

DIGGING DEEPER

Digging Deeper is the fourth in a series of papers about the *Chicago Prize*. Sponsored by the Pritzker Traubert Foundation, the *Chicago Prize* is a grant competition to award \$10 million in capital funds to a single community development initiative in Chicago. Earlier papers focused on the first phase of the competition.

Getting to Go discussed the Foundation's consideration of various community investment strategies, its decision to sponsor a competition, and the creation of the competition website and materials.

Inspiring Competition covered *Chicago Prize* marketing and communications, from its April launch and outreach, through ongoing support of applicants, to the December awards ceremony for finalists at The Hatchery on Chicago's West Side.

Making Hard Choices examined the assessment process: how a panel of external reviewers identified the top tier; a team of urban development analysts conducted technical review of 20 applications; and an expanded Foundation committee selected six finalists.

The first three papers also profiled the partnership of the Pritzker Traubert Foundation with the MacArthur Foundation and MacArthur's affiliate, Lever for Change, in managing the *Chicago Prize* competition.¹

¹ For copies of the papers and more information about the *Chicago Prize*, visit www.chicagoprize.org. See also www.ptfound.org and www.leverforchange.org.

Digging Deeper continues the *Chicago Prize* story. It describes the second phase of the competition, from November 2019 through May 2020. Recognizing that grant competitions sometimes are criticized as a “waste the time of those who apply and don’t win,” the Pritzker Traubert Foundation granted \$100,000 to each of the finalists and organized technical assistance on their behalf.² Buoyed by the knowledge that they had made the cut, the six finalists would use the ensuing months and funds to further develop their plans and budgets, assemble financing, and strengthen the case for support.

For the *Chicago Prize* finalists, going deeper in the second phase would mean revamping their applications, literally “looking again” at the substance of their applications with reviewer feedback in hand and access to new resources and expertise. For the Foundation, the second phase would entail doubling down to recruit the right technical assistance providers, raise the visibility of Chicago’s South and West Side neighborhoods, showcase the finalists and other top-rated applicants, and leverage additional funding for the finalists. In a second phase, the Foundation also could continue to examine the feasibility of different initiatives and their probable impact, the two areas where initial applications generally fell short of supplying the data and details needed for decisionmaking.

Digging Deeper outlines the aspirations and plans for the second phase; it includes an overview of activities and adjustments made and anticipated, given new realities. The paper describes the orientation of finalists, workshops on measurement and evaluation, and the delivery of services and other supports to the finalists. It also considers questions that have surfaced along the way, among them whether technical assistance

² The Pritzker Traubert Foundation also contributed \$10,000 to each of the top-rated applicants.

supported or substituted for capacity and whether the time and other resources invested in proposal revision produced discernably better applications.³

CONTEXT

Consider the timing and course of events. In November, six community-led collaborative teams were notified that they were finalists for the *Chicago Prize*. A few weeks later, with much fanfare and considerable media coverage, the finalists were announced to the public. In mid-December they gathered for an official orientation to the competition's second phase. By January, just as the coronavirus outbreak in China was first being reported, teams were scheduling daylong "theory of change" consultations. Facilitated by Mt. Auburn Associates, the consultations were occasions to clarify expected results, identify benchmarks of early progress, and nominate indicators to measure longer term impact. The teams were starting to engage with technical support. Recruited by Foundation staff and later coordinated by The Bridgespan Group, topnotch technical assistance providers were available on request at no cost to the teams. Included in the mix were lawyers, city planners, communications coaches, real estate developers and finance experts.

