

# Failing to Succeed: Two Case Studies

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*Failures are nothing for foundations to be ashamed of, but rather badges of honor signaling that they are trying harder to serve the social mission that justifies their tax-favored treatment. But there is something to be ashamed of in failures—not so much the failures themselves, but the unwillingness of responsible foundation officials both to own up to the fact that some initiatives, in fact, failed, and to provide reasons for such failures.*

Buddy Silberman, *Founding Trustee of the AVI CHAI Foundation*

*We shouldn't learn only from our own mistakes.*

Joel Fleishman, *The Foundation*

In our nearly 25 years of grant making, the AVI CHAI Foundation in North America has had the privilege of supporting a wide range of innovative and creative programs promoting Jewish literacy, religious purposefulness, and peoplehood/Israel at Jewish day schools and summer camps. We believe that Jewish commitment—AVI CHAI's key mission in North America—depends on these elements, because Judaism derives from a core set of texts and lives in ongoing dialogue with those texts (literacy); because Judaism is lived and experienced in daily practice and interactions guided by those texts (religious purposefulness); and because in the 21st century Jews throughout the world should feel connected as one people with, and feel a responsibility to, our national homeland in the modern State of Israel.

In approaching our grant programs, we try to invest rigorously in research, programmatic planning, pre-grant due diligence, and evaluation of both process and outcomes. By doing so, we believe that we have been successful in identifying effective partners and working with them to develop well-conceived and thoughtfully executed programs that contribute to the fields in which we work and address the issues we have set as our agenda.

We openly concede that we have also tasted failure. When high-risk/high-reward solutions are used to tackle challenging problems, which is the true advantage of philanthropic work, and the approach AVI CHAI often takes in its philanthropy, the potential for failure is always present.

“Failure,” in the sense of *fiasco*, *catastrophe*, and *collapse*, is frightening to admit. But failures can also be viewed as *disappointments*, *insufficiently successful programs*, or even *learning experiences*, much more psychologically manageable terms. At a recent Jewish Funders Network professional development seminar, the participants were all asked to raise their hands if they had ever failed, either personally or professionally. Very few hands were raised. The facilitator then responded, “Those of you who have not raised your hands are just not trying hard enough.”

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Since joining AVI CHAI in 2000, **Deena Fuchs** has managed its internal and external communications and has served as a resource in marketing and strategic communications for its many grantees. Included in her portfolio are AVI CHAI's efforts in thought leadership and knowledge sharing.

True failure arises not when programs or organizations fail but when we simply write off the unsuccessful programs and disappointments without using them to learn from and, in turn, inform others.

In this article, I examine two of AVI CHAI's failures, particularly the lessons that we have learned from those experiences and that we have attempted to take to heart as we continue in our grant making.

## **JEWISH TEACHER CORPS**

In 2001 AVI CHAI agreed to fund an exciting venture, the Jewish Teacher Corps. (JTC). Modeled after the successful Teach for America (TFA) program, JTC was designed to provide top-notch college graduates who had strong Judaic studies backgrounds an opportunity to serve for two years as Judaic studies teachers in the growing number of day schools across the country. JTC had the potential to address two key challenges facing day school education: (1) the paucity of qualified Judaic studies teachers in communities outside the major metropolitan areas and (2) the low number of recent college graduates choosing day school education as a career. We believed that once JTC Fellows experienced teaching in the day school classroom, much like their Teach for America counterparts, a significant minority would consider a career in education.

We had been looking at the Teach for America model for some time. However, we realized that a Jewish day school program would attract a much smaller pool of both schools and fellows. Perhaps, we thought, we could attract dozens of fellows to service tens of schools (as opposed to the thousands involved in TFA). We were therefore delighted when another organization presented us with a proposal. It said that it had done its due diligence and was confident that it had 18 candidates waiting for the program to launch and to serve as fellows. Our trustees approved a grant of \$1.7 million over three years to cover three cohorts of fellows, with an expectation that the cohorts would grow over those three years; we set benchmarks of 18, 30, and 50 participants for the first, second, and third years, respectively.

Soon after the grant was approved, the funded organization, in consultation with AVI CHAI, hired a project director and launched the program. However, instead of the anticipated 18 fellows for JTC's first cohort, it was only able to recruit 3 fellows.

Disappointed, we tried to understand what had happened. We conducted focus groups with JTC's target audience—Jewish college students with strong Jewish educations—which taught us about the strong sense of pressure they felt to move along in their lives, to get married, and embark on their careers. How could they give up a year or two and move to another community? And for those who might have been willing to “defer their lives” for a year for the sake of community service, the notion of going to work in a Jewish day school was just not a compelling enough motivation.

The second cohort had six fellows. The trustees declined to fund cohort three. JTC failed. Why?

At AVI CHAI, we still believe strongly that the JTC idea is worth trying. The lessons we learned may be helpful to others interested in undertaking a new version of the program.

