PHILANTHROPIC FOUNDATIONS IN CANADA

LANDSCAPES, INDIGENOUS PERSPECTIVES AND PATHWAYS TO CHANGE
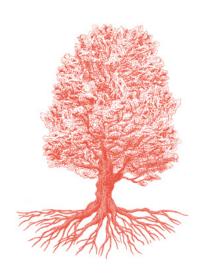
Edited by

Peter R Elson

Sylvain A. Lefèvre

Jean-Marc Fontan

Dedicated to our dear
friend and colleague
Jack Quarter

1942–2019

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Foundation House: More than just sharing space

Jehad Aliweiwi, Marcel Lauzière and Bruce Lawson

→ "It has been said that foundations are the first to demand collaboration amongst grant recipients and the last to collaborate amongst themselves; we wanted to provide a visible and tangible demonstration that this was not the case here."

Bruce Lawson

In May 2014, following a conference of philanthropic organizations held in Banff, Alberta, the three authors of this chapter[1] found ourselves discussing the mundane but always important topic of office space on the journey back to Toronto. We knew one another by professional reputation, but not personally. Yet we were peers in the rarified world of foundation management. As such, we had all found ourselves, coincidentally, contending with a familiar dilemma: the need for new digs.

In the case of the Counselling Foundation of Canada, Bruce felt the organization required a new space. His office at the time was located in downtown Toronto in a cramped space which needed renovation to accommodate a growing staff team, and where the boardroom was both a substantial part of the total square footage and highly underused. For Marcel, the Lawson Foundation had recently made a decision to relocate from London, Ont., to Toronto, and they were looking for the right workspace. Jehad, who runs the Laidlaw Foundation, realized its offices were underused and impractical. In addition, their landlord was busy making several upgrades throughout the building, which meant Laidlaw might have been faced with a decision to relocate sooner or later.

As we were commiserating about our respective real estate headaches, a few other executives from other foundations chimed in with their own stories. A pattern was emerging, and a practical idea soon followed: what about sharing space?

The mere notion of combining resources seemed out of character. Foundations, as we all knew, tended to be the lone wolves of the philanthropic world. We expect the organizations that accept our grants to collaborate and carry out the work we support cooperatively and inclusively. Yet, from many years of experience, we

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1 Bruce Lawson is president of the Counselling Foundation of Canada. Marcel Lauzière is president and CEO of the Lawson Foundation. Jehad Aliweiwi is the executive director of the Laidlaw Foundation. The three founding organizations have collective philanthropic assets worth approximately $250 million. For clarity, this chapter occasionally uses the first-person plural to represent the voice of the three founders.

understood that foundations aren't inclined to work that way themselves. Those of us fortunate enough to manage these endowments are keenly aware of the fact that most foundations and their boards prefer to operate independently. It's true that as a sub-sector of the philanthropic world, we belong to various umbrella organizations and convene regularly for conferences or other industry events. But we don't, by definition, need to go out into the world to secure resources; we provide resources to others. And so when it comes to the day-to-day business of managing our investment portfolio, vetting applications and directing funds, we do our own thing as foundations.

In other words, while "shacking up", as Bruce likes to put it, seemed like a straightforward solution to an ordinary problem, the prospect clearly demanded more than just a mechanical approach. It would entail a shift in thinking, a change in outlook about our place in the philanthropic world, vis-à-vis one another and outside organizations generally. Sharing meant becoming more public and less private.

The potential benefit, we should stress, was not at all theoretical. As will be explained later in this chapter, there's a fast-growing movement – among small businesses, real estate investors, social enterprises, nonprofits and even a few foundations – towards co-location or shared workspaces. Bruce had visited the Centre for Social Innovation (CSI) (McConnell Foundation, n.d), a shared space for social entrepreneurs located in two converted industrial buildings in downtown Toronto on several occasions. He was taken with the way that the building, with its many common-area spaces, served as a kind of civic stage where people from different organizations would run into one another and share ideas.

What was evident, in fact, is that the narrow economic and logistical benefits associated with sharing offices were merely part of a much larger package. The surging demand for shared space flows from the recognition that many creative and socially minded organizations depend heavily on access to ideas and fresh ways of tackling problems. Innovation, increasingly, is not a solitary task, to be conducted within well-fortified corporate walls.

Of course, we live in a technology-driven age when knowledge and data circulate freely, and at unprecedented speed. But, perhaps paradoxically, the human element remains equally important. As any scientist will attest, the conversations with colleagues in the pub or the random encounters on the way to the coffee machine are indispensable elements within any discovery ecosystem.

In sum, we saw the possibility of sharing space as an opportunity to not merely solve our real estate headaches but to try something different, and perhaps create an opportunity to push the world of foundation management outside its comfort zone. We understood that, in taking this step, we were attempting something very new, with very few operating models that could provide us with guidance when we encountered the inevitable potholes. But knowing something about how the world of collaborative work was changing in so many positive and constructive ways, we felt this step was a risk well worth taking.

Foundation House, which opened its doors in December 2015 on an 11,000 sq.-ft. floor in an office building in mid-town Toronto, is the result of that casual conversation that began on the way home from Banff in 2014. Besides our three founding foundations, it has seven "roomies", as we affectionately refer to our "tenant partners".[2] There is also a busy shared kitchen and a boardroom/convening space that is constantly filled with people who have come to Foundation House for various events, workshops, seminars, convening activities and other social activities relating to philanthropic work.

