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**STANFORD** SOCIAL INNOVATION *review*

**Leading Boldly**  
**Foundations can move past traditional**  
**approaches to create social change through**  
**imaginative – and even controversial – leadership**

By Ronald A. Heifetz, John V. Kania, & Mark R. Kramer

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*Foundations can move past traditional approaches  
to create social change through imaginative –  
and even controversial – leadership*

# leading boldly

THREE FOUNDATIONS SHOCKED the city of Pittsburgh in 2002 by abruptly suspending their funding to local public schools. Collectively, these foundations – the Heinz Endowments, the Grable Foundation, and the Pittsburgh Foundation – had awarded nearly \$12 million to the city school district over the previous five years. The foundations announced their decision in a news conference that attracted both local and national coverage – a sharp departure from their usual approach of working quietly behind the scenes. Foundation executives explained that they had completely lost confidence in the ability of the local school board to run the district.

“This was a wrenching decision for both our staff and our trustees,” Grable Foundation executive director Susan Brownlee told reporters. “The Pittsburgh Public Schools is the largest beneficiary of Grable funding. ... But the system is so dysfunctional that we cannot put money into it.” Added Bill Trueheart, CEO of the Pittsburgh Foundation, “It’s clear the school system is in crisis.” School board members reacted angrily, accusing the foundations of strong-arm tactics that would harm children. “I can’t tell them what to do, and they shouldn’t tell me what to do,” said school board president Jean Fink. “They shouldn’t use money as a threat.”

The controversy, reported on local television and the front pages of both the *Pittsburgh Post-Gazette* and the *Wall Street Journal*, created an immediate sense of urgency within local government and throughout the community. The day after the foundations’ announcement, Mayor Tom Murphy stated, “The action of the foundation community is a wake-up call, one that I hope will force all of us to come together as a community to address the ongoing problems

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