

Why Funders Need To Embrace Failure



Gary Rosenblatt

Opportunity to take risks and learn from them necessary for success, some experts say.

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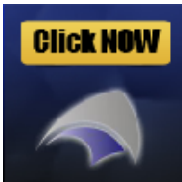
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Before there was Birthright Israel, the most successful Jewish communal effort to increase Jewish identity among young people, there was The Israel Experience, a like-minded effort — and acknowledged failure.

Jeffrey Solomon, president of the Andrea and Charles Bronfman Family Philanthropies, recalls that Charles Bronfman announced the launch of The Israel Experience in 1992, amid great fanfare, at the major annual convention of North American Jewish federations.

An experiment to bring large numbers of high school students to Israel, it was a partnership of major Jewish organizations working with Bronfman's foundation, with the wildly unrealistic target of attracting 50,000 Jewish teens a year to eight-week summer programs.

"It was an utter failure," but also a "noble" one, says Solomon (a member of the board of directors of The Jewish Week), asserting that the success of Birthright, which began seven years later, was "built directly" on what went wrong with The Israel Experience.



He explained that when he became the professional head of the Bronfman foundation in 1997, he undertook an evaluation of the philanthropy's various programs and discovered that during the years The Israel Experience was in operation, "not one more high school kid went to Israel as a result of that \$19 million expenditure," primarily spent on marketing the program.

Solomon says that everything learned from that failure — the ideal age of participants, cost of the program, length of time spent in Israel, structure of the partnership, evaluation and more — directly led to the success of Birthright.

It should not come as a surprise that failure is a key component of future success. For centuries it has been the basic premise of scientific experimentation, and applies to a wide range of fields, from education to business. Recent examples abound.

The New York Times education supplement in September published a cover story titled, "What If the Secret to Success is Failure?" The report focused on various efforts to instill character into students, noting that privileged youngsters at top academic schools often lack the growth opportunity that comes with overcoming a hardship, academic or otherwise.

Newsweek magazine now devotes its back page each week to a column called, "My Favorite Mistake," with celebrities telling how some misfortune or fault on their part led to a life lesson in perseverance.

"Start-Up Nation," the best-seller that describes how tiny Israel has become a world leader in innovation, emphasizes how the national culture values early failures in life, giving young entrepreneurs the fortitude and chutzpah to succeed.

Is the organized Jewish community in this country overly risk-averse when it comes to spending on new ventures? Solomon says such reluctance is understandable, particularly for Jewish federations whose decisions are made by consensus and at a time of economic restraint. But he and others insist such an approach is shortsighted and ultimately harmful to the community.

Family foundations, widely seen as the risk capital for the Jewish community, tend to be more willing to launch and support start-up ventures, but they too are criticized for sometimes losing interest in a project after a few years, leaving it vulnerable, and moving on to other, newer ideas.

"This is a moment in time when the Jewish community needs to experiment," says John Ruskay, executive vice president and CEO of UJA-Federation of New York, one of the few federations with the resources and willingness to invest in new projects.

Learn From Mistakes

Some communal observers note that R&D — research and development — is a basic component of commercial businesses, and assert that Jewish charities should emulate that model. They say at least 10 percent of funds should go into innovative experiments, with the clear recognition that some will not succeed. And they would like to see grant-makers do a better and more transparent job of evaluating past disappointments to learn from them.

Richard Marker, a veteran philanthropic adviser and former CEO of the Samuel Bronfman Foundation, notes that "we can only do excellent funding if we are willing to acknowledge and learn from our mistakes, errors, failures and shortfalls."

Jeffrey Solomon believes the community needs to change the mindset that playing it safe in funding is the responsible and most beneficial approach.

"There is nothing wrong with funding a local JCC," he said, "but the reality is that, based on long-term trends, there will be shrinkage" in terms of membership.

"Imagine if a pool of \$50 million a year was available for innovation," he added. "It would be a game-changer," with the potential to "revitalize" the community. "But to do that you have to be prepared for greater risk, and you would have to use a democratic rather than consensus system."

Ideally, Jewish establishment groups and private foundations would complement each other in their work. For now, though, Solomon believes they are plagued by "the inability to find comfort with one another." He says that most young leadership programs are geared toward attracting young people to establishment organizations rather than providing them an authentic voice of their own.

But there are notable exceptions.

Solomon and others credit UJA-Federation of New York for its bold support of innovative projects. That has included some embarrassing moments, like when the youth-oriented and anti-establishment magazine, Heeb, a recipient of significant federation funding, published a 2004 spoof of Mel Gibson's "The Passion of the Christ" featuring semi-nude photos of "Mary," and of "Jesus" wearing only a tallit around his genitals.

