



ProPublica: Muckraker for the 21st Century

What is the best way to tackle corruption? With ProPublica, the Sandler Foundation has revived a time-tested tactic that is proving effective as ever

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Herb and Marion Sandler are used to realizing ambitious goals. As co-CEOs of Golden West Financial Corporation between 1963 and 2006, they built that organization into one of the largest and most admired savings and loan companies in the country. (Marion was one of the first female CEOs of a Fortune 500 company and the longest-serving.) They've also been a powerful philanthropic force. Working together at the helm of the Sandler Foundation since 1991, they have pursued research on neglected diseases, advocated for vulnerable people and environments, and worked to strengthen the United States' "progressive infrastructure" and to expose corruption and abuse.

Corruption, in particular, makes Herb and Marion Sandler's blood boil. "We cannot stand the abuse of power, or betrayal of the public trust" asserts Herb. "It's just something that drives us crazy." Marion concurs: "We searched for a way to put a spotlight on these abuses, and potentially stop them."

That's why, in 2007, the Sandler Foundation launched ProPublica, an "independent newsroom" to conduct in-depth investigative reporting and offer its output free of charge to mainstream news outlets. "We all know the potential for corruption in city, state, and federal government, as well as in major corporations. And somebody's got to be watching," Herb explained. "That's the muckraker tradition."

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What ProPublica needed in order to succeed: The right leader

The idea of directing a portion of their philanthropy to support an independent newsroom made intuitive sense to the Sandlers. They knew that the mainstream media was cutting back on investigative reporting, one of the key tools used to fight corruption, due to financial pressures. But when they spoke with reporters, policymakers, and experts to help craft their strategy, they uncovered a conundrum: While budgets for investigative reporting were dwindling, top newspapers and broadcast organizations were leery of publishing others'

investigative research due to concerns over journalistic standards. “There was a real, ‘if it’s not done here, we don’t trust it’ barrier,” Herb explained. What would it take for news outlets to publish and broadcast ProPublica’s reporting?

Paul Steiger, ProPublica’s Editor in Chief

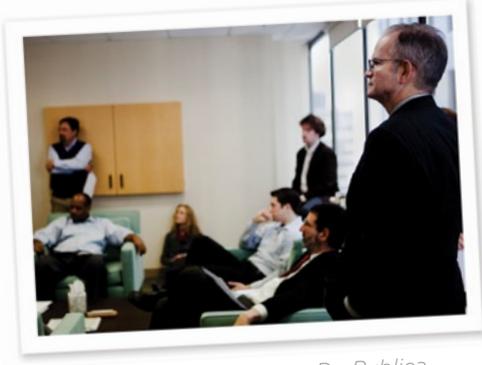


Photo: Dan Nguyen, ProPublica

They came to realize the success of ProPublica would depend largely on its leadership. The Sandlers knew that finding the right person to head the effort from the start was essential. They needed someone of unshakeable integrity, with a history of journalistic excellence and a passion that matched their own.

With those standards in mind, they set their sights on Paul Steiger, who had been managing editor of *The Wall Street Journal* since 1991. “If you were to ask people to name the top two or three most respected, competent, and trustworthy editors in the country, Paul would be on everybody’s list,” Herb said. Importantly, Steiger had also helped Herb and Marion craft ProPublica’s

strategy; the Sandlers knew that he believed deeply in its mission. Aware that Steiger would soon hit the *Journal*’s mandatory retirement age of 65, the Sandlers reached out to him, and after a number of conversations, he agreed to take the job.

Having Steiger on board has proven to be key, Herb reflects: “He’s built a strong team. And his reputation for quality and integrity opened doors and made it possible for ProPublica to partner with the country’s top news outlets—*The New York Times*, *The Washington Post*, *LA Times*, *60 Minutes*, *20/20*. They wouldn’t have done that for just anybody.”

Given how critical Paul has been to ProPublica’s success, could they have started ProPublica without him? Possibly not. As Herb conceded, “if I hadn’t gotten somebody with Paul’s quality and reputation, I probably wouldn’t have.” He can list only two or three other people in the world who, in his and Marion’s opinion, were feasible candidates to lead the fledgling venture.

