology trends could help community foundations serve their communities better. *Foundation News and Commentary,* 47(4)
www.foundationnews.org/CME/article.cfm?ID=3786

This article is relevant to our inquiry, though it does focus on community foundations. It is one of the better “laundry lists” of Web 2.0 technologies and how they could be applied in philanthropy. References Skoll Foundation’s Social Edge.

Bollier, D. (2006).*When push comes to pull: The New Economy and Culture of Networking Technology*. Washington, DC: The Aspen Institute.
www.aspeninstitute.org/atf/cf/%7bDEB6F227-659B-4EC8-8F84-8DF23CA704F5%7d/2005InfoTechText.pdf

Another report from Aspen Institute’s Communication and Society program, this one examining the interplay between “push” and “pull” technologies—and pointing out that it’s not either/or but both/and. Theoretical, but explores some interesting concepts around the mediation of messages, the role of non-traditional intermediaries and how online communities and social networking are driving “greater authenticity in communications.”

Bollier, D. (2007).*The Rise of Collective Intelligence*: *Decentralized Co-Creation of Value as a New Paradigm of Commerce and Culture*. Washington, DC: The Aspen Institute.
www.aspeninstitute.org/atf/cf/%7Bdeb6f227-659b-4ec8-8f84-8df23ca704f5%7D/C&S2007INFOTECHREPORT.PDF

Another report from Aspen Institute's Communication and Society program, this one focusing on individual genius and innovation versus "collaborative value creation" made possible by technology.

Dederich, L., Hausman, T., & Maxwell, S. (2006). Online technology for social change: From struggle to strategy. dotOrganize.
http://dotorganize.net/downloads/dotorg_report.pdf

This is a survey and report on nonprofits, not foundations, but delves into the issues of adoption, resistance and advocacy. There may be some intersections with foundations' movement-building interests. From the executive summary: "Over nine months, dotOrganize gathered input from more than 400 social change groups, technology providers, and nonprofit technology capacity builders...The goals of this report is to provide a detailed view of the sector's present situation, to give voice to the organizers who are struggling with these issues, and to offer recommendations for filling current gaps in strategy, software development and tool adoption paths."

Fine, A. H. (2006). 11/9/2006. Social change and the connected age. *The Chronicle of Philanthropy.*
http://philanthropy.com/premium/articles/v19/i03/03003901.htm

A commentary on how social media will affect the social sector from the author of *Momentum: Igniting Social Change in the Connected Age*. From her conclusion: "The greatest challenge....in the connected age is recognizing that using social-media tools is easy compared with adopting a new mindset for social change....Power is shifting from institutions to individuals throughout society....More progress is made more rapidly when organizations move to facilitating rather than controlling social-change efforts."

Fine, A. H. (2007).*Web 2.0 assessment of the Overbrook Foundation's human rights grantees.* Overbrook Foundation.
www.overbrook.org/resources/opn/pdf/Overbrook_Foundation_Web2point0_Report.pdf

An interesting study commissioned by a foundation to examine how grantees are using Web 2.0 technologies; by Allison Fine, author of *Momentum: Igniting Social Change in the Connected Age*. Describes the opportunity for nonprofits and the role that foundations can play in supporting their efforts to adapt to a changing world. Notes that nonprofits are not using "really easy" new media like blogs and RSS.

Fleishman, J. L. (2007). The foundation: A great American secret; How private wealth is changing the world. Public Affairs.
www.publicaffairsbooks.com/publicaffairsbooks-cgi-bin/display?book=9781586484118

Describes foundations as a uniquely American institution and force for change, with an emphasis on transparency and accountability.

Gibson, C. (2006). Citizens at the center: A new approach to civic engagement. Case Foundation.
www.civicengagement.org/agingsociety/links/Citizens_Center.pdf

A study funded by The Case Foundation provides a discussion of the issues around civic engagement and participation, with a focus on citizen-centered methods for advocacy and movement building. Pages 19 through 23 focus on the implications of Web 2.0 technologies in civic engagement. “Technology is seen by many as one of the most promising venues for encouraging, facilitating, and increasing citizen-centered dialogue.”

Kaspar, G. and Scearce, D. (2008). *Working wikily: How networks are changing social change*. Monitor Institute.
www.packard.org/assets/files/capacity%20building%20and%20phil/organizational%20effectiveness/phil%20networks%20exploration/Working_Wikily_29May08.pdf

A paper from the Philanthropy and Networks Exploration, a partnership of the David and Lucile Packard Foundation and Monitor Institute, describing how access to Web 2.0 tools “is driving a fundamental change in how groups are formed and work gets done.”