(UJA-Federation did not renew its funding, and the magazine stopped printing in 2010, though it continues as an online publication.)

For the most part, UJA-Federation's grants for startups have been highly praised for their role in launching and sustaining efforts to heighten Jewish identity among young people.

"You need to learn from success and failure," says UJA-Federation's Ruskay.

One highly touted effort is Presentense, a mostly volunteer community is working in Israel and New York to help create and sustain the next generation of social entrepreneurs.

Another is Bikkurim: An Incubator for New Ideas, a joint project of the Jewish Federations of North America and the Kaminer Family Foundation. Executive director Nina Bruder credits UJA-Federation with being "an amazing partner, not just financially but in actively encouraging and supporting new projects."

Since launching in 2000, the New York-based Bikkurim (Hebrew for "first fruits") has provided advice, office space and modest funding for 29 groups, including a new egalitarian yeshiva (Mechon Hadar), the Jewish Farm School, a program that fosters mediation on the Israeli-Palestinian conflict (Encounter) and one that promotes social justice in the Orthodox community (Uri L'Tzedek).

Twenty-four of the programs are still around and five have closed, most famously JDub Records, whose surprise termination last year underscored the perils of projects sustaining themselves a few years after getting off the ground.

Bruder said there is too little funding for groups in the post-experimental but not yet stable stage, when “the need is greater, the risks are lower but the funding sources are fewer.”

But she said JDub Records, which launched the career of Matisyahu and called attention to the strong connections between hip, cultural music and Jewish youth, was hardly a failure.

“How you define ‘failure’ is tricky,” Bruder noted. “Closure doesn’t equal no impact; failure is when there is closure and no lessons learned from it.”

JDub No Failure

A prominent observer of the American Jewish scene makes a similar point.

Jonathan Sarna, professor of American Jewish history at Brandeis University, notes that efforts like JDub and the liberal Modern Orthodox group Edah, which closed five years ago, were not failures because “others took up the cause.”

He says it is natural that ideas and projects outlive their usefulness, citing the waxing and waning of institutions in this country like Jewish hospitals and Hebrew colleges as well as havurot and The Jewish Catalog, the how-to Bible of the ‘60s and ‘70s little known today.

“That doesn’t indicate failure,” he said, but rather that times, and needs, change.

The current recession has hastened the end of some organizations, Sarna noted, like the American Jewish Congress, and forced others to join forces with one another.

“There is less experimentation than we might imagine,” he said, in an American Jewish community that “has not been willing to study failure.” He cited as examples of under-analyzed programs or events: the Institute for Jewish Life, the short-lived establishment effort to spark a major Jewish renaissance in the early 1970s; the United Jewish Communities (UJC), the North American umbrella organization of the federations that morphed into the current Jewish Federations of North America (JFNA); and the lack of a timely and effective national leadership response to the impact of the 2008 economic meltdown on Jewish communal life.

One of the few examples of an organization willing to share an evaluation of its own efforts is the Avi Chai Foundation, which supports Jewish education through a number of projects in Israel, the former Soviet Union and North America (including several launched by The Jewish Week).

The charity issues an annual report, available on its website, which is widely cited as a model in the field for its refreshing candor and transparency. In the last several years it has reported on its spend-down efforts — it plans to

close by 2020 — openly describing disappointments as well as successes in a narrative that does not conceal tensions that have emerged at times among board members.

But such reports are rare, and as Sarna notes, “bottom line we need to accept more failure.”

From an Israeli innovator’s perspective, though, the American Jewish community is far more advanced when it comes to certain kinds of innovation than Israel, particularly in the realm of Judaism.

Nir Tsuk is the managing director of the Israeli branch of Ashoka: Innovators for the Public, an international organization that promotes social entrepreneurship, a term it coined. He points out that while Judaism in the Jewish state is essentially black or white, religious or secular, America has fostered a variety of options, including Conservative, Reform and Reconstructionist.

Israel, Tsuk says, is more entrepreneurial in various fields of interests, like bioengineering and technology. “But American Jews are more creative in issues of identity and redefining Jewish beliefs and practices. Super creative, in fact.”

One more area where American Jews and Israelis envy each other and need to learn from each other.

In the meantime, at a time of economic recession, as organizations and foundations struggle to maintain essential programs, the pressure is even greater to sacrifice future plans and focus on the here and now. But thought leaders who have learned from mistakes are warning us that *davka* (especially) now is the time to assure the future by investing in dreams, even if some of them never come true.

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