

## ESSEX COUNTY COMMUNITY FOUNDATION

### A HARVARD BUSINESS SCHOOL CASE STUDY



## PIVOT TO SYSTEMS PHILANTHROPY

Valentine's Day 2024 was cold and blustery. Essex County Community Foundation CEO Stratton Lloyd, then the organization's executive vice president and COO, and Kate Machet, director of strategic initiatives and government affairs, made their way across the icy campus of Harvard Business School (HBS) to Aldrich Hall, where a classroom of MBA students would pose questions about the foundation's unique brand of systems philanthropy.



# INTRODUCTION

It was a meeting six months in the making. Case writers for HBS had examined and written about ECCF's pivot to systems philanthropy, a concept in development at ECCF since 2018 and further shaped by crises like the Columbia Gas explosions and COVID-19 pandemic. Systems Philanthropy is ECCF's approach to solving Essex County's most pressing social challenges using a combination of community engagement, cross-sector collaboration and an exploration of the root causes of inequities. It has guided ECCF as the foundation continues its evolution into an organization that inspires and catalyzes lasting, sustainable change in the region.

The **case method** at Harvard Business School, where systems change is being studied and woven into the curriculum, gives students the chance to analyze real world challenges, ponder decisions and engage in lively classroom discussion and debate. For Lloyd and Machet, it was fitting that their visit to the classroom took place on Valentine's Day, because for them – and the rest of the staff at ECCF – this transition to a systems approach has been a labor of love, with twists, turns, challenges and opportunities.

"It's incredibly humbling that ECCF's work is being studied by some of the brightest minds in business

and social entrepreneurship," said Lloyd, a HBS alum. "The students in that classroom, people from around the world and with diverse perspectives, really got it."

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STRATTON LLOYD  
ECCF PRESIDENT & CEO

And they asked such pointed and strategic questions that not only furthered their understanding of ECCF's systems approach but also provided us with food for thought as we move forward with this work."



# THE CASE STUDY

In the fall of 2023, HBS case study writers V. Kasturi Rangan, Brian Trelstad and Courtney Han began interviewing key members of ECCF's team and creating a narrative that outlined the foundation's transformation from "a passive repository of community funds" towards "a proactive community leader."

The 27-page document examines approximately the last decade of ECCF's history, starting with a shift in the collective mindset about what a community foundation should be (and how ECCF might be able to differentiate itself from more commercial and transactional Donor Advised Fund (DAF) sponsors) to the development of a comprehensive plan to effectively improve the quality of life for all residents of Essex County.

**50,000+**

**HBS Case Studies  
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**500**

**Social Enterprise  
Specific Cases**

**15**

**Systems Related  
Social Enterprise  
Cases**

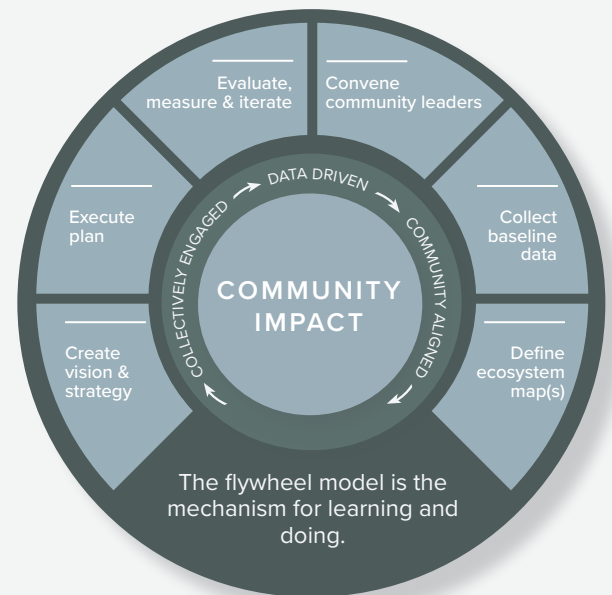
**5,000**

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The **ECCF case study** details a confluence of ideas, hopes and circumstances that ultimately connected a community foundation poised to do more with a region that was ready for a unified vision of how strong it could become. Case writers followed ECCF's pivot to systems philanthropy as the foundation:

- **CONTEMPLATED** its true potential for impact in the community
- **DEVELOPED** a process for authentic community and donor engagement
- **ELEVATED** the use of data to measure the region's health and progress
- **REDESIGNED** grantmaking to work towards population-level change
- **SUPPORTED** the development of countywide "collaborative muscle"
- **NAVIGATED** two major crises that elevated ECCF's role as a regional leader
- **IMPLEMENTED** major initiatives – including Advancing Digital Equity and Creative County – that have brought about structural, relational and transformative change

## ECCF'S SYSTEMS PHILANTHROPY FLYWHEEL



### ECCF'S SYSTEMS CHANGE EFFORTS

Since 2018, the communities of Essex County have been positively impacted by the following efforts to create sustainable change for the region's **800,000+ residents**.

Empowering Economic Opportunity

Creative County

Advancing Digital Equity

Workforce Development

Place-Based Impact Investing

# BY EARLY 2024,

**\$39M**

Invested in community  
leadership initiatives

ECCF had “invested \$39 million in community leadership initiatives, impacted 69,306 Essex County residents and built a network of over 3,625 county-level organizations and donors” the case states.

**69,000+**

Essex County residents  
impacted

“After six years, connections and learnings were emerging,” case writers wrote, citing the progress of organizations like Makelt Haverhill, Mill Cities Communities Investments and the Merrimack Valley Planning Commission, all which had varying levels of partnership with ECCF.

**3,000+**

Donors and organizations  
engaged in ECCF’s  
systems change

“It’s ecosystem building until you see systems change happen,” Beth Francis, ECCF’s former president and CEO, told case writers. In other words, bringing people together is the foundation of this work; positive change naturally follows.

But where does ECCF go next? Should the foundation scale up existing initiatives or fund new ones? And how does the foundation ultimately define success before tackling the next challenge?

These are the million-dollar questions students were asked to ponder, as foundation staff contemplate these same questions themselves. As ECCF prepares to dive deeper into emerging challenges and opportunities in Essex County – and start the foundation’s next strategic planning process – how can we have the most positive impact?

# THE CLASSROOM EXPERIENCE

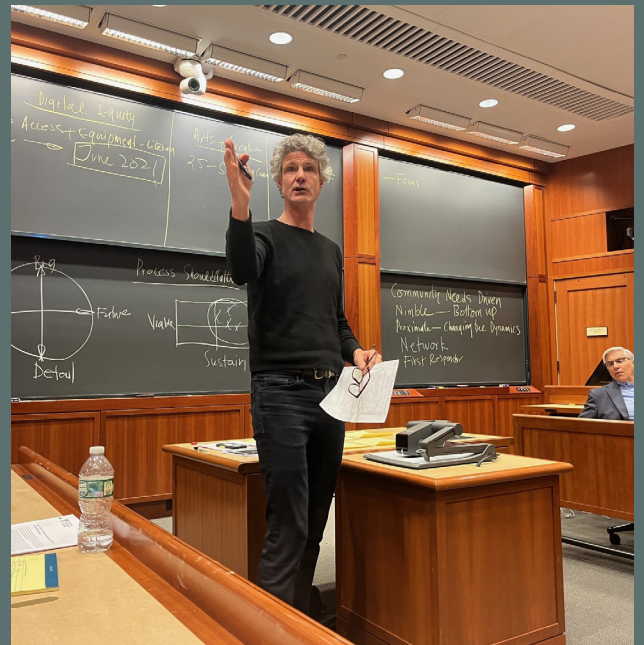
“I wasn’t sure exactly what to expect,” said Machet about the classroom visit on Valentine’s Day. “But we were told to come prepared for debate.”

