INTRODUCTION

The Mary Reynolds Babcock Foundation’s new strategic directions reaffirm our commitment to alleviating poverty, with an enhanced framework informed by our experience, trends in the region and engagement with our partners. Less a roadmap and more a compass, these directions build on lessons from the previous 20 years while allowing us the flexibility to adapt to ever-changing conditions.

The headlines of our strategic directions should sound familiar: We focus on supporting networks engaged in collaborative, multi-strategy work that makes sense in their places and aims at meaningful progress toward moving people and places out of poverty.

Fundamentally, the Foundation remains committed to supporting the work of experienced and effective grantee partners who bring their aspirations, expertise and a willingness to learn with us as we advance shared goals.

MISSION, VISION AND PERSPECTIVE

The Babcock Foundation’s mission to help people and places move out of poverty and achieve greater social and economic justice.

We recognize that poverty is complicated and multi-faceted. We believe in the need for significant changes in the systems and structures—laws, behaviors, attitudes, policies and institutions—that make a difference to people and their communities. To overcome tough barriers, people often need concrete assistance, like access to employment, workforce training or affordable housing, that results in direct improvements and supports them in achieving their full potential. We also believe people who develop skills, expand their awareness and believe in themselves can successfully improve their own lives and act collectively to increase opportunity for themselves and their communities.

Our vision for the South is anchored in a belief in people, organizations and the power of partnerships. We believe more people must directly influence the institutions and leaders that shape their economic and civic lives. Better policy and more collaborative institutions, public and private, should provide supportive and equitable ladders of economic opportunity. More people and communities need to access, control and build assets essential for economic mobility and stability. Progress along all three pathways—civic engagement, supportive policy and institutions, and economic opportunity—is critical to moving people and places out of poverty.

We recognize there are serious challenges to this vision in the South and beyond: Structural racism and other forms of discrimination are major barriers. Political control remains too concentrated. Disinvestment in public goods like education and the safety net has eroded the foundation people need to get ahead. The economy too often rewards short-term market behavior that hurts low-wealth people, communities and natural systems.

We recognize overcoming these challenges and advancing this vision is not easy work. It takes long-term and patient investment. It takes collaboration among unusual partners. It takes effective and well-resourced organizations, enterprises and networks working together in new ways across race, geography, strategy and issues. It requires low-wealth and directly affected people to be central to the solutions in their communities and across the region. It takes a commitment to democracy, equity and inclusion.
While these solutions are not simple, we believe they are not only possible but essential to promoting economic opportunity and reducing poverty and inequality in the South.

**HOW WE WORK**

The following approaches cut across our work and inform how we operate:

**PLACE-BASED** – We believe an understanding of and focus on place are central to defining unique opportunities, challenges and partnerships to move people and places out of poverty.

**MULTIPLE, LAYERED STRATEGIES** – We don’t believe in a “silver bullet” approach to poverty alleviation, but understand that investments in multiple organizations and coalitions over time, using complementary strategies and informed by their understanding of place, are effective at achieving our desired outcomes.

**NETWORK APPROACH** – We support networks of people and organizations who bring together a diverse collection of strategies, capacity and perspective for greater impact. We support efforts to develop leaders who are directly affected and connect them to partners and opportunities that increase their influence.

**ENGAGE WITH MULTIPLE TOOLS** – We strategically deploy 100 percent of our financial assets (grants, program-related investments and market-rate investments), use our intellectual and reputational capital to influence and leverage additional investments from foundations and other sources, engage in strategic communications and look for opportunities to convene grantees and other partners for peer learning. We deploy staff as “network officers” to engage deeply in a place, learn the context and determine how best to support the work.

**LEARN DEEPLY** – We seek to reflect on and capture lessons from our work and share them broadly.

**BUILD CAPACITY** – We aim to strengthen every dimension (program, governance, management, administration, finance, culture, etc.) of healthy organizations and networks through patient, long-term general support and attention to organizational development.

**THE POWER OF MULTI-STRATEGY WORK**

Three pathways of change represent priorities for layering our investments of money, time, relationships, leverage and learning: economic opportunity, democracy and civic engagement, and supportive policy and institutions. We think of these pathways as broad, mutually reinforcing approaches to social change. Our experience tells us networks and places that advance along more than one pathway are more successful at progress toward economic and social justice.

**ECONOMIC OPPORTUNITY**

People are better positioned to escape poverty when they have direct access to jobs and ways to turn income into durable assets. Some of these ladders of economic opportunity include work supports, job training and connections to employers seeking skilled, fair-wage labor. Others include access to non-predatory financial services, local control of community assets and tools to encourage entrepreneurship and new business models.

**DEMOCRACY AND CIVIC ENGAGEMENT**

We believe in the power of democracy and civic engagement to effect positive transformations. This happens when a broad range of people—including those who are low-wealth and directly affected by inequality—develop the knowledge, skills, networks and motivation to build democratic systems and challenge entrenched structures. Key strategies to support these outcomes include community organizing, leadership development, inclusive community planning, voter education and get-out-the-vote efforts.

**SUPPORTIVE POLICIES AND INSTITUTIONS**

For communities to thrive, for-profit and nonprofit institutions and all levels of government must foster cultures and adopt policies that open doors to economic opportunity and democratic participation for low-wealth people. Supportive institutions can bring new resources to the table, effectively implement policy and leverage political will. Strategies toward these outcomes include research, strategic communications, advocacy and community organizing.