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**Too Romantic**

As I mentioned earlier, all of us at AVI CHAI were enthralled with the idea of modeling JTC on Teach for America. We had been talking about it for years, and suddenly we were presented with a proposal by an organization led by a charismatic rabbi who had over time developed relationships with numerous college students and alumni. Our enthusiasm may have clouded our overall decision-making process and blinded us to the lack of the proposing organization's programmatic track record. In pursuit of the romantic ideal, we did not put the program through the rigorous AVI CHAI process that has proven successful.

**Faulty Assumptions and Due Diligence**

The partner organization assured us that 18 fellows were waiting in the wings to join the program. It came to that conclusion based on its own due diligence. We never tested those assumptions. In other words, we did no due diligence on their due diligence. When we finally did our own market research after experiencing the low number of recruits for the first cohort, we learned that many of the underlying assumptions held by this organization about interest among potential fellows were unfounded.

Those assumptions guided many of the programmatic decisions, which we believe ultimately led to the failure of the program. Working on the assumption that attracting college graduates would be relatively easy, we viewed recruiting day schools to hire JTC fellows as our greatest challenge. For that reason, we hired an educationalist to direct the program, someone who could relate to the schools' needs as well as build a teacher training program that would effectively prepare the fellows for the roles they were about to play. He served those needs wonderfully. But, if we had understood the market and realized that we needed to focus on recruiting candidates and not only schools, we would have known that the right project director should have been more entrepreneurial in spirit and have been able to play the role of "pied piper."

**Expensive Model**

JTC's first cohort had three fellows; its second had six. Proponents of the program within the foundation argued that JTC was building a culture among college students interested in the JTC opportunity. What we really need, they argued, is more time: time would allow JTC to build itself into a "real option for post graduate experiences"; time would allow a culture of service to surface among our target audience for fellows; time would prove that JTC is a success. Those proponents may very well have been right. But, the model, as it was built, was just too expensive for such a slow-growing market. As one of our trustees expressed at a board discussion about the future of JTC, "If you didn't vote for JTC when we were first presented with the program, I would say you didn't have a heart. Now, seeing how expensive it is and how few fellows we have recruited, I would have to say that if you vote for it, you don't have a head."

**JSKYWAY**

In our 2005 Annual Report, AVI CHAI's chairman, Arthur W. Fried, acknowledged,

*In 2004, we failed to get JSkyway, a distance-learning, Internet based, in-service training initiative developed by Jewish Family & Life! (JFL), to be embraced by a sufficient number*

*of teachers to justify our continued annual support. Not everything AVI CHAI does results in success, although a foundation must be willing to take risks in its philanthropy, especially now, with emerging technology. Our Trustees understand the unique opportunities that private philanthropy can make possible, but not every effort can bear fruit.*

Much like JTC, JSkyway was an attempt to transplant a successful secular education program to the Jewish world. We were eager to be a part of the flurry of online distance learning university courses and professional development courses, including experimental for-credit courses by the Jewish Theological Seminary and others. How wonderful would it be to provide online distance learning professional development opportunities for Jewish day school and supplementary school teachers!

And so, between 2003 and 2006, AVI CHAI's Trustees approved \$1.27 million in funding to support JSkyway, a program of Jewish Family and Life! (JFL), an AVI CHAI partner for other programs. Our initial funding was designed to allow JFL to spend time and resources on four areas: market research, identifying partners in delivering services, developing a plan for scaling up the program, and finding other funders to join AVI CHAI in support of the program. As we continued to support JSkyway over the ensuing two years, we set increases in enrollment in JSkyway courses and in the evaluated quality of the courses as our measures of success.

Throughout our involvement with the program, we commissioned numerous outside evaluations of the program's courses and technological features. Every one came back with positive reports about the caliber of the coursework and the ease of use. Regardless of these positive evaluations, each semester JFL reported that the enrollment, although it was slowly growing, was not meeting projections. A last-ditch marketing effort helped improve the numbers somewhat, but by the end of 2005, our trustees believed that they had no choice but to provide a final grant to JSkyway that would allow them to move to a new business model.

JSkyway, more so than JTC, left us pondering what went wrong. The reasons for its failure do not seem as obvious. We embarked on the JSkyway grant with the same rigor as other grant programs. We were confident that we had the right organizational partner; we were pleased with the leadership team for the program; and the objectives and goals of the project fit squarely with our mission of fostering increased Jewish literacy by supporting teachers. And, unlike many of our other grant programs, we saw an opportunity for philanthropic leverage in that the project was being funded by other organizations as well. We knew that we were taking a risk, but thought it to be a reasonably good one. Why did we fail?

On further reflection, we recognized similarities to our experience with JTC.