On the wall next to the main entrance is a framed copy of the Philanthropic Community's Declaration of Action (in English and French), a June 2015 commitment to respond to the Truth and Reconciliation Commission's recommendations to the charitable sector (Pearson *et al.*, 2015). This document, which includes the signatures of our three foundations as well as some of our "roomies", not only offers principles for the charitable sector at large; it is fundamental to the way we've conceived of this project.

The journey that led to the establishment of Foundation House required not just good will and collaboration, but also plenty of trial and error. We broke new ground. We have made some mistakes, and we hope we learned from them. In truth, the learning is non-stop. This chapter builds on the Foundation House Case Study, which was published about six months after the doors opened, and seeks to provide a roadmap of how and why we got here, as well as a provocation for other members of Canada's philanthropic world to consider our experiences in terms of their own operations and relationships with the charitable sector.

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[2] Canadian Environmental Grantmakers Network, CERIC, Community Foundations of Canada, Grantbook, Ontario Non-profit Network, Philanthropic Foundations of Canada and the Circle on Philanthropy and Aboriginal People in Canada.

Clusters, creativity and shared spaces

→ "By sitting together, we can think up new ideas and schemes and create more synergies."

Marcel Lauzière

Creative individuals tend to cluster, in both time and space. This abundantly well-documented phenomenon includes examples as diverse as the writers and artists who converged on the Left Bank in Paris in the 1920s, the skilled glass artisans who gravitated to Venice from the 13th century onwards (History of Murano Glass, n.d.) and the computer pioneers drawn to Stanford University and Palo Alto in the 1960s. Much more recently, the University of Toronto geographer and author Richard Florida has described both the economic and social gains made by cities that understand how to attract and retain creative people.

Likewise, clustering is a well-understood form of economic behaviour, with commercial entities (from retailers to manufacturers, high-tech firms and other types of businesses) establishing themselves in particular neighbourhoods or regions that are home to many competing firms. Previous and current examples would include everything from Manhattan's Diamond district to the insurers that have historically clustered in the City of London, Toronto's mining finance firms and garment district, and the film industry in Los Angeles. While the individual entities may compete with one another for customers, these regions attract talent, capital and new ideas.

Since about the early 2000s, yet another form of clustering has appeared on the innovation landscape. Regions like San Francisco/San Jose, Toronto/Waterloo and Boston/Cambridge have seen the emergence of incubators and accelerators, which are purpose-built spaces that bring start-ups, entrepreneurs, venture capital firms, researchers and others under one roof. These places are designed to foster interaction and are guided by the assumption that there are broad-based benefits associated with creating spaces meant to encourage random encounters. In cases like MaRS, a Toronto incubator/accelerator geared at domains like green energy and biomedical research, the building – a renovated early-20th-century hospital with two modern office towers built at either end – is embedded in and connected to a cluster of downtown research hospitals as well as the University of Toronto.

It is perhaps not a coincidence that Ontario entities like CSI, Innovation Works in London or the Ottawa Impact Hub have emerged at roughly the same time as the incubator/accelerator sector, and are guided by similar assumptions about the social nature of work, creativity and innovation. The popularity of commercial shared workspaces has broken out of the worlds of technology and social enterprise. We Work, a leading co-workspace company, has emerged to become a global enterprise, with more than 200 buildings located in 70 cities worldwide and annual revenues (2017) of US$900 million (Huet, 2018). As the company describes its mission: "We transform

buildings into dynamic environments for creativity, focus, and connection … [T]his is a movement toward humanizing work."[3] Regardless of the challenges that We Work is currently facing, to their credit they recognized a new and real workplace need. Many other real-estate firms, in fact, are moving into this field, offering tenants a completely different spatial and social experience that is based on breaking down the traditional barriers between organizations that share an address.[4]

This movement has also firmly taken root in the charitable/non-profit sector. While the earliest non-profit centres have been in operation for two or more decades, a report in October 2015 on shared spaces, conducted by the Non-Profit Centres Network (Jakubowski, 2015), found that the number of such facilities across North America grew from 212 in 2011 to almost 400 by 2015 (the survey included several Canadian examples). About four in ten had tenants from multiple sectors within the non-profit world, while 28% were "themed". According to the study, the typical facility had about 35,000 sq.ft, a dozen tenants, about 70 employees on site and gross revenues in the $500,000 range. (The figures for the Canadian centres surveyed were similar.)

A survey accompanying the report, asking respondents to enumerate the benefits of shared spaces, included the following results:

● 82% said shared spaces allow them to meet organizational goals better by allowing them to spend their revenues on programs instead of rent

● 77% generated revenue that meets or exceeds costs

● average annual savings reported by tenants was about US$25,000

While the financial and operational savings are clear, an earlier evaluation commissioned by Tides (US) revealed some of the more intangible benefits: additional traffic due to greater access, better outcomes for clients due to use of co-located services, revitalization of surrounding neighbourhoods, and environment improvements. The report further pointed out that in many communities, the shared centres fostered arts and other cultural activities and played a role in "field building" within the non-profit sector, allowing individual organizations to improve their service delivery and increase their organizational capacity:

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3 We Work. Retrieved from https://www.wework.com/

4 The shared office market is closely linked to another workplace trend, which is the move towards flexible spaces. Pioneered by technology giants like Google, which encouraged creativity among its employees, these workspaces are conspicuously lacking in not just walls, but even individual desks or work stations. The ubiquity of laptops and Wi-Fi allows employees to work at shared tables, in lounge areas or other non-traditional and notably fluid settings within the company's offices.