Over the first few months of 2020, the finalists elaborated theories of change with their teams and partners. They secured help in obtaining market data, forecasting sources and uses of funds, polishing their presentations, and the like, all in the service of winning the *Chicago Prize*. The teams could readily imagine how a \$10 million grant would advance their community collaboratives, improve neighborhood conditions, and directly benefit area residents. As nonprofit leaders, they also realized that such an investment, and the accompanying visibility, would make it easier to attract other financing and accomplish their plans. Like the Pritzker Traubert Foundation, the finalists

³ *Digging Deeper* does not incorporate the views of applicants, finalists, and some providers. As a result, the present analysis is preliminary; its observations, provisional. A fuller account will be provided in the final report.

were aware that the *Chicago Prize* challenge—“to use physical development and revitalization to create and strengthen civic infrastructure that catalyzes economic opportunities and improves the well-being of residents”—would require ambitious yet achievable plans, community-led collaboration, skillful leadership, and leveraged resources.

Suffice it to say, as the novel coronavirus was emerging in Chicago, the finalists were well into the second phase of the competition. Each team was racing against the clock to assemble the best possible proposal by a March 30 deadline. Chicago’s first COVID-19 case was reported on January 24. Initially, containment seemed possible; however, once community transmission took hold, the number of novel coronavirus cases increased exponentially. Local and state officials responded with remarkable speed. By mid-March, Chicago Mayor Lori Lightfoot and Illinois Governor J.B. Pritzker had closed schools, shuttered most businesses, and issued shelter in place order—orders that required residents to stay at home, practice social distancing, limit unnecessary activity and interaction, and avoid congregating in public spaces. As we now know, the spread of the disease, the disruption of daily life, and the economic fallout were especially pernicious in exactly the neighborhoods the finalists seek to revitalize.

The Pritzker Traubert Foundation responded with speed and sensitivity. Foundation trustees helped to establish and contributed millions to city and state relief funds. They also extended the *Chicago Prize* submission deadline to April 10. As circumstances worsened, the Foundation surveyed the finalists and subsequently provided the option of delivering final applications anytime between April 10 and May 22, 2020. It also asked finalists to include cover letters that described the pandemic’s impact in their communities. Because the finalist teams differed in purpose and programs—some are community development corporations, some are human services organizations, still others are consortia of both—the teams experienced the disruptions variously, but none so deeply as those providing relief services to people at the highest risk living in neighborhoods of greatest need.

Some of the finalists' community areas had prevalence rates four or five times higher than the Illinois average. All were disproportionately affected. Staff were sharing accurate information and setting up test sites, running food banks and assembling other resources, and trying to get their usual work done as their teams went remote. They were helping families gain access to the internet and other resources, so that children and teens could participate in online learning, the new norm. In addition, the violence in communities, which had waned during the initial months of the pandemic, began to increase as spring approached.

The Foundation navigated to a solution that acknowledged the severity of the situation, accounted for differences in the finalists' circumstances, and honored the pledge as well as the practicalities of a grant competition moving toward its culmination. Deliberating on these and similar issues brought into sharp relief the Foundation's values of connecting deeply and acting with care, as well as its determination to conduct a fair and open competition. These same values influenced the design of phase two, which began with a gathering of 70+ people at IIT's south campus on an overcast December morning, and ended with a Zoom meeting of the finalists with the members of the selection committee on a bright and balmy 76° day in May.

ORIENTATION

At the outset, the Pritzker Traubert Foundation declared its aspirations for the second phase. Foundation president Cindy Moelis summarized the purpose: "We have been trying to encourage new collaborations, engage other private and public funders, and provide technical support to many of these efforts. We also want to use the [*Chicago Prize*] process to continue to learn more about what's happening in Chicago neighborhoods and what we can do as a city to support these big, bold ideas." The Foundation wanted to dig deeper to: "create a pipeline of investors" for the finalists' initiatives and other community projects; build capacity using a "flexible framework" to guide the provision of curated technical assistance; and carry out "showcasing and

matchmaking” activities to increase the flow of capital funds into neighborhoods on Chicago’s south and west sides.

