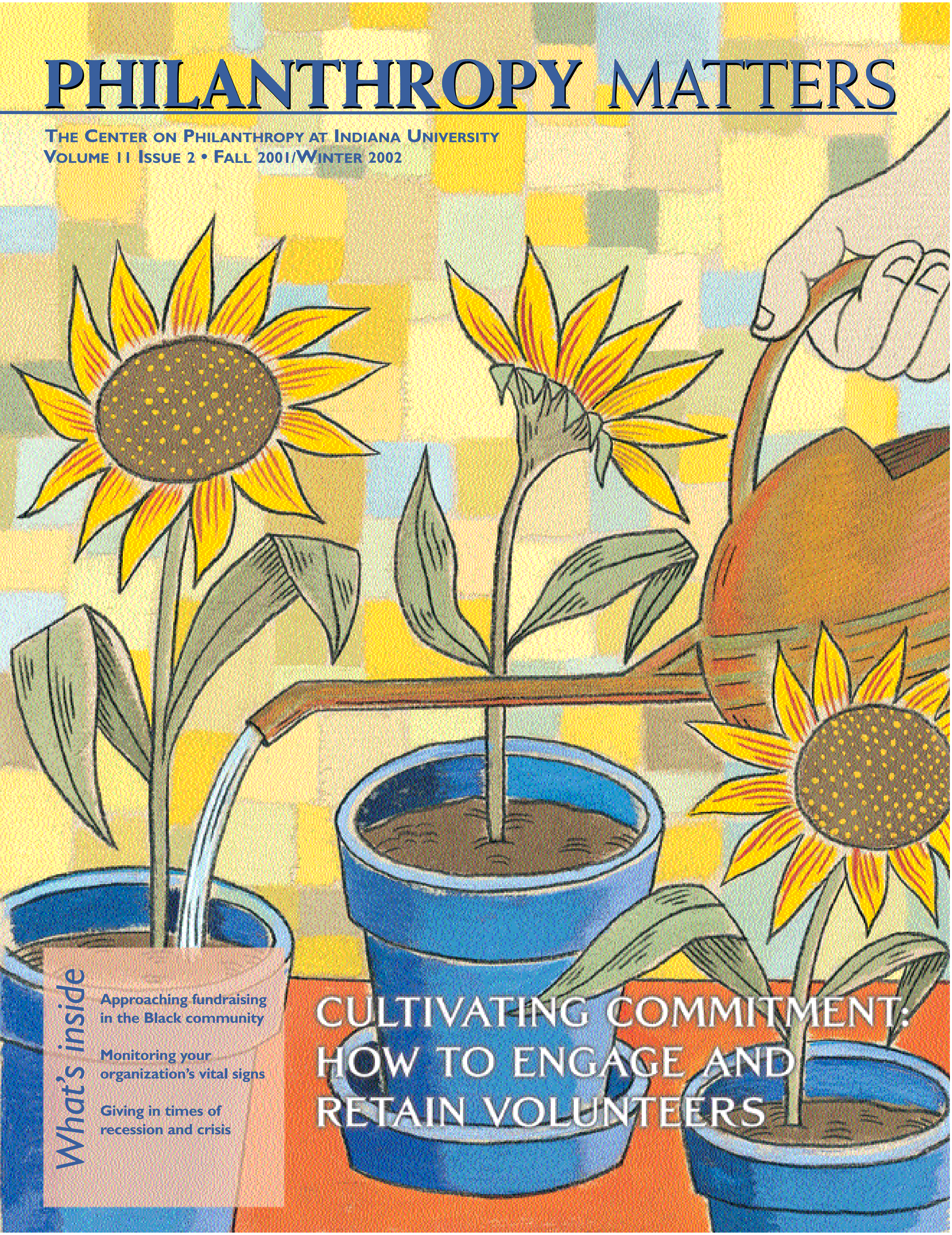
PHILANTHROPY MATTERS

The Center on Philanthropy at Indiana University
Volume 11 Issue 2 • Fall 2001/Winter 2002



What's inside

CULTIVATING COMMITMENT: HOW TO ENGAGE AND RETAIN VOLUNTEERS

PHILANTHROPY MATTERS

INCREASING UNDERSTANDING AND IMPROVING PRACTICE

Volume 11 Issue 2 • Fall 2001/Winter 2002

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Philanthropy Matters *is published by the Center on Philanthropy at Indiana University. The Center on Philanthropy is dedicated to increasing the understanding of philanthropy and nonprofit management and improving their practice through education, research, professional development, and public service. The Center is headquartered at Indiana University–Purdue University Indianapolis.*

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The events of September 11 and its aftermath have made clearer than ever before the common cause of all philanthropy professionals. We're here to help—to understand needs of donors and recipients and to meet them. In this issue of *Philanthropy Matters*, we examine how the philanthropic world responds both to crises and to our everyday challenges.