→ A number of centre managers reported either consulting to centres in other communities during their planning process or being approached for advice by planned and developing centres. Some foundations that have developed non-profit centres have gone on to build non-profit centres in other communities. Many centres in the study actively participate in the training and peer-learning forums of the Nonprofit Centres Network. These types of activities not only stimulate the development of new centres in new places, but also help to ensure that learning within the field translates into better centre development and management practices.

The Nonprofit Centers Network/Tides, 2011

Foundations, funders and others sharing facilities

By contrast to the proliferation of non-profit centres, there are very few examples of facilities shared mainly by foundations, funders or other similar groups besides Foundation House. "An early attempt by the Kahanoff Foundation in Calgary to engage philanthropic foundations and not-for-profits showed promise when it was launched in 1992," according to a 2016 case study on Foundation House. "The space is now under the leadership of the Calgary Foundation as a convention and meeting space, generating income that supports community programs and activities while offering reasonably priced office space to charities and not-for-profits."[5] As of this writing, the Max Bell Foundation is about to relocate to the Calgary centre, and another one is being planned in Montreal.

5   http://www.foundation.house/. See Case Study.

The Philanthropy Hub

The Philanthropy Hub (Alaska Community Foundation), Anchorage[6]

Developed in 2013, the Hub "allows philanthropic-minded organizations to co-locate and share services. The facility features state-of-the-art conference rooms, co-office management, a shared receptionist, accessible and open common areas, and other amenities. The Philanthropy Hub also provides for daily cross-organization collaboration and philanthropic synergy."

Its tenants include four foundations, an organization that allows Alaskans to earmark the annual dividends of a state-owned asset manager to the charity of their choice, an addiction treatment service, and an affordable housing service.

Philanthropy House

Philanthropy House (European Foundation Centre), Brussels, Belgium[7]

Opened in 2009, Philanthropy House was the outcome of an effort by several large pan-European foundations to establish a stronger presence for the philanthropic sector in Brussels, which is home to the European Commission (EC). The members include public and private foundations. The facility, located in a restored mid-rise building, has office space for tenants working in or with the sector, as well as exhibition halls, conference rooms and theatres for screenings or panel discussions that draw in both members and those they hope to educate about the value of organized philanthropy.

The mission of Philanthropy House reflects its location: establish a stronger presence for the philanthropic sector with the EC, convey a message about the importance of collaboration among funding organizations, and provide EC decision-makers with a venue for understanding the work of European foundations.

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6 https://alaskacf.org

7 https://www.efc.be

Location, location and location

In a project like this one, the choice of stage wasn't just important; it was foundational. Once we had determined the core group of participants, we embarked on a process for making the most practical decisions in this entire journey.

The first of these involved the question of whether to buy or rent. The overheated state of the Toronto real estate market – coupled with our collective desire to situate this new space within the city's core – meant ruling out the purchase and renovation of a building.

We retained the Not-for-Profit Advisory Group at Colliers Canada to identify potential rental spaces that were accessible by public transit and had plenty of light. Marcel had worked with the group during his time with Imagine Canada and had witnessed their genuine interest in working with the non-profit sector. This assignment would be a great challenge for them, given our expectations and the market conditions. We also hired a project manager to handle the day-to-day aspects of the search and oversee our projected $650,000 renovation budget.

All the obvious but important mechanical elements arose immediately: we needed to determine how much space we needed in order to accommodate the three organizations and our tenants – a process that required considerable discussion about current and future requirements. We had about 25 staff between us (as of 2015) and wanted to ensure space for approximately 15–20 other people (six or seven organizations). The three of us also had to make choices about the lease. And we required a vision for the design and configuration of the space.

Initially, we contemplated leasing space in one of the CSI buildings, which have served for several years as a viable and lively model for how shared space in the non-profit world can function. But we soon decided that, for our specific needs as a group of funders, we wanted space that would be both more formal and more curated, in the sense that we could seek our own tenant partners based on synergies and common objectives (see Pegi Dover's "A 'roomie's' perspective 2", pp. 310–11').

Through our networks, we became aware of a suite of offices in an office building at Yonge and St Clair, in mid-town Toronto. This venue seemed to tick several boxes. It had previously been leased by the Mastercard Canada Foundation, and we were able to assume the lease at below-market rates, with the promise of substantial long-term savings. The location itself – very central and on transit – was attractive because we had conceptualized Foundation House as a hub that would attract visitors.

After identifying the Mastercard space, we worked with Susan Manwaring, lawyer and leader of the Miller Thompson Social Impact Group. The lease proved to be the most straightforward secondary decision: we briefly considered incorporating and assigning the lease to this new entity

but opted (for simplicity's sake) to have the Counselling Foundation (Bruce) serve as head lessee, with the two others – Laidlaw (Jehad) and Lawson (Marcel) – as sub-lessees.