Initial plans called for The Bridgespan Group to lead a “big bettable” workshop in December to jumpstart the second phase.⁴ Bridgespan would bring together the finalist teams over the course of two days; initiate the proposal revision process with content based on the now-known strengths and weaknesses of applicants; organize “immersive” experiences to connect finalists with technical assistance providers; and, with each finalist team, outline the path to their final proposal. Given the press of end-of-year fundraising and holidays, however, the Foundation decided to go a different direction, opting for a half-day orientation. Asking the finalists to set aside two full days in mid-December was, well, asking too much. Besides, while the workshop format had worked well for MacArthur’s *100&Change*, it was not altogether obvious that it would be as effective in this instance. Unlike that global competition, the *Chicago Prize* finalists were local teams working on similar endeavors, all vying for the same prize.

A carefully-choreographed orientation would accomplish the main objectives: Pritzker Traubert and MacArthur staff would speak to the purpose of the second phase; a member of the technical review team would share observations about first-phase proposals and offer advice; key consultants would introduce themselves, interact with the finalists, and describe their services; and Pritzker Traubert Foundation staff and trustees would provide guidance on next steps. A fast-paced morning session, organized by content areas, featured several speakers.

Cecilia Conrad, speaking on behalf of the *Chicago Prize* design team, championed the finalists with high-energy motivational remarks.⁵ She

⁴ For more information about The Bridgespan Group’s perspective on “big bet” philanthropy, see www.bridgespan.org.

⁵ The *Chicago Prize* design team included staff of The Bridgespan Group, Common Pool, Lever for Change, the MacArthur Foundation, and the competition sponsor, the Pritzker Traubert Foundation.

also emphasized the threefold intent of the second phase: that the revised applications make the selection committee’s “decision as difficult as possible;” enhance the teams’ ability to execute on their visions and plans; and generate interest that would attract other investment.

Drawing on findings of the technical review team, **Theresa Prim** of the Prim Lawrence Group, a Chicago-based real estate development consultancy, urged finalists to “tighten up their applications.” She recommended that finalists revisit the objectives and priorities of their initiatives; position the business case for their initiatives relative to neighborhood assets and market opportunities; provide the details of project development and operational plans; and describe resident involvement, not only in the design of the initiatives, but also as the projects unfolded over time.

Andy Katzman explained that The Bridgespan Group would help finalists obtain technical assistance and “navigate the proposal writing process.” He reviewed the specific requirements for each of the six sections of the application; suggested biweekly check-ins to help teams achieve “strategic clarity and proposal cohesion”; and urged finalists to “move from aspiration to execution [and] emphasize the economic impact of their proposed initiatives.” He positioned The Bridgespan Group as available on demand to discuss the guidelines for final applications and connect teams to the technical assistance they requested.

Devon Winey and **Diane Gordon** of Mt. Auburn Associates talked about the value of embedding “evaluation into the work [of initiatives] from the beginning, not as an afterthought.” They proposed to meet several times with each of the finalists—and their community partners—to

surface their theories of change and “draw out the connections between projects and the larger neighborhood vision.” They described their highly participatory process as one that seeks to: build a shared understanding of the purpose and value of measurement and evaluation; articulate a long-range vision of change and desired outcomes; explicitly link strategies to outputs and outcomes; and situate strategies in an understanding of neighborhood context.

Kimberley Rudd of Rudd Resources explained that, as communications counsel to the Pritzker Traubert Foundation, she was “in service” to the finalists. She would develop templates and standardized language to share with the finalists; coordinate messaging and place “person-first” stories about their initiatives; and coach finalists on telling their stories. Saying that “iron sharpens iron,” she suggested that collaboration would result in better stories and greater public understanding of the value and collective impact of their work.

As the primary point of contact for the *Chicago Prize* finalists, Foundation program officer **Andy Beideman** spoke about the availability of and access to a curated mix of experts ready to assist them. Though the finalists were expected to engage the services of Mt. Auburn and Bridgespan, involvement with technical assistance providers was optional. The use (or non-use) of services would not influence the selection process, as providers were bound by confidentiality and nondisclosure agreements.