Our cover story looks at two studies on the development and retention of volunteers. Researchers affiliated with the Center on Philanthropy have examined satisfaction levels among AmeriCorps volunteers, learning that satisfaction is higher when managers identify volunteers' individual needs and communicate effectively. "Cultivating Commitment: How to Engage and Retain Volunteers" reveals that good management skills yield volunteers who see themselves as "more than a cog in the larger machine."

Continuing the conversation we began in Spring 2001 with Alice Green Burnette, author of the research project *The Privilege to Ask*, we consider ways to improve fundraisers' approaches to fundraising in the Black community. In "Among Friends or Strangers?" Burnette urges more attention to the important steps that should precede any solicitation—identification, nurturing, and cultivation—when building relationships with Black donors.

We also explore ways to help ailing nonprofits before it's too late. "Monitoring Your Organization's Vital Signs" discusses how funding agencies can prevent and cure financial troubles in the nonprofits they support.

"Giving in Times of Recession and Crisis" provides helpful historical information about philanthropy in challenging times. Analyzing detailed data they compiled for the AAFRC Trust for Philanthropy and information from *Giving USA*, Center on Philanthropy researchers identify trends and offer perspective for philanthropy professionals at this unique moment in history.

Philanthropy Matters is designed to provide practical information based on the latest research. We continually seek ways to offer the resources our readers want and need. You can help by letting us know whether you would like us to include a column to answer your questions about challenges you face or information you seek. Please e-mail your suggestions to Adriene Davis at adrldavi@iupui.edu.

I hope you will find much that you can use in this issue. In turn, we always expect to learn a great deal from our readers. Please contact us with your questions, ideas, and observations.

Cordially,

Eugene R. Tempel
Executive Director and Publisher

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Printing of Philanthropy Matters *is made possible by Lilly Endowment Inc.*

Cover art and page 6 illustration by Thorina Rose

Among Friends or Strangers?

Approaching Fundraising in the Black Community

To whom are you more likely to give money—a stranger, or a friend? To a cause with which you have a personal connection, or one you've seldom considered? The answers are obvious. But when it comes to fundraising in the African American community, says Alice Green Burnette, the tried and true steps that precede solicitation—identifying, nurturing, and cultivating donors—tend to be skipped, putting Black donors in the company of strangers and leaving fundraisers with less-than-successful asks.

"Fundraisers need to build relationships with prospective Black donors, based on common interests and shared experiences," says Burnette, principal of Advancement Solutions in Palm Coast, Florida, and a 37-year fundraising veteran. "This is really just common sense. One reason Black donors are skeptical is that when most fundraisers deal with that community, they consistently ignore the time-tested premises, principles, and practices of our profession."

Overcoming Exclusion

That "rush to the ask" is a result, says Burnette, of the historical exclusion of African Americans from organizations now soliciting their support and involvement. White Americans know that their Black neighbors and community members have been excluded, and this creates discomfort for non-Black fundraisers.

To successfully increase giving by African Americans, fundraisers should acknowledge and work to overcome the skepticism that Black potential donors feel, says Burnette. In the past, she says, African Americans were viewed primarily as needy recipients of charity and services rather than as potential donors. "Institutions such as colleges, museums, symphonies, hospitals, and foundations didn't want us inside. That led to a skepticism that is deep-seated, albeit unspoken in the polite conversations of our desegregated interactions." It's best if fundraisers acknowledge this history candidly with potential volunteers and donors and then move on to building relationships with them, she adds.

For example, one development officer told Burnette that he didn't know how to begin to overcome the barriers between the cultural organization where he worked and the African Americans who attended the organization's events. She suggested that he "get together socially, but privately, with those people whose interest is obvious by their participation." Burnette says that fundraisers should be able to say: 'I need you to help me understand what our organization is doing right and wrong in the African American community. We're not connecting properly.'