The lease arrangements are laid out in a memorandum of understanding (MOU) between the three founding groups. Like all sound partnership agreements, it contains language about breaking up. The key element of the MOU is that if one of the founding members decides to exit, that foundation must first identify a replacement that is acceptable to the two remaining partners. The MOU also contains a provision allowing for the re-apportioning of the Foundation House space on the basis of the evolving needs of the member organizations. To keep well ahead of those sorts of changes, we have adopted a practice of checking in with one another from time to time to assess changing space needs.

Early on, we further developed a consensus formula about dividing up the costs of creating and operating Foundation House. It became apparent, as we proceeded through this process, that there were two sorts of expenses: space-based and time-based. The former involved anything to do with the physical lay-out, while the latter referred to the retention of advisors or consultants who provided services to the entire operation. We have allocated space-related expenses (rent, furniture, etc.) on a pro-rata basis; with time-based expenses, we divide the bills equally among the three founders.

While Bruce [Counselling Foundation] oversaw the day-to-day aspects of the renovation project (the interior design was spearheaded by Taylor Smyth Architects), we first agreed on several high-level principles and developed these over the course of the weekly meetings that took place in the months leading up to occupancy. In terms of its overall appearance and "feel", Foundation House, we thought, should express a sense of openness but also conformity in design, furnishings and other décor elements. But it would also have to be sufficiently professional in ambience to give us the confidence to invite a wide range of individuals and organizations for visits, seminars, etc.

To accomplish the latter goal, but also to ensure consistency across the space, the three of us left our own respective organizations' furnishings behind and asked that the tenants not bring their old office furniture when they moved into Foundation House. The visual conformity, as Bruce points out, created a sense that all the Foundation House members, both tenant partners and founders, are on an equal plane, which is one of the objectives of the project. We wanted to break down barriers and build community – and that began with the layout and furnishings.

The common areas demanded special consideration, as these are the places in Foundation House where the anticipated social interaction would occur. In our office, these include the reception area, a flexible very large boardroom/convening space near the main entrance and the kitchen.

The design and configuration of the general area around the reception desk and a few adjacent small meeting rooms nearby is very much what one would expect in most well-built office suites today – seating, places for quiet conversation and so on.

The boardroom configuration begins to reveal some differentiation for Foundation House. The boardroom resembles many of the larger meeting spaces one finds in most offices, but it is fitted out with partitions that allow users to increase or decrease the scale depending on the nature of the event or the use. Given that everyone at Foundation House has a diverse range of programming needs, the adaptability of that room is very useful.

Finally, the kitchen. The lunchroom is fitted out with counter space, coffee machines, fridges, plenty of cupboards, and a set of comfortable longer tables that are in use throughout the day. The lunchroom, as we hoped, has evolved into the central meeting place of Foundation House, both for all the obvious reasons, but also because of a quirk of the building's design.

Unlike many office towers, our building has the elevator column located not through the centre of the structure but off to one side. Consequently, Foundation House's space is not broken up by the typical elevator shaft, as happens in many offices that occupy all or most of a floor in a high rise. Instead, the lunchroom is situated in a highly trafficked central location, with two sets of doors opening to different parts of our space. For this reason, it functions not only as a destination for people seeking coffee or lunch, but also as a physical connection across and through Foundation House. While the circuit of ordinary corridors among the offices and cubicles provides access to all of Foundation House's constituent organizations, it is nevertheless interesting to ponder how the kitchen's other role – as a kind of crossroads – has affected the way the people who work here interact and engage with one another.

The layout of the space, in our experience to date, has facilitated what Marcel [Lawson Foundation] describes as "the impromptu bumping into people". "I'm seeing people I would never see unless I made an appointment" is a sentiment that can often be heard from people who visit or work at Foundation House.

The tenant mix

Initially, five foundations were actively engaged in the discussion about entering into a shared space arrangement, but two opted for their own reasons not to pursue the idea.

We knew we wanted tenants, but we also sought tenants that would fit well with Foundation House's orientation and operating philosophy. A key consideration involved whether or not to include organizations that fundraise or might receive grants from any of the partners or tenants. Unlike the shared non-profit centres described earlier, Foundation House's mission was to foster better collaboration among funders. But determining the tenant mix created

interesting conversations. In some cases, there were obvious synergies – for example, with umbrella organizations representing Canada's private foundations or the one representing the country's community foundations. We were also eager to involve Indigenous organizations that have been working with the philanthropic sector on implementing the Truth and Reconciliation Commission's (TRC) recommendations.

But when it came to other non-profits, the decision was more difficult. As a general principle, we felt it could be problematic to share space with organizations whose leaders or employees might take advantage of their proximity to three funding bodies. At the same time, we were seeking more and better exposure to the non-profit world as a means of keeping our respective foundations grounded and informed about what was happening at the grassroots level of the sector.