Kean, S. (2007). November 15, 2007 Foundations slow to adopt technology. *The Chronicle of Philanthropy*
www.philanthropy.com/premium/articles/v20/i03/03003202.htm

This very short article is a reference to the TAG surveys conducted in 2003, 2005 and 2007. It highlights the decline between 2005 and 2007 in foundations describing themselves as early adopters and the increase in those describing themselves as “lagging behind”. This is the technology adoption context in which we’re talking about Web 2.0 strategies.

Krasne, A. (2005). *What is Web 2.0 anyway?*
www.techsoup.org/learningcenter/webbuilding/page4758.cfm?cg=searchterms&sg=Web%202.0

A quick-and-easy “laundry list” of Web 2.0 technologies and their applications with nonprofits, from TechSoup.

Luckey, A. (2007). Grantmaking 2.0: Using new technology to enhance grantmaker practices Blueprint R&D.
www.blueprintrd.com/text/grantmaking2.0.pdf

One of the few references to focus on the grantmaking process, and emphasizes strategies such as interactive, online grant databases and RSS feeds; Mott is held up as cutting edge in this area. Cites foundation examples such as the Packard Foundation’s use of a wiki to shape a grantmaking strategy and MacArthur’s foray into Second Life. Addresses how Web 2.0 technologies can increase a foundation’s transparency.

Madden, M., & Fox, S. (2006). *Riding the waves of “Web 2.0”: More than a buzzword, but still not easily defined.* Pew Charitable Trusts.
www.pewinternet.org/pdfs/PIP_Web_2.0.pdf

A summary of Web 2.0 concepts from the Pew Internet and American Life Project. From the introduction: “‘Web 2.0’ has become a catch-all buzzword that people use to describe a wide range of online activities and applications, some of which the Pew Internet & American Life Project has been tracking for years. As researchers, we instinctively reach for our spreadsheets to see if there is evidence to inform the hype about any online trend. What follows is a short history of the phrase, along with some data to help frame the discussion.”

Michaels, M. 5/1/2008. Finding their voice: Grant makers seek new ways to share stories. *The Chronicle of Philanthropy.*
http://philanthropy.com/premium/articles/v20/i14/14000701.htm

Reviews how grant makers are using Web 2.0 tools in their communication efforts. Includes references to MacArthur Foundation, Bill & Melinda Gates Foundation, John S. and James L. Knight Foundation and the W.K. Kellogg Foundation, among others.

Philanthropy Awareness Initiative. 2008. Philanthropy's awareness deficit: Results from survey of engaged Americans.
www.philanthropyawareness.org/Philanthropys%20Awareness%20Deficit.pdf

A survey commissioned by the David and Lucile Packard Foundation for the Philanthropy Awareness Initiative and conducted by Harris Interactive. Posed questions about foundations to individuals who hold a leadership, committee, or board-level role in an organization working on community or social issues.

Rainie, L. and Tancer, B. (2007). *Data memo: Wikipedia*. Pew Internet and American Life Project.
www.pewinternet.org/pdfs/PIP_Wikipedia07.pdf

Description of who is consulting Wikipedia in this April 2007 data memo.

Schambra, W. A. (2005). In a world of bloggers, foundations can expect more scrutiny. *The Chronicle of Philanthropy.*
http://philanthropy.com/premium/articles/v17/i15/15004601.htm

An example of how the issues of transparency and control can arise for foundations in the blogosphere whether the foundation is participating or not. Schambra makes the case that bloggers will challenge political assumptions underlying philanthropy's actions.

Surowiecki, J. (2005). The wisdom of crowds: Why the many are smarter than the few and how collective wisdom shapes business, economies, societies, and nations. Anchor.
www.randomhouse.com/features/wisdomofcrowds/

A study in applied behavioral economics and game theory in which Surowiecki describes the better outcomes "wise crowds" can produce over individual experts in public settings, including electronic communications.

Verclas, K. (2007). Grantmaking in a Web 2.0 world.
http://nten.org/blog/2007/03/12/grantmaking-in-a-web-2-0-world

Commentary from Katrin Verclas, until fall of last year the Executive Director of NTEN and now co-founder of MobileActive. Like most of the other references to foundations, focuses on their grantmaking practices rather than their own communication practices. Emphasizes focusing on communication and networks, rather than technology per se. "Funders need to fund ideas and big hairy goals....They need to fund networks and communications—fund the conversation and fund open processes…Fund as if the world is changing—because it is."