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Alice Green Burnette

This article is the second in a two-part series focusing on fundraising in the Black community. In the Spring 2001 issue of Philanthropy Matters, *Alice Green Burnette discussed the broad implications of her recently completed work,* The Privilege to Ask. *This national research and leadership development project, co-funded by Lilly Endowment Inc. and The Ford Foundation, provides a qualitative national report on how African Americans view and practice fundraising in the United States.*

Philanthropy Among Strangers

Scholar Emmett D. Carson coined the phrase "philanthropy among friends" to describe the style of fundraising and giving in the Black community. It is being asked to give by people you know—other African Americans who are prominent in your community and who are asking you to help benefit that community.

"Philanthropy among strangers," on the other hand, or what Burnette calls "majority-style fundraising" is embodied by staffed, budgeted fundraising operations, and describes the professionalization of development. "We increasingly don't know our prospects," says Burnette.

This distance is exacerbated by organizations that encourage fundraisers to rush. "They'll hire Black fundraisers whose primary job is to solicit Black people," she says. "These individuals become very isolated professionally as they strive to meet fundraising targets and to successfully bring African Americans in as donors. They don't have enough time to really get to know their prospects."

Burnette said she is frequently asked whether only Blacks should solicit Blacks. She replies: "On a practical level, Black fundraisers cannot do it all since there are so few of us. On another and more important level, is it fair to ask a question like that? Would it be equally permissible to ask if only White people should solicit Caucasians? The answer to both of those questions is, obviously and emphatically, no. I know many very sensitive and capable people who, regardless of their skin colors, have raised money for all sorts of institutions."

Meeting Prospects

The difficulty of identifying potential donors can be a stumbling block to building relationships. It's hard to do prospect research on African Americans, says Burnette, because "most prospect research resources focus on people who are in the Fortune 500, *Who's Who*, and lists of Ivy League graduates—the people who shape this country on a national policy level." Very few Black people can be found in those rarified strata of income, she notes, so they aren't included in the usual resources that fundraisers use.

Development professionals also may mistake human interest stories for leads, Burnette adds. A case in point: Miss Osceola McCarty, an African American woman from Hattiesburg, Mississippi, who earned her living washing other people's clothes; she gave $150,000 to the University of Southern Mississippi. "I know fundraisers who sought out prospects after hearing about that gift," says Burnette. "It's a remarkable story, but it is not the basis for setting up a fundraising program in the African American community. This was a random act of kindness that happened to be made by a Black woman."

THE KEY TO UNLOCKING THIS STUFF IS TALKING TO EACH OTHER.

Identifying African American prospects as donors or volunteers, and building relationships with them, should be a grassroots effort. Fundraisers should try to connect with these potential donors by getting involved with existing local donor education programs, investment clubs, and social and civic community groups.

Starting At Home

When cultivating a relationship with any donor, it's important to learn the person's interests and motivations. Organizations often overlook individuals' expertise and background and instead focus on the fact that they are people of color. For example, a very prominent Black banker of Burnette's acquaintance was asked to join the board of a prestigious nonprofit. Instead of asking if he would serve on the finance committee, she says, the group appointed him to the diversity committee. "One of the most important how-tos in cultivating donors is to get them involved as volunteers," she says. "That involvement should be attractive and appropriate. Obviously, people should be asked, not told, what contribution they would like to make."

Knowing a person's history is crucial, says Burnette. For example, she notes, many Black prospective donors are also first-generation college graduates. "Many have achieved the financial wherewithal to be considered as potential donors because tremendous sacrifices were made by their families and communities." Burnette says that African American donors are often attracted to goals that they can fund in honor of someone else.

The key to fundraising in the Black community, says Burnette, is twofold. "We need to start doing our business the way we know how to do our business. As fundraisers, we're just skipping the steps that we know are necessary for effective fundraising." And, she says, when the rush to solicit is laden with undercurrents of distrust and fear, these must be discussed honestly and openly.