As a way of balancing those two aspects, we approached the Ontario Nonprofit Network (ONN), whose members belong to a sector that includes 55,000 non-profits and charities, employs about a million people and accounts for 2.6% of the province's GDP (Ontario Non-Profit Network, n.d.). Before ONN took occupancy at Foundation House, we met to discuss the relationship and how we would approach collaboration within the organization. The consensus came down to a pragmatic view, as Marcel recounts it: "If it works, fine. But if it doesn't work, we'll commit to finding a solution."

Governance and operations

→ "If there were egos at play, this would not have worked. People have to surrender some of their autonomy, but they didn't have to compromise the integrity of the organization."

Jehad Aliweiwi, Laidlaw Foundation

In order to manage this new facility, we set up some basic governance and management structures. There are a handful of committees – an executive committee, consisting of the three of us; a management committee, which includes representatives of all the member organizations; a communications committee, which emerged organically as communications staff from various organizations saw the opportunity to share ideas with new Foundation House colleagues. In terms of day-to-day operations, our respective executive assistants or office coordinators and the Foundation House receptionist, who works for the entire organization, oversee the management of the space.

The operational tasks are, in many ways, absolutely routine. But the smooth functioning of the facility serves as the foundation upon which the more creative and interactive aspects play out. We learned several valuable lessons about co-management during the first two years.

The basic operational tasks include tech support, maintenance, scheduling the use of various Foundation House meeting spaces, and the stewardship of the kitchen. In the case of the latter, we realized early that the use and upkeep of the kitchen, a communal space, represented an especially important mandate, as skirmishes over kitchen duty in other office settings can create bitterness and resentment.

Kinamark, a leadership consultant hired in the late spring of 2016 to assist us in developing norms and principles for Foundation House, outlined both the objectives and the decisions required to attain them. The kitchen, the consultant advised, should be treated as our personal kitchens, with users taking responsibility for cleaning up after themselves, loading or emptying the dishwasher, replacing supplies and so on.

We had to choose between a voluntary self-clean or rotation system, or hiring a service to look after the space. Focus group sessions conducted by the consultant elicited a range of responses and views:

- Make expectations clear, e.g. about assigning weeks to particular organizations in a rotation-based system
- Zero tolerance for mess: users must clean up after themselves
- Hire a cleaning service, because even well-intentioned rotation/voluntary systems break down
- Pay attention to the fact that some people will clean up after others but end up feeling resentful

After reflecting on this feedback, we decided to include basic kitchen management responsibilities in the role designed for the receptionist.

The evolution of the Foundation House approach to tech support provided another important lesson. Early on, one of us hired a technician to work on-site, but the decision, which was made unilaterally, seemed to focus more on the tech needs of one of the founding partners than the entire organization. The other two partners declined to cost-share in that case. But we did agree that this short episode offered a useful learning about hiring support staff, which is that advance planning and consultation within the executive committee was crucial if we were to achieve our aspirational goal of consensus-based decision-making.

A third example involved concerns about distraction expressed by one of our largest tenant members, the Ontario Nonprofit Network. As it happened, their zone within the Foundation House space was situated near the reception area. In any shared and open-concept office setting, issues of noise will inevitably arise, and many workplaces now provide small rooms or quiet spaces where employees can have private meetings, conduct phone calls and so on.

After two years of working in the space, ONN employees were struggling with the visual and noise distractions of facing the high traffic hallway between the kitchen and boardroom, and asked that the walls of their office partitions be raised by one level. The request, Jehad points out, "would change the look of the space". We had invested resources and intellectual effort in creating an open-concept design that was intended to enable the interaction we envisioned, but we also realized that Foundation House needed to be able to respond positively to these concerns. In the end, the decision was made to increase the height of the partition walls on one side in the ONN area, as this was a unique situation based on the placement of the reception area and the orientation of the desks towards a busy hallway.

In these and other examples of how we manage this space, we've proceeded according to a handful of core principles:

- decisions are to be made by consensus wherever possible
- consultation with member groups, forward-planning and clear communications represent the best ways of heading off conflicts or misunderstandings
- in any undertaking that is breaking new ground, course corrections are to be expected and indeed welcomed

Creating an "ideas marketplace" culture

Personally, from the very beginning of this process, we, as the three founders, discovered that we enjoyed a great deal of positive chemistry. We all brought personal professional experience of working within ecosystems. We were interested in learning from one another, and others in the charitable sector, about how to make such an experiment succeed. And, we recognized that the ultimate pay-off went far beyond logistics and cost. The vision was to create a new and more collaborative mode for funder organizations – an "ideas marketplace".

At the same time, we recognized that none of these gains would happen on their own. And we sensed that much depended on the culture we fostered within Foundation House. As Jehad points out, "This was not without risk. We went into Foundation House fully aware of this reality. At the end of the day, we're employers."

The challenge was two-fold: one involved establishing basic human resource policies that would be adopted and respected by several independent organizations; the other focused on moving beyond ground rules to foster a cohesive and integrated social environment that encouraged creative thinking and new forms of collaboration within the funder space.

It's worth enumerating some of the potential pitfalls and questions that could arise in this kind of setting:

- How would we address instances of real or alleged harassment between employees of different Foundation House member organizations?
- Were there guidelines for employee recruitment between Foundation House members?
- Where was the line between social interaction and distracting behaviour?