Trustee **Bryan Traubert** brought the orientation to a close, saying that the finalists’ initiatives are “exactly the work that needs to be done” to improve Chicago neighborhoods.

SERVICES AND SUPPORT

The Pritzker Traubert Foundation intended the second phase of the *Chicago Prize* competition to benefit all finalists. Planning grants and easy access to practical expertise would allow each finalist to engage in the kind of research and development activities common to many business enterprises, but encountered less frequently in the nonprofit realm. The Foundation was confident that time and talent dedicated to strengthening the initiatives and developing first-rate materials would yield multiple proposals for shovel-ready initiatives worthy of investment, their own and that of others. To that end, Pritzker Traubert deployed its staff and reputational resources to advocating for funding for the finalists and other top-rated applications. At the launch of the competition, the Foundation vowed to showcase and help promote strong applicants; in the ensuing months, it enlisted hundreds of philanthropic, business, and civic colleagues to help in ways, big and small. As Foundation trustee Penny Pritzker readily acknowledged that “undoing decades of disinvestment” in Chicago’s neighborhoods would require collective ownership of the problem, as well as partnerships with grit and perseverance. It would also require that the finalists “pivot from aspiration to executable plan.”

Determined to help the finalists transition from dreaming to doing, Foundation president Cindy Moelis saw to it that the *Chicago Prize* was “as much about capacity building” as about capital investment in revitalization initiatives. For Devon Winey and Diane Gordon of Mt. Auburn Associates, capacity building was the explicit focus of their theory of change work. For Andy Katzman and his Bridgespan colleagues, the focus was on matching needs to capacity-building resources, coordinating technical assistance, and coaching finalists through proposal revision. Both Mt. Auburn and Bridgespan were contracted to deliver services that would add value to the process and assist the full cohort of finalists in preparing proposals with: diagrams or logic models and narrative explanations of their theories of change; lists of measurable outputs and outcomes and related indicators; plans for using data to track progress and monitor the efficacy of

strategies; detailed plans for deploying \$500,000 for measurement and evaluation; and all the rest. Finalists were encouraged to tap other providers for technical assistance, particularly four who would donate technical services to individual finalists on request.

Mt. Auburn saw “the real goal of this work [in phase two] as building the demand for learning and evaluation among [finalist] team members as well as building their capacity as consumers of evaluation.” Mt. Auburn wanted to “help teams see how evaluation can benefit them [by providing] ways to identify progress and challenges before the long-term outcomes are visible [so that they] can adapt their strategies to maximize the desired impact.” They also wanted to convey the power of data “to tell their story, demonstrate a proven record of accomplishment [and] attract additional funds.”

Mt. Auburn conducted daylong workshops with the finalists and their community partners, sometimes meeting with as few as four people, other times with as many as fifteen. They asked questions about context and rationale; probed on purpose, activities, and expected outcomes; and subsequently delivered near-verbatim notes, photographs of post-it notes and other workshop materials, and graphic representations of the theories of and pathways to change. The workshops were followed by multiple conference calls to identify measures of progress; create and critique multiple iterations of measurement and evaluation plans; and, as desired, provide ongoing consultation. Mt. Auburn worked more closely with four of the six teams, depending on the “appetite for evaluation.” In every case though, the consultants strengthened the capacity of finalists to connect vision to strategy and activity, articulate what they believe are the pathways to change, and specify short- and longer-term outcomes and measures. Generalizing across the cohort, the Mt. Auburn principals shared observations with the design team about the overall capacity of the finalists to execute on evaluation; they also identified areas where additional support might be useful.

Availability as well as appetite factored into the work of The Bridgespan Group with finalists. Bridgespan functioned as an intermediary and general contractor: it served as

“gatekeeper and confidante” to the finalists and liaison to technical assistance providers shown below. In the months leading up to and during the second phase, Cindy Moelis quietly recruited hundreds of thousands of dollars in *pro bono* services for the *Chicago Prize* competition and participants. In phase two, Bridgespan shepherded the delivery of services.