"The key to unlocking this stuff is talking to each other," she says. "We must identify common interests and concerns so that it's not anyone's skin color that's on the table. Dialogue must move beyond fundraising to the communities where we live—those precious and positive little units of interaction where people encounter each other as they embrace issues of common concern."

more info Contact Alice Green Burnette at **aliceburnette-advancementsolutions@att.net**. To see the first article in this series, go to **www.philanthropy.iupui.edu/philmat.htm**.

There's no way to plug a nonprofit into a heart monitor or listen to its lungs through a stethoscope. Sometimes, however, funders wish that they could send their beneficiary institutions for a check-up. How can they be sure that the organizations that receive their money are healthy? Keeping track of the vital signs of nonprofits can help funders ensure that their money is being used effectively by an organization with a long life ahead.

Monitoring Your Organization's Vital Signs

David Reingold, a philanthropic studies professor who also is a professor of urban affairs and public policy at Indiana University's School of Public and Environmental Affairs (SPEA) in Bloomington and Craig Johnson, a public finance professor at SPEA, studied the rise and decline of one nonprofit. The organization thrived for over a decade, a star player among similar nonprofits nationwide. In less than five years, however, its revenues were cut in half and it couldn't meet its payroll. This drastic downturn took funders by surprise. According to Johnson and Reingold, however, there were some symptoms.

Sounding an Alert

Just as there has been a sea change toward preventive medicine in public health, Johnson believes that there should be a similar shift in the way that funders look at their beneficiaries. According to Johnson, funders should "view their philanthropy as an investment, and see themselves as having a stake in the organization." To monitor their "investments," funders should be on the lookout for three specific financial warning signs:

- The burden of outstanding debt is high and growing
- Funds the nonprofit invests to increase its revenues have a low or negative return
- Administrative costs are excessive

In other words, check the nonprofit's financial vital signs—a spike in outstanding debt or a sudden flatline in revenues should throw up a red flag.

If financial data isn't reliable, or isn't immediately available, however, Reingold cites a number of organizational alarms that funders can look for. A potential problem is what Reingold calls "internal flavor-of-the-day reorganization." If a board or director announces seemingly trendy reorganizations, ask what the organization is trying to fix or improve. "If the answer is, 'We need to reorganize and grow,' or 'We need to be more efficient,'" says Reingold, "then it's likely that the executive director thinks something's not going very well."

Also, it's important to ask if the executive director has served for more than 10 years. In many cases a director's long tenure simply proves outstanding dedication. Remember, however, that the nonprofit sector is restless, says Reingold. If a director stays put indefinitely, it's possible that there may be something wrong.

Encouraging a Healthy Lifestyle

More than just looking for signs of trouble, however, Reingold and Johnson believe that funders also can take preventive steps to stave off disaster. After all, says

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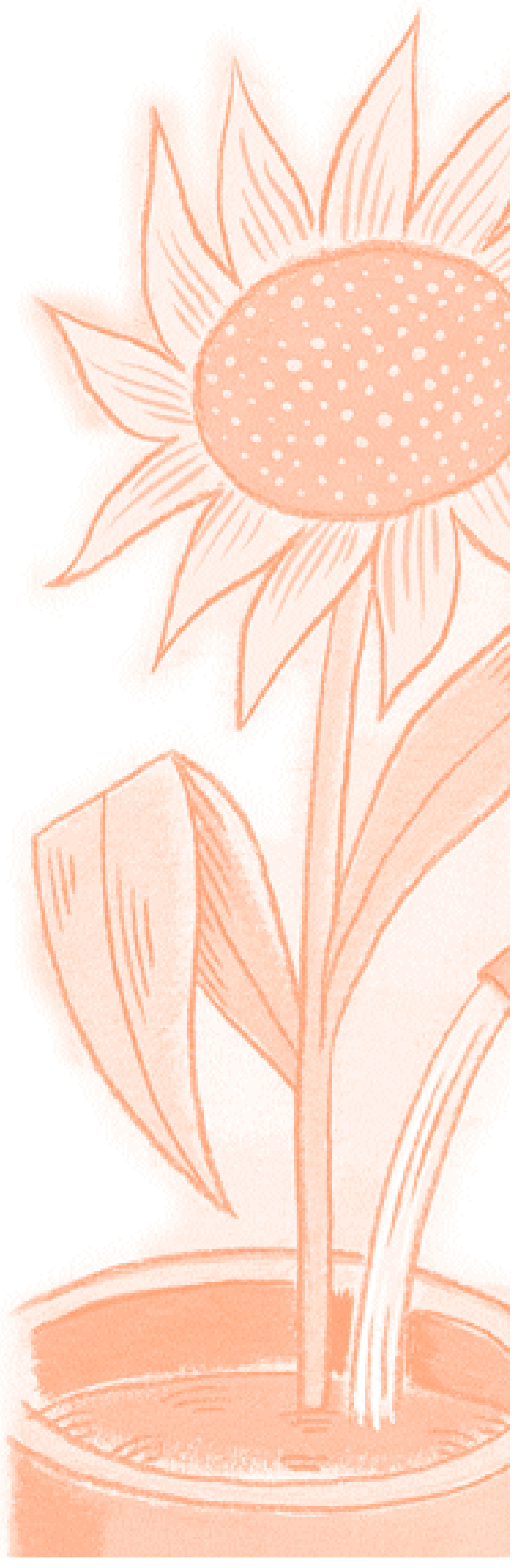
C U L T I V A T I N G   C O M M I T M E N T :