In order to begin building a shared culture with common norms and core principles, we asked our consultant, Kinamark, in the spring of 2016 to guide us through a process meant to elucidate answers to these questions. "We were sending a very strong message to everyone who worked at Foundation House by doing this," Marcel [Lawson Foundation] observed.

The process involved interviews with the executives of the ten Foundation House member organizations as well as discussions with individual staff and leadership groups. Kinamark also conducted a staff survey, drawing on answers provided by 31 respondents.

Some of the key findings of the survey:

- Respondents showed that most people had "great enthusiasm about cohabitation and about the collective," with many mentioning the promise of sharing ideas, knowledge, best practices and so on. Yet at the staff level within individual member organizations, many "did not understand how the vision is expected to play out at the tactical or operational level".
- While the respondents overwhelmingly grasped the notion that Foundation House, as an ideas marketplace, could encourage new approaches, some felt this collective goal didn't have relevance for the work they did.
- The prospect of inter-organization collaboration represents an exciting opportunity, but it also raises challenging questions, because it wasn't clear to member organizations how or when to initiate such work, and what to do about the problem of a lack of time or resources to pursue joint projects. (A quarter of all respondents felt their existing workloads precluded them from pursuing collaborative undertakings.)
- The other obstacles to collaboration had to do with the familiar human factors that almost all organizations experience: leadership signals from member organizations; interpersonal or personality issues among staff who may not know, like or respect one another, or feel pressured into doing what their peers want to do (or not do). The member organizations, moreover, could turn into silos that tacitly discourage inter-organizational communication and collaboration.

Based on the findings of the survey and the interviews, Kinamark drafted two documents – "Norms at Foundation House" and "Principles by Which We Live". In each case, the consultant then convened focus groups to elicit further feedback, which was then incorporated into the final versions (see next page). "The principles and norms are meant to convey the ethos of Foundation

House," the consultant noted in its report to the executive. "Neither one is intended to be prescriptive. Ultimately, the principles and norms should help to sustain the vibrant and cohesive culture that exists at Foundation House. For these guidelines to become a conscious way of living at Foundation House, intentional effort will be needed on the part of the leadership, including strategic communication. The guidelines will evolve as the collective does."

Norms at Foundation House

We're mindful of noise levels.

We are aware of how background noise affects colleagues in the open work areas. So we are attentive to volume – of our conversations and of our gadgets.

Examples of how we live this norm:

- The pods are either for quiet time or webinars/small meetings
- Be mindful of people trying to have phone conversations
- Socializing: go to the kitchen
- Keep side doors to the boardroom closed. At the same time, each organization needs to be mindful of, and informed about, the need for specific workplace accommodations, e.g. accommodation for claustrophobia
- Walk through interior hallways, not the middle of workspaces
- Group parties – use the kitchen (close the kitchen doors)
- Let visitors know people are working in the open space
- We encourage the use of the collaboration tables (as opposed to convening at desks)

We balance connecting and concentrating.

We sustain our productivity yet also nurture our connections and good ideas as they arise. We pay special attention to when we interrupt each other.

Examples of how we live this norm:

- Understand and respect each organization's work cycles and when people need to concentrate
- Small group conversations – if these last more than five minutes, move elsewhere
- Use Slack to inform others when you're busy
- Ask "Is this a good time?"

- To keep with the spirit of Foundation House, we do need to introduce outside visitors, particularly when we feel there are viable connections
- We encourage the use of the collaboration tables (as opposed to convening at desks)

We share our meeting spaces.

We use meeting rooms/pods for as long as we need, and we book them.

Examples of how we live this norm:

- If you have booked the pod, you get priority
- Always leave the room tidy
- Use Meekan to book meeting rooms and pods

It's a scent-free workplace (particularly, synthetic scents).

Examples of how we live this norm:

- Remove air freshener from the women's bathroom
- Purchase scent-free supplies whenever possible
- Affix a sign on the front door that says "We aim to be a scent-free environment"
- Ascertain the different between allergy and dislike. Nine survey respondents identified allergens, including animal fur, dust, mold, strong perfumes, air fresheners, sprays and synthetic scents

Principles by which we live

- We foster a fun, friendly, and welcoming workspace
- We work with an eye to inviting and igniting trust and relationship
- We create and nurture an environment of learning and collaboration
- We have respect for each other
- We are committed to resolving conflicts with respect and openness

How do we live the principles?

These principles all contribute to one another:

- We are intentional in applying them to daily life
- We commit to more face-to-face interactions
- We serve as connectors for each other

1. We foster a fun, friendly, and welcoming workspace

Examples of how to live this:

- A sense of curiosity can lead to unexpected encounters
- Be intentional, to carve out time
- How can we extend our organizational "fun events" to Foundation House
- Potlucks, special event days

2. We work with an eye to inviting and igniting trust and relationship

Examples of how to live this:

- Be intentional
- How do we tell our stories?
- Who to approach for a sounding board – as group or one on one
- Everyone has come to it with an open spirit
- Communications Crew
- Lunch and Learns (e.g. present individual projects; demo Fridays)
- Weekly: come sit with me, we can share about our projects
- Socially, informally, around festivals
- Kitchen is a gathering place: we sit together so we get to know each other

3. We create and nurture an environment of learning and collaboration

Examples of how to live this:

- Some can do orientation (see Norms)
- Formal opportunities through Lunch and Learns
- Informal opportunities – if we see ourselves as connectors/networkers
- Freedom to engage

4. We have respect for each other

Examples of how to live this:

- Respect is linked to principle on trust
- Respect regardless of roles
- Respect for privacy
- Boundaries are important, e.g. personal does not carry over into workplace
- How to respect introvert/extrovert styles?
- Orientation/website

5. We are committed to resolving conflicts with respect and openness

Examples of how to live this:

The approach to conflict resolution will differ, depending on whether it is internal conflict or intra-organizational, personal or work-related. Here is one possible process:

- Because of mutual respect – we first address conflict directly, between the two people involved
- Take it to the manager
  We could adopt a method, such as one used by Grantbook called **WRAP:**

  - **W**iden your options
  - **R**eality check
  - **A**scertain distances
  - **P**repare to be wrong

- CEO would figure it out with other leaders
- Mediator

How it's all working

One of the most direct by-products of the process of developing norms and principles was a concerted effort to create a sense of community among the people who work at Foundation House. Over the first two years, the steering committee organized numerous events meant to build and then nurture those social connections – family day events, potlucks, movie nights and other such activities. We held animation sessions that allowed the various member organizations to explain to other Foundation House employees who they are and what they do.

Having laid the foundation, both physically and culturally, we have also been able to observe how our collaborative "ideas marketplace" is functioning.

The most readily observed examples that validate the premise involve traffic. Because Foundation House sits at the intersection of many organizations with their own respective professional and social networks, we are able to say that this facility has become a destination for many people and organizations participating in the various events held in the boardroom, which has been booked for use about 78% of the available times, depending upon the time of year. As Marcel [Lawson Foundation] says: "We're all organizations that bring a lot of people into the office."

For example, early in 2017, 23 foundations participated in a session at Foundation House with the leadership of the Public Policy Forum, where Marcel Lauzière is a board member. The event not only situated Foundation House as an important convening space; it also provided a forum for a discussion about strengthening the funding sector's engagement with public policy development.

The social and professional connections made at such events, and among Foundation House member groups, have produced other gains. For example, one important but challenging issue facing the charitable sector in recent years has been the twinned question of how to assess grant applications and measure impact.

The evaluation process, in particular, has come in for criticism, and some non-profits have urged funders to move beyond "box-ticking" to a more holistic approach to vetting applications. Because the ONN is a Foundation House member and also has strong views on improving evaluations, our foundation members and related umbrella organizations have had the opportunity to engage in a timely discussion about how to shift the dynamics and develop more effective assessment tools. ONN was able to press ahead with this discussion, as Marcel points out, "because at Foundation House, we're right under their nose". The results will be amplified across the entire sector.

Building on the conversation about evaluations, the three foundations in mid-2018 sent out a joint survey to recipients of grants from our organizations, canvassing them (anonymously) on their views about topics such as flexibility, communications, reporting, non-financial assistance, and their comfort levels in raising concerns about the granting experience with our granting

officers. Each foundation also had a small number of unique questions. The survey, administered independently by GrantBook, produced an encouraging average 60% response rate and fed into our collective efforts to become more responsive funders. The fact that the survey was conducted jointly, with results shared among the three foundations, also speaks to the links between Foundation House-enabled collaboration and our desire to improve the way we go about our work.

A fourth instance of the cross-pollination enabled by Foundation House is instructive. CERIC,[8] a charity that functions under the auspices of the Counselling Foundation and sponsors education and research into career counselling, was working on a handbook on career development aimed at small and medium enterprises (SMEs). When Marcel found out about this project, he suggested that CERIC could adapt this publication so it would be useful for an audience of senior managers of non-profits. Now, CERIC is collaborating with ONN and Imagine Canada to produce just such a handbook. The fourth participant is another Foundation House member, the Circle on Philanthropy and Aboriginal People in Canada, which is contributing a section on recruiting and advancing Indigenous employees within charitable organizations. "If Marcel hadn't been in the office," Bruce observes, "he wouldn't have known we had done [that handbook] for SMEs."

Such "casual collisions", as Jehad [Laidlaw Foundation] describes these and other encounters that have occurred in the space since it opened in late 2015, serve to affirm the premise that Foundation House is evolving into a collaboration-driven "ideas marketplace" that generates forward-thinking ideas about philanthropy.

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8   https://ceric.ca

A "roomie's" perspective 1: Philanthropic Foundations of Canada (CEO and president Hilary Pearson)

→ "We've been part of conversations about co-programming and values and how we live in the space together. We were part of that and felt consulted."

Hilary Pearson

For many years, the small Montreal-based umbrella organization had been borrowing space or renting hotel rooms when it had to conduct business in Toronto. When the prospect of lease space within Foundation House arose, Philanthropic Foundations of Canada (PFC) leapt at the opportunity. "We knew we were going to be using the boardroom," says Pearson. "For me, it was a no-brainer."

By virtue of what it does, PFC has plenty of visibility about what goes on within Canada's foundation sector. Many PFC members, especially the smaller family-based foundations, traditionally work in isolation from one another, explains Pearson. In recent years, however, a growing number have sought out a more collaborative approach – a shift Pearson attributes, in part, to the shifting demographics among foundation leaders and staff.