### **Too Romantic**

When we decided to embark on JSkyway, we were witnessing the beginning of a technological boon for education. Online courses and distance learning were the buzzwords in educational innovation. Just as the most prestigious universities were developing programs to take advantage of the Internet, so would JSkyway. In truth, JSkyway followed the trajectory of many of these ill-fated niche-market programs. Today, only a handful of those programs have proven successful; many more have closed their "windows." It seems that the business model just did not work.

### Faulty Assumptions

We, and others involved in Jewish education, know that the quality of professional development in our school systems is weak. JSkyway was built to address this challenge. According to JFELS market research, (1) administrators reported that their teachers found current in-service professional development offerings to be ineffective, (2) administrators would be interested in an online option for professional development for their teachers, and (3) a very high percentage of teachers had home computers.

This market research did not undermine the project's most important premise—that schools had a sufficiently strong culture of professional development to entice educator participation (even without financial incentives) if the courses were high quality and convenient.

That assumption, which turned out to be faulty, led to programmatic decisions that may have made success, as measured by enrollment, more difficult. In retrospect, JFL allocated insufficient funds to marketing. A strong marketing push at the end did result in an increase in enrollment, but by then it was too late; the numbers were too low and the per participant costs too high to warrant further investment. By its last semester, JSkyway attracted 139 registrants, of whom 104 ultimately participated and 64 completed at least one eight-week course. The 38% attrition rate, while lower than usual for online courses at that time, was a particular concern.

If we had had a better understanding of the market, in terms of the prevailing culture of professional development and the amount of time teachers would be willing to commit to their own development, our measures of success and even the course design might have been different. Perhaps we might have made shifting the culture of professional development as the first goal and developed a set of initiatives toward that end.

### Expensive Model

As I mentioned earlier, the marketing push made toward the end of the program led to an increase in the enrollment rate. In fact, enrollment went up by 50%—from 92 to 139. But, like JTC, by that point, the numbers were still too low to warrant the investment. JSkyway spent \$2,338 per *registrant*. When it considered the number of participants who never completed their courses, our board decided that supporting JSkyway just did not make philanthropic sense.

Here, too, one could convincingly make the case that JSkyway was working to change the culture of professional development in Jewish education and that more time might yield great returns. Yet, just as with the Jewish Teacher Corps, we felt that the program was just too expensive to allow it the time it might have needed to take root and become successful.

### Funder Failure

In our reflection on these two failures, we considered whether we, as the grant maker, “failed” the programs we were supporting. I would say yes because we did not recognize the systemic change that would be needed to allow both JTC and JSkyway to succeed. As a result, we did not encourage them to be developed in a way that would allow them the time they needed to build a culture in which they would thrive.

How much time would have been necessary? I am not sure. But cultural change does not usually occur in two to three years or two to three cohorts. Had we better understood the magnitude of the cultural shift that was necessary and then matched it with a budget that took a realistic perspective on how much time would be required to see real change, two other programs might have been the subject of this article.

As funders, we are impatient to make a difference and sometimes may encourage our grantees to promise more than can be delivered in the agreed-on time frame. We have discovered this can be a costly mistake.

### LESSONS LEARNED

Both JTC and JSkyway were programs with great potential. They addressed heady challenges facing the field of Jewish education, and they used innovative approaches to tackle those issues. They both worked hard and “failed.” We appreciate the opportunity to learn and lead from our experiences. Here, in brief summary, are the key lessons we learned:

- Don't allow yourself to be seduced by a compelling vision that is not accompanied by the understanding and know-how necessary for success. Don't overlook any of the usual best practices just because “the idea is too good **not** to do.”
- Alternatively, recognize that high-yield propositions are also usually high risk. Be prepared with back-up plans from the outset.
- Consider whether the proposed program works within the existing culture or against it. Then adjust your goals and measures of success accordingly. If you are working against the culture, be sure to include advocacy and marketing as part of the program design.
- Test all assumptions, whether they are yours or others. Know your target audience, and pay careful attention to what they tell you. Be sure to ask them the right questions. “Does this program sound like a good idea?” will get you very different answers from “Would you apply to this program?”
- Recognize that some programs require a top-down approach and others need social entrepreneurial-type leaders who can build a *movement* around an ideal.
- Build a model that is inexpensive enough for you to give it the time it needs to grow.
- Recognize that in some instances, an investment of financial resources cannot shorten the time needed for nonprofit achievement.
- Don't sacrifice your dreams. If a proposed model contains excessive risk, continue to explore others. We continue to believe that both the JTC and JSkyway goals will ultimately be a successful part of our communal landscape.

### CONCLUSION

Programs may not always yield the expected outcomes and reach the goals that were the impetus for their creation. But if the experience leads to greater knowledge and a more nuanced understanding that strengthens foundation process, informs foundation staff about their grant-making roles, and provides guidance for others in the field with similar objectives, it cannot be classified a failure.

Instead, the program will have become a successful experiment in that it lays the groundwork for future success.

***Don't overlook any of the usual best practices just because “the idea is too good not to do.”***