How to Engage and Retain Volunteers

Communicate early and often to claim the dual rewards of motivation and retention.



When one AmeriCorps volunteer was asked what he liked most about being in the program, he replied, "Everything! The responsibility. I feel needed. My life is fulfilled."

That's just what a volunteer manager wants to hear. Unfortunately, many managers instead find themselves dealing with unmotivated volunteers, who may drop out before they've had an opportunity to make a significant contribution. Like a relationship between two people, committing to an organization is one thing, but staying satisfied is quite another.

Two studies of AmeriCorps volunteers give fresh insight on maximizing volunteer motivation and retention—with findings applicable to all types of organizations.

"Organizations need to have good systems in place to recruit, manage, and retain people," says Indiana University philanthropic studies faculty member James Perry, an author on both studies. Perry is Chancellors' Professor of Public and Environmental Affairs and associate dean at the School of Public and Environmental Affairs at Indiana University–Purdue University Indianapolis (IUPUI). "But we need to keep in mind the individual's perspective. Volunteers come in with certain aspirations, and the manager needs to know these and how to manage them."

What's My Motivation?

In the study "Stipended Volunteers: Their Goals, Experiences, and Likelihood of Future Service," Perry and fellow researchers Debra Mesch and Mary Tschirhart (associate professors of philanthropic studies and public and environmental affairs at IUPUI and Indiana University Bloomington, respectively) surveyed 362 AmeriCorps members within one month of their joining the national service program and again about one year later.

According to Tschirhart, lead author of the study, one of the most important findings was that knowing volunteers' initial goals helps in understanding what they will do once they're on the job. By identifying these goals during the interview process, volunteer managers can predict areas the volunteer will want to emphasize. If a potential volunteer is vocal about making new friends, chances are he or she will concentrate on that aspect more than a volunteer who wants to learn computer skills. Achievement of that goal over a one-year period leads to higher satisfaction and future service.

To maximize goal achievement, Tschirhart recommends managers be more targeted and find out what volunteers want before tasks are assigned. "Put your resources where your volunteers' interests are," she urges. "Find out why they're there and keep checking in with them."

Keeping in touch is critical. "It's important to set up opportunities to get feedback," says Tschirhart. "These systems don't have to be highly personal, either. You can set up a listserve or ask your volunteers to write a short paragraph once a month." If you can't work with each volunteer individually, she recommends looking for larger patterns that can be addressed in a more holistic way.

The important thing, says Perry, is to get feedback early. "People make their decisions quickly as to whether this is a good marriage. If you're not monitoring that, you could have early attrition and dissatisfaction," he says. Although current volunteer management literature does not stress self-esteem, the researchers found that volunteers are more likely to achieve both their goals and those of the organization if they feel good about themselves. Volunteers will perform better and be your best recruiters, saying positive things when they're out in the community.

"It's really important to help volunteers understand they're needed and to help them feel good about themselves," says Tschirhart.

PEOPLE WHO WERE SATISFIED WITH THEIR AMERICORPS EXPERIENCE WERE MORE LIKELY TO STAY

The Rules of Retention

In a second study of AmeriCorps volunteers, "Altruists or Egoists? Retention in Stipended Service," Mesch, Perry, and Tschirhart discovered satisfaction and retention are positively linked.