PROVIDER	CONTRIBUTED EXPERTISE
DLA Piper	<i>Legal counsel</i>
FCB Chicago	<i>Storytelling and pitch workshops</i>
IFF	<i>Real estate planning support</i>
INVEST South/West	<i>Advice on engaging city offices for projects</i>
Rudd Resources	<i>Communications services</i>
SB Friedman	<i>Financial and pro forma development</i>

Bridgespan also helped the finalists “navigate the overall process.” In biweekly calls over several months, Bridgespan consultants worked with the teams. They checked with the Foundation to clarify guidance and ask questions, thus preserving the anonymity of the finalists; guided finalists to various providers; discussed drafts of proposals; and suggested ways to present information and strengthen arguments. Bridgespan assembled anonymized feedback to the design team, noting that finalists valued the assistance and access to expertise they could not otherwise have afforded. They arranged for technical assistance; in some cases, they suggested how certain kinds of expertise would be useful. In the end, there was considerable variability in the take up rate for technical assistance. In some cases, teams did not require what was on offer; in others, they seemed not to have the time or capacity to take advantage of available resources.

OBSERVATIONS

The second phase of the competition unearthed questions about open-call competitions, capacity building, and technical assistance. Perhaps the most salient pertained to the sequence of activities and their timing. Mt. Auburn and Bridgespan wondered about the efficacy of undertaking evaluation planning and proposal revision simultaneously. At issue was whether evaluation planning might be better received earlier in a competitive process, or after the selection of the Chicago Prize winner. It is possible, yet to be confirmed, that some finalists may have considered evaluation planning an unnecessary distraction from proposal revision, without fully appreciating its direct and immediate value for proposal revision. To develop convincing arguments for strategies or anticipate their impact, finalists needed to surface assumptions and specify the path to the changes they envisioned. Moreover, since the winning initiative will be expected to produce concrete benefits, and funded to demonstrate measurable impact, the investment of time and resources to strengthen the capacity for evaluation seems justified. A review of final applications leaves little doubt that the facilitated work on theories of change and evaluation forced finalists—in a good way—to make strategic choices, explain implementation plans with greater confidence, and produce more compelling proposals. Guidance of this kind, given to all six finalists, may have been exactly the right assistance at the right time, and likely leveled the playing field.

Authorship was another concern. In working with finalists, the technical assistance providers developed materials, critiqued proposals, suggested (and sometimes made) substantive revisions. This raises the question of whether technical assistance and coaching supplemented or substituted for capacity building. For the immediate purpose of selecting the *Chicago Prize* winner, however, two factors are worth noting. All of the finalists had access to the providers; they could self-assess their capacities and opt in or out of obtaining assistance. In any event, final applications would be but a single source of information about the quality of the proposed initiatives and the competencies of their leadership. Analyses of the technical review team; observations gleaned from site

visits; and deep knowledge of Chicago neighborhoods grounded in data and experience would also inform the selection of the winner.

In the months ahead, the Foundation will dig into these and other issues to deepen its understanding of capacity building and community investment. It will revisit its learning agenda—the set of questions it outlined at the inception of the competition—drawing on multiple sources of information and insight, as well as new data, to extract the lessons of the *Chicago Prize*.⁶

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Summer 2020

Commissioned by the Pritzker Traubert Foundation, *Digging Deeper* was produced by Lloyd Consulting, Inc., which is solely responsible for the report's content. The author thanks the *Chicago Prize* development team. Without their involvement and dedication to continuous learning, this report would not have been possible.

⁶ Among the sources will be a study conducted by Boston Consulting Group. BCG surveyed 40 applicants; interviewed eleven applicants at length; assembled descriptive data about the applicant pool; and developed recommendations about capacity building and the private investment community.