

DIALOGUE

A Periodic Newsletter for Development Officers

-- Bill Somerville, Editor --

Dialogue is published to help improve relations between funders and development officers. *Dialogue* was started at the request of a development officer. Readers are invited to submit questions. Subscribing to *Dialogue* is free and it can be received by US post or E-mail.

- Q:** With regard to Dialogue urging people to take risks, I feel this way. “Our accountability for hard earned dollars precludes our gambling with funds. We have to be pretty sure of the effectiveness of any new ventures and therefore do not venture far afield. Failure may be a learning tool, but not if it prevents us from continuing to serve our mission.”
- A:** The editor differentiates risk taking from gambling. To gamble is to throw the dice and let fate decide. To risk is to decide to proceed in your best judgement even though you’re not sure it will work. Bill Hewlett said to his engineers “Unless you have some failures, you’re not doing your job right.”
- Q:** What is “ethics”?
- A:** Two definitions: Do no harm to others.
Obedience to the unenforceable.*
Self regulation is ethics. Imposed regulation is the law.
*See box ‘Interesting Reading’
- Q:** It’s very frustrating when non-profits can’t find funding because the issue is no longer fashionable with funders. The needs they address haven’t gone away just because a new issue has become trendy in the funding community. Likewise, there’s nothing to say that tried-and-true methods of approaching a problem aren’t effective just because they’re not new. I do think, however, that the sector could do with a lot more program evaluation. Funders should not only pay for evaluation, but fund ways to compile and share the information produced by evaluations.
- A:** Evaluation can go anywhere from hire-a-Ph.D. to giving a \$7 one-time-use camera to grantees. Evaluation by foundations can use college student interns for on-site visits. Evaluation can be done by filling in the blanks of the foundation questionnaire. Grantees can furnish narrative of their progress with a financial report. Collective evaluation can be done by convening professionals in a given field to hear their thoughts. Wouldn’t it be interesting to have a ‘book of failures’? What ideas do readers have for effective evaluation?

Q: How should I respond when a foundation suggests creating a program that they want to see but the organization has not identified as a desirable program to develop?

A: Try to get a dialogue going with the foundation and find out why they feel as they do. It might be illuminating. Stand up for your own thoughts and try to make them clear. See if there is room for compromise. If not, move on.

Q: What are some predictions for the future of philanthropy?

A: “ Women will increasingly be in charge of foundations.

- ◆ As younger donors come on line the demand for ‘outcomes’ will increase and consequently giving will become more stilted.

- ◆ Commercial philanthropy, i.e. for profit public charities such as Fidelity, will continue to increase in size and community foundations will either become more dynamic or cease to exist.

- ◆ The e-mail charitable giving phenomenon will soon peak, consolidations will set in, and it will become like giving by mail.

What are your predictions?

Q: Most of an organization’s costs are personnel (i.e. salaries and benefits). Given this reality, how do I justify it when a foundation says they don’t want to cover overhead?

A: When foundations state they don’t fund overhead or operating costs, they are trying to say they are not in the business of covering continuing costs. More foundations seem willing to give multi-year grants but foundations are the wrong place to go to get what amounts to continuing money.

Q: What is rescue funding?

A: It is funding without momentum. If one gives funding to rescue someone, almost always the person reappears for another rescue. Thus, it is important to not present yourself or your idea as an ambulance case that needs rescuing.

Q: What is a negotiated grant?

A: It is a get together between the funder and applicant in which an agreement is reached and this agreement is the proposal. Thus you have grantmaking without proposals.

Interesting Reading

Cornerstones for Ethical Foundations, Institute for Global Ethics. Camden, Maine (207) 236-6658. This 64 page booklet, funded by the Packard Foundation, is a well presented, thoughtful work covering Why Is Ethics Important?, What is Ethics?, Ethics and Philanthropy.

Seeing the Corporation's Demise, The New York Times Nov. 14, 1999. This article, by Andrew Pollack, quotes Peter Drucker (the father of modern management) at age 90, saying that in the 21st century people will 'still work for a living but will not cast their lives with a single company'. What Dr. Drucker calls the knowledge workers of today will save their best efforts for nonprofit social service organizations, where they can make a bigger difference. "The 20th century was the century of business," he said. "The next century is going to be the century of the social sector."

Q: Where do you go to find a good director of development?

A: A good development officer is also an expert in marketing and PR. The editor has hired seven development officers over the years and he primarily looks for marketing and PR skills. Find a person who you feel is doing good development work and ask them to recommend someone. Development officers stay in touch and they know who is doing good work.

Q: Do you have any recommendations to make to development officers for the new century?

A: Yes. Be more demanding of foundations and the services they offer. People are too deferential to those who make grants. There needs to be more public dialogue on philanthropy and what it should be offering to the community. For example, good philanthropy is good timing – giving the money when it is needed. Foundations that meet once a year completely miss the point.

Past Copies of *Dialogue*, Numbers 1-18 are available as a unit for \$10 to cover the cost of copying and mailing. For a complete set send \$10 to:

**Philanthropic Ventures Foundation
1212 Preservation Park Way
Oakland CA 94612-1201**