"We found that people who were satisfied with their AmeriCorps experience were more likely to stay," says lead author Mesch. To ensure fulfillment, she says, managers need to provide equitable rewards; challenging work; supportive bosses, leadership, and colleagues; and recognition for volunteers' work. "Managing volunteer satisfaction pays off in volunteer retention and the realization of volunteer goals," Perry says.

Additionally, Mesch says volunteers with more egoistic needs (i.e., wanting to gain skills or make business contacts) were more likely to leave.

"The implication is that high altruism gets people into organizations—it's that sense of 'I'm going to change the world!'" she says. "But that's not what's keeping them." She says volunteers don't ordinarily become involved with helping others without helping themselves too. To maximize retention, make sure these egoistic needs are met. "For example, if someone really wants to meet others, don't put her in a corner stuffing envelopes," says Mesch. Mesch said AmeriCorps volunteers tended to stay longer when given a realistic picture of the job—the good and the bad. Consequently, managers save time and resources by screening out volunteers who may not be appropriate.

"The ultimate goal here is to match organizational needs with individual needs," says Perry. "If you want to bring people in as volunteers, you need to know how to manage and communicate effectively. Volunteers want to be more than a cog in the larger machine."

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Giving in times of Recession & Crisis

Understanding past trends, looking to the future

How does an economic recession or a national crisis such as the events of September 11 affect giving? What happens when both occur in the same year? It's too soon to know what the long-term effects of 2001 events will be, but information about giving during previous periods of recession and crisis may offer some clues.

One important source for understanding the relationships among giving, the economy, and crises is the historical perspective provided by *Giving USA*. A publication of the AAFRC Trust for Philanthropy, *Giving USA* has estimated annually since 1955 how much and for what Americans give. The Trust retained the Center on Philanthropy at Indiana University to research and write *Giving USA 2001* and three issues of its quarterly *Giving USA Update*.

Leo P. Arnoult, CFRE, chair of the AAFRC Trust for Philanthropy, notes, "The Center's expertise in analyzing and interpreting historical and current data enables all of us to see trends and react to changes informed by knowledge of long-term cycles in giving."

The Center found in its analysis for the fall 2001 *Update* that through all disasters, crises, wars, and recessions, the total amount of giving in the U.S. has increased every year but one (1987) for the past 40 years. While the rate of growth has varied from year to year, each year Americans have given more than the previous year.

"Research done by our center and other available information indicates that the economy has a greater influence on changes in giving than crises do," said Eugene R. Tempel, executive director of the Center on Philanthropy. "Economists now agree that a recession began in March 2001."

While giving has grown every year except 1987, a Center analysis for the Spring 2001 *Giving USA Update* shows a slower rate of growth during recessions than at other times. Giving grew by an average rate of 7.6 percent between 1959 and 1999. (In 2000 contributions grew by an estimated 6.6 percent.) However, during recessions giving increases more slowly, averaging about 5 percent growth. After adjusting for inflation, over the 40 years giving grew by an average of 3 percent, falling off to -0.7 percent during recessions.

"Giving is closely correlated with the economy, particularly with individual income and with the stock market," says Patrick M. Rooney, director of research and chief operating officer for the Center on Philanthropy. "Even before September 11, there were signs of an economic downturn and concerns about how that might affect giving in 2001."

An October survey for INDEPENDENT SECTOR seems to confirm the economy's important role in donor decision making. Almost half of Americans interviewed said they would "at least somewhat reduce their charitable giving in the next six months if the economic slowdown worsens." The other half said economic conditions "would have virtually no impact on their giving." In the same survey, 73 percent of people who gave to September 11 relief said that for the balance of 2001, they would give as much as or more than they usually give to other charities.

After September 11, the AAFRC Trust asked the Center on Philanthropy to examine the correlations between the economy, crises, and giving. This analysis, published in the fall 2001 *Giving USA Update*, examined what happened to the economy and to giving in the years surrounding 18

THE SLOWED GROWTH IN GIVING THAT TRADITIONALLY COMES WITH RECESSION MAY BE OFFSET BY AMERICANS' HEIGHTENED DESIRE TO HELP OTHERS.

major U.S. events, including acts of terrorism, war (or war-like) acts, political crises, economic turmoil, and natural disasters.