Appendix B: Study Participants

Name		Title	Organization
Edith	Asibey	Principal	Edith Asibey Consulting
Claire	Baralt	Communications Officer	Doris Duke Charitable Foundation
Larry	Blumenthal	Senior Communications Officer	Robert Wood Johnson Foundation
Linda	Braund	Communications Manager	The Heinz Endowments
Eric	Brown	Communications Director	The William and Flora Hewlett Foundation
Albert	Chung	Senior Communications Associate	The Edna McConnell Clark Foundation
Victor	d'Allant	Executive Director	Social Edge
Rich	D'Amato	Vice President, Communications	The Case Foundation
Chris	DeCardy	Vice President and Director of Communications	The David and Lucile Packard Foundation
Teresa	Detrich	Director, Electronic Communication	Lumina Foundation for Education
Peter	Droege	Vice President, Communications	Daniels Fund
Marc	Fest	Vice President, Communications	John S. and James L. Knight Foundation
Corrie	Frasier	Senior Web Product Manager	Bill and Melinda Gates Foundation
Anne	Green	Consultant	AG Consulting, Philanthropy NW
William	Hanson	Director of Communications and Technology	The Skillman Foundation
Lucas	Held	Director of Communications	The Wallace Foundation
Michael	Hoffman	CEO	See3 Communications
Jennifer	Humke	Communications Officer	The MacArthur Foundation
Mitch	Hurst	Team Leader - New Media	Charles Stewart Mott Foundation
Alfred	Ironside	Director of Communications	The Ford Foundation
Thomas	Kriese	Executive Producer	Omidyar Network
Larry	Meyer	Senior Communications Officer and Secretary	John S. and James L. Knight Foundation
Elizabeth	Miller	Senior Program Associate	The Overbrook Foundation
Julee	Newberger	Online Communications Associate	The Annie E. Casey Foundation
Lisa	Pool	Executive Director	Technology Affinity Group
Dianne	Price	Director, Public Affairs	W. K. Kellogg Foundation
Douglas	Root	Communications Director	The Heinz Endowments
Amanda	Rounsaville	Grants Officer, Communications and Public Affairs	The California Endowment
Debra	Rubino	Director of Strategic Communications	Open Society Institute
Michael D.	Smith	Director of Social Investment	The Case Foundation
Mary	Trudel	Senior Communications Officer	The Wallace Foundation
Lowell	Weiss	Consultant	Cascade Philanthropy Advisors

Appendix C: Interview Protocol

This study has been commissioned by the Communications Network. We're interested in learning whether Web 2.0 technologies seem relevant to you, what your experience has been and any successes and lessons learned.

Here are some examples of interactive, Web 2.0 technologies: blogging, podcasts, interactive annual reports, wikis, social networking such as Facebook, virtual reality sites such as Second Life, video, text messaging and RSS feeds.

Unless you have any questions for me, we'll start with a few open-ended questions:

Have you used any of these technologies so far in your communication initiatives?

> **IF YES:**
> Which ones have you used?
>
> How did you use them, and what audiences were you communicating with? What were the objectives you were trying to achieve?
>
> (Follow one or two examples to drill down on.)
>
> What worked well?
>
> What was the response with the external audiences you were communicating with?
>
> What were the factors that led you to try it?
>
> Were there challenges internally? What were they? How did you overcome them?
>
> What key areas of support did you have internally?
>
> What were the lessons learned?
>
> How are you assessing the benefit or impact of these efforts? Was it 'worth it'?
>
> What advice would you give to a foundation thinking about incorporating these technologies into their communication efforts?
>
> **IF NO:**
> Do any of these technologies seem to you to have relevance or potential for your communication efforts; do you want to be using them?
>
> > **IF YES:**
> > Which ones, and why?
> >
> > Do external audiences seem to want or expect these technologies?
> >
> > What are the barriers and challenges to adopting these technologies, internally or institutionally?

What support do you think you would have internally for adopting these technologies?

Are you hearing much about others' use of these technologies, including grantees, other foundations?

IF NO:
Why not?

Are you hearing interest or demand internally for using these technologies?

Are you hearing interest or demand from external audiences for using these technologies?

Are you hearing much about others' use of these technologies, including grantees, other foundations?

What do you think trends will be for technology and communication in the coming years?

FOR ALL:
Is there anyone else we should be talking to: anyone you know of who has something to say on the topic or anything you've read that we should be aware of?

Is there anything else you wish we'd asked or want to add?