We recognize important work can and should happen in other ways and for other purposes. The Foundation believes these pathways and their intersections provide important opportunities to address real needs and accelerate progress toward our vision of the South.
DEFINING OUR STRATEGIC DIRECTIONS

Three strategic directions inform our work: funding, influencing and learning.

I) FUNDING: Supporting multi-strategy efforts in places.

MRBF focuses our funding resources on multi-strategy networks across the South. We have learned collaborations that bring a range of experience and strategies to the table can make real progress toward common goals.

We seek to understand the work and context in places and define the right role for us. Given our limited resources, we define priority places and specific work to support for three to seven years. In those places, we provide multi-year, general-support grants to organizations working in partnership or through networks to move people and places out of poverty.

To identify those places, we discern the opportunity in the context, leadership roles of directly affected people, nature of the network, mix of philanthropic partners, strategies being pursued and needs being addressed. This mix of factors informs our decision-making.

In particular, we look to support organizations and networks advancing strategies along at least two of the three pathways described above: economic opportunity, democracy and civic engagement, and supportive policy and institutions.

We also recognize change sometimes happens in ways that are not as place-based or rooted in collaboration. We are exploring a few regional efforts that share a broad issue focus, as well as new approaches that can be instructive to the larger field.

When these directions mean a shift in funding for our grantee partners, we aim to communicate proactively and transition respectfully.

II) INFLUENCING: Making the case for new resources.

Moving people and places out of poverty in the South is a monumental task that requires smart partnerships. We continue to shine a spotlight on the good work across the region and invite local, regional and national philanthropic partners to bring resources, relationships and political leverage.

To this end, we identify funders whose commitment to the South can be grown, engage in targeted research and share what we learn, participate in philanthropic networks that share our vision, and communicate strategically about key issues, groups and strategies. Building bridges among funders who may not share contexts or cultures helps us advance good work in the region.

III) LEARNING: Deepening our focus on shared lessons.

For decades, the Babcock Foundation has built on our experiences to hone our work and share the story of the South. We are placing an even stronger focus on shared learning about poverty alleviation in the region and how best to support it.

We are strengthening internal systems that help us better understand assumptions about the work we support, refining our approach to capturing qualitative and quantitative outcomes and developing questions to guide ongoing consideration of key aspects of our work. MRBF seeks to identify important crosscutting topics that inform our understanding of the work, commission research as needed and engage in shared learning with our grantee and philanthropic partners.

THE PATH AHEAD

As we move forward, we plan to reflect regularly on our learning and work, and make responsible adjustments as needed. These strategic directions build on each other, and require smart and regular communication with our many partners.

Though the politics are difficult and economic distress remains high, momentum in the South is building along several avenues, from growing community development financial institution capacity to state budget, tax and policy networks, multi-strategy social-change movements and new economic models. These efforts are more integrated and connected now than in the six decades of the Foundation’s work.

With real optimism about these opportunities, we believe targeted investments and collaborative efforts from a broad range of partners can harness the potential of a changing region. We look forward to meaningful conversations about a shared vision of a thriving, more just, vibrant and diverse South.

If you are interested in learning more about our funding efforts, you can review our program guidelines at www.mrbf.org.
MARY REYNOLDS BABCOCK FOUNDATION

THEORY of CHANGE

IF OUR GOAL is to move PEOPLE and PLACES out of POVERTY in the South

and WE BELIEVE concrete economic OPPORTUNITIES can offer a way out but STRUCTURAL BARRIERS, including racism and broken markets, hinder opportunity and people most affected must be ENGAGED

THEN LASTING CHANGE requires

MORE ACCOUNTABLE and EFFECTIVE institutions and policies

GREATER OWNERSHIP and local control of ASSETS

MORE PEOPLE ENGAGED in democratic practice and civic life

ACHIEVED IN THE SHORT TERM through INCREASED and SUSTAINED INVESTMENT

NEW MODELS of ECONOMIC and asset development

Effective COMMUNITY LEADERS PARTNERSHIPS and NETWORKS

SO OUR WORK involves FUNDING, INFLUENCING and LEARNING

Support MULTI-STRATEGY efforts and new approaches

Build PARTNERSHIPS for new resources

Focus on SHARED LEARNING about poverty alleviation
OUR GOAL is to move PEOPLE and PLACES out of POVERTY in the South

OUR WORK

LEARNING
- Build a STRONGER CULTURE of shared learning
- Explore strategic CROSSCUTTING TOPICS
- Refine and implement an approach to CAPTURING OUTCOMES
- Engage in ongoing REFLECTION

INFLUENCING
- Engage POTENTIAL PARTNERS who can bring more resources to the South
- COMMUNICATE STRATEGICALLY about who and what we know
- Build relationships with KEY NETWORKS

BUILD partnerships for new resources

FUNDING
- SUPPORT multi-strategy efforts and new approaches
- Identify MULTI-STRATEGY work that supports ECONOMIC OPPORTUNITY, CIVIC PARTICIPATION and SUPPORTIVE POLICY AND INSTITUTIONS
- Build CAPACITY to achieve meaningful outcomes
- Support NEW APPROACHES to moving people and places out of poverty