"In general, in years with a crisis but no recession, giving continues to grow or holds its own in both the year of a crisis and the year after, when compared to the year before the crisis," Rooney says. He cautions, however, that the data examined do not show whether the events *caused* changes in giving and the economy.

In contrast, when there is both a crisis *and* a recession, growth in giving is more than twice as likely to decrease than it is to increase (compared to the previous year) for most "subsectors" of the nonprofit sector, Rooney says.

Education, human services, and health are the most clearly affected in years when both a recession and a crisis occur. The rate of growth in giving to those subsectors decreased (compared to the previous year) in most years in which a crisis and a recession coincided; human services was especially vulnerable to slowed rates of growth.

Giving to religion was unaffected by recession; results were mixed when crisis and recession overlapped. Similarly, arts, culture, and humanities giving in years with both crisis and recession was mixed. During or immediately after recessions, giving to these organizations slowed, while crises did not appear to have a consistent impact.

2001 Factors in Giving

"Although past patterns can be instructive, because there are so many separate and unique factors that may influence giving in 2001, we must be careful about using historical data to forecast what may happen in 2002," said George C. Ruotolo, CFRE, immediate past chair of the AAFRC Trust for Philanthropy. "The events of September 11 and their aftermath are unprecedented, and they may have unpredictable effects on people's behavior, including their giving."

"We won't know for some time yet whether the slowed growth in giving that traditionally comes with recessions will be offset by Americans' heightened desire to help others," Tempel said. "We hope our analysis is helpful to nonprofit organizations' staff and boards as they evaluate their own success and challenges in fundraising."

The short-term effects of September 11 are a bit clearer. The outpouring of small gifts ($25 to $100) for relief efforts is likely to have little impact on total giving or on distribution of giving across subsectors in 2001, although there may be a small change in distribution. Some net new giving also may be created by intense awareness of acute needs and Americans' desire to respond. Some foundations will pay out more overall in 2001, while others will reallocate among their other giving to aid relief efforts and stay at the required 5 percent level. Similarly, some corporations may reallocate within usual levels, while others may react to this "personal" attack on American business with a substantial one-time increase in giving.

In uncertain times, says Tempel, it is important for nonprofit organizations to continue to invest in fundraising. Demands for many nonprofits' services go up. Even more than during boom times, donors need to know that their contributions make a critical difference.

"During economic slowdowns," Tempel says, "fundraising costs go up, and yield on the dollar goes down. You have to put more effort into communicating; it takes more time to close major gifts. Results will be disappointing unless you put more effort into fundraising."

It is also a time, Tempel adds, to "make sure your current donors are very happy with your work" because it's easier to maintain existing contacts than to identify new donors. "When the organization has a strong case for support and lets constituents know what is happening with their gifts," he says, "donors are thrilled to keep on giving."

"Our findings and other studies show that both the stock market and giving are resilient," Tempel said. "While this is a unique situation, and some nonprofits appear more likely to be adversely affected than others, Americans have shown a remarkable capacity to recover from adversity, and ultimately that will be reflected in their giving."

Contact Gene Tempel at **etempel@iupui.edu**, Patrick Rooney at **rooney@iupui.edu** or (317) 684-8908, or *Giving USA* managing editor Melissa Brown at **msbrown@iupui.edu** or (317) 684-8964. To order issues of *Giving USA Update* or to subscribe to *Giving USA*, call 1-888-564-GIVE or see **www.aafrc.org**. The INDEPENDENT SECTOR survey is available at **www.independentsector.org**.

WORK IN PROGRESS

Ongoing research by Center on Philanthropy-affiliated researchers and students

Unity in Diversity

Una Okonkwo Osili, assistant professor of economics and philanthropic studies in the School of Liberal Arts at IUPUI, along with Cagla Okten, assistant professor of economics at Louisiana State University in Baton Rouge, recently studied patterns of giving in ethnically diverse communities in Indonesia. Osili says that their findings can be useful in the study of U.S. communities with similar demographics.

According to Osili, her most significant finding was that a greater amount of ethnic diversity has a predominantly negative impact on the overall amount of giving in a community. However, ethnic diversity can increase the probability of contributions and total amount contributed when communities' ethnic groups form their own organizations. There is a direct correlation between diversity and a low rate of giving for three main reasons: the difficulty of agreeing on community objectives, the tendency to keep giving within a specific ethnic group, and the high "transaction costs"—such as time spent breaking down language barriers—among different groups. To overcome such hurdles, Osili says, organizations must recognize each of the distinct groups within their communities and "forge a community identity as well as celebrating differences."