Appendix D: Glossary

The following glossary is made up of definitions taken from Wikipedia. There has been controversy about the reliability and accuracy of information on Wikipedia. However, Americans are increasingly consulting Wikipedia. According to the **Pew Internet and American Life Project**, 36% of American adult Internet users consult Wikipedia, and "Wikipedia is far more popular among the well educated than it is among those with lower levels of education." Earlier this year Wikipedia passed the 10 million article milestone. In the spirit of Web 2.0, we used this source as a reference for Web 2.0 terms.

Wikipedia, the free encyclopedia. Retrieved September 10, 2008, from **http://en.wikipedia.org/**

A **blog** (a contraction of the term "Web log") is a Web site, usually maintained by an individual, with regular entries of commentary, descriptions of events, or other material such as graphics or video. Entries are commonly displayed in reverse-chronological order. "Blog" can also be used as a verb, meaning *to maintain or add content to a blog*.

An **Internet forum** is a web application for holding discussions and posting user-generated content. Internet forums are also commonly referred to as Web forums, newsgroups, message boards, discussion boards, (electronic) discussion groups, discussion forums, bulletin boards, *fora* (the Latin plural) or simply forums. The terms "forum" and "board" may refer to the entire community or to a specific sub-forum dealing with a distinct topic. Messages within these sub-forums are then displayed either in chronological order or as threaded discussions.

New media is a term meant to encompass the emergence of digital, computerized, or networked information and communication technologies in the latter part of the 20th century. Most technologies described as "new media" are digital, often having characteristics of being manipulable, networkable, dense, compressible, and impartial.

A **podcast** is a series of digital-media files which are distributed over the Internet using syndication feeds for playback on portable media players and computers. The term *podcast*, like *broadcast*, can refer either to the series of content itself or to the method by which it is syndicated; the latter is also called podcasting. The host or author of a podcast is often called a podcaster.

RSS is a family of **Web feed** formats used to publish frequently updated works such as blog entries, news headlines, audio, and video in a standardized format. An RSS document (which is called a "feed," "web feed," or "channel") includes full or summarized text plus metadata such as publishing dates and authorship. Web feeds benefit publishers by letting them syndicate content quickly and automatically. They benefit readers who want to subscribe to timely updates from favored websites or to aggregate feeds from many sites into one place.

Social bookmarking is a method for Internet users to store, organize, search and manage bookmarks of Web pages on the Internet with the help of metadata. In a social bookmarking system, users save links to Web pages that they want to remember and/or share. These bookmarks are usually public, and can be saved privately, shared only with specified people or groups, shared only inside certain networks, or another combination of public and private domains. The allowed people can usually view these bookmarks chronologically, by category or tags, or via a search engine. Most social bookmark services encourage users to organize their bookmarks with informal tags instead of the traditional browser-based system of folders, although some services feature categories/folders or a combination of folders and tags.

Social media is the use of electronic and Internet tools for the purpose of sharing and discussing information and experiences with other human beings. The term most often refers to activities that integrate technology, social interaction, and the construction of words, pictures, videos and audio. This interaction, and the manner in which information is presented, depends on the varied perspectives and “building” of shared meaning among communities, as people share their stories and experiences.

A **social network service** focuses on building online communities of people who share interests and activities, or who are interested in exploring the interests and activities of others. Most social network services are web based and provide a variety of ways for users to interact, such as e-mail and instant messaging services. Social networking has created powerful new ways to communicate and share information. Social networking websites are being used regularly by millions of people, and it now seems that social networking will be an enduring part of everyday life. The main types of social networking services are those which contain directories of some categories (such as former classmates), means to connect with friends (usually with self-description pages), and recommender systems linked to trust. Popular methods now combine many of these, with MySpace and Facebook being the most widely used in North America.

Text messaging, or **texting** is the common term for the sending of short (160 characters or fewer, including spaces) text messages from mobile phones using the Short Message Service (SMS). It is available on most digital mobile phones and some personal digital assistants with on-board wireless telecommunications. The individual messages which are sent are called *text messages* or, more colloquially, *texts*.

A **viral video** is a video clip that gains widespread popularity through the process of Internet sharing, typically through e-mail or IM messages, blogs and other media sharing Web sites.

A **virtual world** is a computer-based simulated environment intended for its users to inhabit and interact via avatars. These avatars are usually depicted as textual, two-dimensional, or three-dimensional graphical representations, although other forms are possible (auditoryand touch sensations for example). Some, but not all, virtual worlds allow for multiple users.The computer accesses a computer-simulated world and presents perceptual stimuli to the user, who in turn can manipulate elements of the modeled world and thus experiences telepresence to a certain degree. Such modeled worlds may appear similar to the real world or instead depict fantasy worlds. The model world may simulate rules based on the real world or some hybrid fantasy world. Example rules are gravity, topography, locomotion, real-time actions and communication. Communication between users has ranged from text, graphical icons, visual gesture, sound, and rarely, forms using touch and balance senses.