Millennials, she says, are a product of their social networks and seek these networks out in their professional lives – a dynamic that is clearly accelerated by digital networks and platforms. The existence of those virtual communities has fostered greater interest in direct social encounters and shared spaces. Consequently, when PFC hosts events or meetings at Foundation House in Toronto (once or twice a month), the attendance has been robust. "People are curious about Foundation House," Pearson says. "Have we gained benefits from being able to ask members to attend meetings there? Yes."

A "roomie's" perspective 2: Canadian Environmental Grantmakers Network (executive director Pegi Dover)

→ "I really love that environment. It's diverse. I feel like I'm in a workplace where good and interesting things are happening."

Pegi Dover

Like PFC, Canadian Environmental Grantmakers Network (CEGN)[9] is a small umbrella organization representing 65 entities – private and public foundations, funds and one co-op retailer – that want to promote sustainability projects and responsible investing. Before moving to Foundation House, CEGN rented space in CSI's Environment for Profit hub.

Dover made the move in part to "get environment out of its silo [...] With the three [founding] foundations and members like ONN, there's an opportunity for us to get invited to gatherings where [in the past] we wouldn't have been on the radar."

The networking and collaboration opportunities provided through Foundation House have translated into specific initiatives, several of which involve forging stronger and more respectful relationship with Indigenous organizations.

Because of Bruce's [Counselling Foundation] particular interest in fostering more constructive relationships between the philanthropic sector and Indigenous Peoples in Canada, Dover says CEGN's presence at Foundation House has created many more opportunities for relationship-building with Indigenous organizations, especially smaller ones. The connections have allowed CEGN members to provide grant-writing support for smaller First Nations that may lack the experience or administrative capacity to pursue a range of funding opportunities.

CEGN has also forged connections with another Foundation House member, Community Foundations of Canada (CFC). The organization has been looking to expand its environmental philanthropy, and many community foundations are well positioned to fund such work. Dover has worked with CFC on the latter's sustainable cities working group, especially the small community foundations. She's also promoted the use of the United Nations 17 sustainable development goals (developed in 2015) as the framework for measuring the progress of such local initiatives (United Nations Foundation, 2015). "The connection to reconciliation and the community foundations are the big benefits to working here," says Dover.

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9 http:www.cegn.org

Learnings and conclusion

At the time of this book going to press, we have watched Foundation House grow and evolve for about three years. In some very important ways, we feel that the process for achieving two of the primary objectives of Foundation House – encouraging better collaboration between foundations and creating new avenues for post-TRC engagement between funders and Indigenous organizations – is well underway. Indeed, consistent with the goal that a shared space can function as both an "ideas marketplace" and a kind of commons for the overlapping social/professional networks of the member organizations, Foundation House can be seen as a proof-of-concept model for other funders seeking to establish these kinds of arrangements.

But it would be misleading to suggest that all the bugs have been worked out, or that this approach will work in every case. Here are some key learnings based on these first few years.

Chemistry

We can say with confidence that the three founders – Bruce Lawson, Marcel Lauzière and Jehad Aliweiwi – enjoy a high degree of mutual trust and alignment in both our outlook and approach to our work. In the case of Foundation House, the planets seem to have aligned. That sense of mutual understanding at the leadership level provides both energy and glue. For others who are considering this model, the participants early on need to reflect closely about their ability to work together, because collective decision-making is vital for ongoing success. "This is not for everybody," Jehad says. "You have to be able to let go of your power and your authorities."

Culture

No organization can snap its fingers and establish a corporate culture, much less one that consists of many independent, albeit like-minded, entities. Every one of the organizations working at Foundation House has its own quirks and eccentricities – that's a given. Our advice to anyone considering this kind of shared space venture is that the time and resources spent on developing both collective norms and social cohesion is well worth the investment. An intentional, progressive and collaborative culture doesn't develop organically, but misunderstandings and resentments can easily take root in a shared work space that lacks traditional accountabilities.

Cruise control

As of our third year, we are aware that there's been some waning of joint activities and programming, most likely because the members have settled in, and their employees now know one another. This development is a natural evolution, but the importance of finding new ways of fostering collaboration cannot be overstated. What's more, as the workforces of the member organizations turn over, it will also be important to provide new Foundation House employees with a taste of the broader culture beyond that of their own organizations. The time that we invested in the beginning to build a Foundation House culture will be at risk if we don't continue to work at it and renew the way we do this if necessary.

In our experience, the rewards have exceeded the risks. Foundation House is evolving into a philanthropic commons and a hub for both random and carefully planned collaborations. It is about much more than just shared office space; it has truly become a place where ideas and people are constantly crossing paths.

Three key takeaways

1

Trust: Trust is key to the development of any partnership such as the one that led to Foundation House. Without trust, problems and challenges – inevitable in any large-scale multi-stakeholder initiative – can quickly degenerate into conflict and discord.

2

Relationships: The success of Foundation House is based on a multiplicity of factors but none as important as personal and professional relationships – across all organizations and at all levels. And these relationships must be continuously nourished and strengthened as time goes by.

3

Culture: An important success factor in the Foundation House project has been the time that has been invested in building a culture of respect, of sharing and of collaboration.

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