Another key to success: Limiting the funders’ roles

In addition to having excellent leadership and the right team, the Sandlers knew that for ProPublica to become a trusted source, it would need the freedom to operate independently. That meant purposefully limiting the role that they—and other ProPublica supporters—can play. (While the Sandler Foundation originally provided the lion’s share of the money needed to form ProPublica, the Sandlers reached out to others for additional funding and support. At launch, ProPublica was also backed by Atlantic Philanthropies, the JEHT Foundation, and the John D. and Catherine T. MacArthur Foundation. This diversification has continued: in 2010,

ProPublica raised \$3.8 million from funders besides the Sandlers - almost 40% of total revenue.)

And so although Herb and Marion clearly took an active hand in getting ProPublica underway, and continue to support fundraising efforts and operations, they're proud of the thick firewall that separates the board from programmatic decisions. "We want the newsroom to be totally independent of the board," Herb noted. "We know nothing about what's going on there—we never ask, and we're never told. We don't find out until a story has gone public, and we get an email saying, 'Here's the link.'"

Why the Pulitzer is not the story

Early on, the Sandlers also determined that ProPublica's success would be measured not only by output—the quality and number of stories picked up by mainstream media—but, more importantly, by outcomes—the impact of those stories. "As much as we admire investigative journalism, the story is not the end," Herb explained. "If it doesn't change behavior, it was an interesting exercise but essentially meaningless."

That's why, when the Sandlers are asked about ProPublica's successes, they don't mention the Pulitzer Prize in Investigative Reporting that the organization shared with The New York Times in 2010. Instead, they point to an article that reported on the dysfunctional disciplinary procedures for California's licensed nurses. The article stated that when nurses were accused of patient abuse or other misconduct, it took the California Board of Nursing an average of three years and five months to investigate and conclude complaints. During that time, ProPublica reported, nurses were often allowed to continue practicing.

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The piece incited immediate action from the Governor's office. "At eight o'clock one night, I got an email about [a ProPublica] front-page story in the LA Times, and I immediately clicked on the link. It was a powerful story and a horrible, horrible situation," Herb recalled. "And then the next morning when I woke up, I had another email linking to another story in the LA Times, which explained that [then] Governor Schwarzenegger had fired most of the California Board of Nursing overnight."

Sharing the recipe

That article is one of many ProPublica efforts that has uncovered corruption and spurred change. In its first two years, ProPublica published more than 200 stories with over 40 different partners and won 28 awards for outstanding quality. More

important, as the ProPublica quarterly report from April to August of 2010 notes, its research in that quarter alone led to the tightening of Illinois nursing home standards, the indictment of 16 New Orleans policemen accused of police violence, Environmental Protection Agency orders limiting the use of certain hazardous chemical dispersants in the Gulf of Mexico, and the introduction of a Senate bill to require oil companies to disclose chemicals used in natural gas extraction.

Key Takeaways

- **Start looking for the ‘right people’ as early as possible:** In this case, making the critical first hire during strategy development unlocked ProPublica’s potential
- **Define your own measures of success:** Sometimes the conventional metrics don’t capture what you are really trying to achieve
- **Take your nonprofit status seriously:** As a nonprofit, ProPublica truly operates in the public’s interest by sharing insights and tactics

It’s clear that ProPublica is serving its mission. But the organization also continues to find ways to take advantage of its nonprofit position to support journalism more broadly. “When the nurses story came out, ProPublica then made the recipe for how [the journalists] went about their investigation public—complete with the numbers to call and the questions to ask. No for-profit would do that in a million years,” Herb said. ProPublica has in fact

made a host of tools available, among them “Dollars for Docs,” a database listing payments to doctors from pharmaceutical companies, and the “Recovery Tracker,” a searchable database analyzing stimulus expenditures. ProPublica does this work, Herb explained, because the organization and its backers fervently believe that it is “critically important for democracy to have a vigorous press investigating wrongdoing.” They’ll do whatever they can to achieve that goal.

Truly, the muckraker tradition continues.

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