Web 2.0 is a living term describing changing trends in the use of World Wide Web technology and web design that aim to enhance creativity, information sharing, collaboration and functionality of the web. Web 2.0 concepts have led to the development and evolution of web-based communities and hosted services, such as social-networking sites, video sharing sites, wikis, blogs, and folksonomies. The term became notable after the first O’Reilly Media Web 2.0 conference in 2004. Although the term suggests a new version of the World Wide Web, it does not refer to an update to any technical specifications, but to changes in the ways software developers and end-users utilize the Web.

A **wiki** is a page or collection of Web pages designed to enable anyone who accesses it to contribute or modify content, using a simplified markup language. Wikis are often used to create collaborative websites and to power community websites. The collaborative encyclopedia Wikipedia is one of the best-known wikis. Wikis are used in business to provide intranets and Knowledge Management systems.

Appendix E: Abstracts of Case Studies

Second Life: The John D. and Catherine T. MacArthur Foundation
In 2006, the MacArthur Foundation launched a five-year, $50 million **digital media and learning initiative** to help determine how digital technologies are changing the way young people learn, play, socialize and participate in civic life. As part of this program, the foundation announced an initiative to explore the role of philanthropy in virtual worlds, and created a presence on Second Life, the "virtual reality" world created by Linden Lab. This case study examines the communications implications of this initiative. How has operating in a virtual world changed the way the foundation communicates? Has their experience in Second Life influenced the way they communicate outside of Second Life? As part of this initiative, MacArthur expressed its caution, noting that "unintended or negative consequences of virtual worlds may demand the attention of foundations as urgently as any exciting benefits." What have been the lessons learned about communicating in a virtual world?

Nitrogen Wiki: The David and Lucile Packard Foundation
At the end of 2006, the Packard Foundation's Conservation and Science Program began exploring a strategy to address nitrogen pollution. They were interested in expertise from multiple points of view, including environmental, scientific, technological and economic. To create a way to gather this input, **they ran a wiki** from March 30 to May 10, 2007. This wiki was a place where a network of people could contribute, discuss and build on ideas. This case study will explore the communications lessons learned from this initiative. How did the foundation communicate before, during and after the time the wiki was open? How is the foundation communicating differently as a result of this initiative?

Daniels Scholars on Facebook: The Daniels Fund
The Daniels Fund provides scholarships to college-bound high school graduates and non-traditional students with financial need in Colorado, Wyoming, New Mexico and Utah. They found they were struggling with the best way to communicate with their scholars. They also wanted to encourage a community of Daniels Scholars. E-mail and posting information on their own Web site wasn't working well enough. After researching their options, they created **a community in Facebook**. This case study will explore a foundation's use of social networking to communicate with their grantees and build community. What have been the advantages of using an established service like Facebook? What are the risks and how has the foundation managed them? What has the response been? And how does the foundation see this influencing the way the foundation communicates with all of its audiences in the future?

Camino a la Universidad: Lumina Foundation
The Lumina Foundation for Education "strives to help people achieve their potential by expanding access to and success in education beyond high school." One of the priority populations for Lumina initiatives are Latinos, as Lumina recognizes there is a higher education access and attainment gap among this population. In their **Camino a la Universidad** initiative, Lumina produced an interactive, multimedia report on the research about Latinos and higher education and made it engaging, interactive, and sharable. This case study will explore how Lumina is disseminating information in these creative, interactive ways. Who is consuming this information? How is Lumina measuring reach and influence? Have they been able to reach new audiences?

Pioneering Ideas Blog: The Robert Wood Johnson Foundation
In August 2006, The Robert Wood Johnson Foundation launched **a blog called "Pioneering Ideas**" for their Pioneer portfolio. The Pioneer portfolio "aims to support novel, high-return ideas that may have far-reaching impact on people's health, the quality of care they receive and the systems through which that care is provided." True to the spirit of this program, which seeks ideas from outside ofhealthcare as well as within, the Pioneering Ideas blog has run continuously since August 2006. This case study will explore what RWJF learned from the ideas, discussion and feedback on this blog. We will describe how they have managed the blog to maintain a civil conversation, and how they have handled disagreements and negative feedback. And finally, how has the blog influenced or changed the way the foundation communicates?