Students, all in their second year, arrived ready to discuss the case. They praised, probed and rated ECCF’s choices, methodology and communication. Students also asked questions about ECCF’s investments, priorities and commitment to seeking out diverse voices.


“It was meant to be like a board room and we’re really open to that kind of feedback,” said Machet. “It was just exciting to be in a room of social entrepreneurs who were all there to discuss ECCF’s work.”

There were also some aha moments in the classroom. One student, who runs a nonprofit based in Africa, said the case highlighted for her just how important community engagement is.

“Not only was it energizing,” said Lloyd about the experience, “but it really inspired me to think about the 2.0 of our systems work. I feel extremely fortunate that we had the opportunity to discuss systems philanthropy in a forum like that.”



ECCF's Stratton Lloyd talks about systems change at Harvard Business School.



## THE RIPPLE EFFECT OF DOCUMENTING SYSTEMS CHANGE

Essex County Community Foundation: A Pivot to Systems Philanthropy is a case that will be used extensively by Harvard Business School students and social impact and entrepreneurship programs around the world.

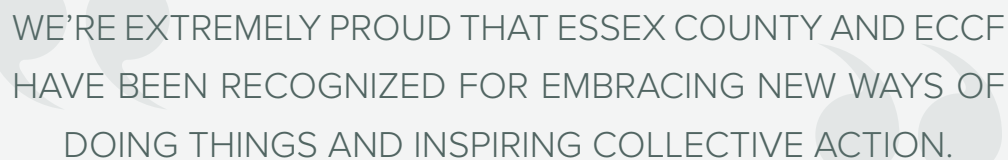
And the publication of this case by an academic institution like Harvard indicates that the foundation's brand of systems philanthropy is worthy of being studied by future changemakers.

"This approach to community problem solving and leadership is so important to document and share because it's impactful," said Lloyd. "We're just so

honored that through our work, future leaders from across the globe can learn from our journey. If it inspires just a small fraction of those leaders to more deeply engage with their communities or think systematically and collaboratively, the ripple effect could be huge."

This examination of ECCF's work – one of the first few cases at Harvard Business School focused on the concept of systems change in the social sector – may also serve to elevate the role that community foundations can play in effecting social change.

"Community foundations – along with the residents, leaders and nonprofits in the communities they serve – are essential anchor institutions and hold so much leverage to make a difference," said Machet. "We're extremely proud that Essex County and ECCF have been recognized for embracing new ways of doing things and inspiring collective action."

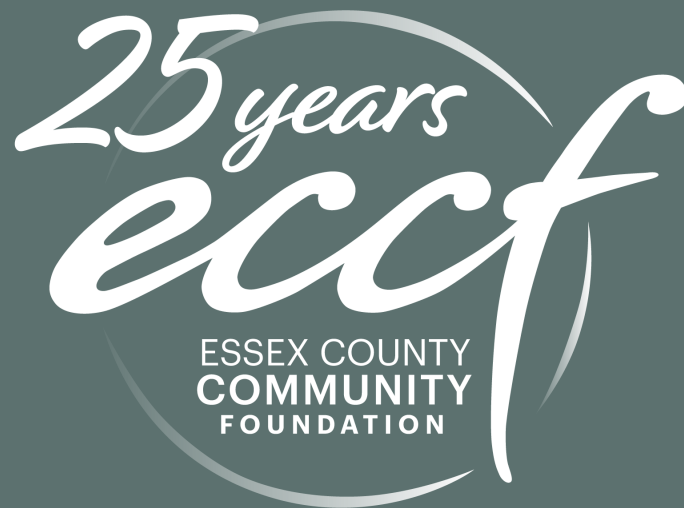


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KATE MATCHET

ECCF'S DIRECTOR OF STRATEGIC INITIATIVES AND GOVERNMENT RELATIONS



978 777-8876

500 Cummings Center, Suite 5450, Beverly, MA 01915

[www.eccf.org](http://www.eccf.org)

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