Defining and Refining Collaboration

What is collaboration? How much collaboration really goes on among service organizations? How do you get people and organizations to work together to solve community problems? Ann Marie Thomson's focus on these questions in her doctoral research in the Indiana University School of Public and Environmental Affairs (SPEA) at Indiana University Bloomington resulted in a helpful tool for nonprofits.

Thomson's review of the scholarly literature on collaboration has revealed, she says, "little consensus on what it really means." Yet the 440 nonprofit professionals who responded to a survey Thomson designed have definite ideas about what collaboration means to them. Thomson found that service providers see inter-organization collaboration as a demanding, time-consuming, and highly committed relationship, more than mere "cooperation." Also, certain features of collaboration are valued greatly. These include, but are not limited to, effective meetings among partners; taking each other's opinions seriously and brainstorming together; clearly defined roles for each organization; and the ability to work out differences and arrive at win-win solutions.

Participants in the survey have requested extra copies of the questionnaire to use for staff development and for improving communication with their partner organizations, and while Thomson created it for her research, she welcomes its evolution into a self-reflection tool.

Charitable Choice … or Generous Assumptions?

Charitable choice: is it a public policy based on fact or on ideology? Sheila Suess Kennedy and her team of researchers at IUPUI are studying this provision of the Welfare Reform Act of 1996 that encourages states to contract with faith-based organizations (FBOs) to deliver social services to welfare recipients. Kennedy, assistant professor of philanthropic studies, and of law and public policy at the School of Public and Environmental Affairs (SPEA); Wolfgang Bielefeld, associate professor at SPEA; and senior researcher and law student Edward Queen wanted to test assumptions on which charitable choice is founded:

1) that in past negotiations over government contracts, FBOs have encountered barriers that new legislation could remove;
2) that FBOs were a vast, untapped resource; and
3) that this resource could better deliver social services at the same or lower cost than traditional providers.

The team discovered that none of these assumptions had been substantiated by research. With a balanced sample of political, geographical, and cultural demographics, they have begun to compare the results achieved by FBOs in Massachusetts, Indiana, and North Carolina and to measure those results against those of other providers within those states. They will also evaluate the efficacy of FBOs as social service providers, their capacity to deliver these services, and their ability to adhere to constitutional boundaries without compromising their religious character.

more info *Unity in Diversity*: e-mail **uosili@iupui.edu** or call (317) 274-4755. *Defining and Refining Collaboration*: e-mail **thomsona@indiana.edu** or call (812) 855-5008. *Charitable Choice … or Generous Assumptions*: e-mail **shekenne@iupui.edu** or call (317) 274-2895.

PROFESSIONAL DEVELOPMENT MATTERS

The Fund Raising School

Successful. Ethical. Innovative. Join the ranks of more than 30,000 fundraising professionals around the world who have learned the strategies for success from The Fund Raising School at the Center on Philanthropy at Indiana University. The only university-based program of its kind, The Fund Raising School features a tested and proven curriculum. Experienced professionals, trained in interactive teaching and learning techniques, teach the courses. Limited class sizes maximize opportunities for interaction with the instructors and other participants.

2002 Course Calendar

Fundraising for Small Nonprofits
- Indianapolis: February 4–6, 2002
- Washington, D.C.: September 4–6, 2002

Principles & Techniques of Fundraising
- Indianapolis: January 14–18, 2002
- Indianapolis: January 28–February 1, 2002
- Indianapolis: February 11–15, 2002
- San Francisco: February 25–March 1, 2002
- Indianapolis: March 4–8, 2002
- Chicago: March 4–8, 2002
- Seattle: March 18–22, 2002
- Indianapolis: April 8–12, 2002
- Boston: April 22–26, 2002
- Denver: May 6–10, 2002
- Indianapolis: May 13–17, 2002
- San Francisco: May 20–24, 2002
- Indianapolis: June 3–7, 2002
- Indianapolis: June 24–28, 2002
- Indianapolis: July 15–19, 2002
- Washington, D.C.: July 22–26, 2002
- Indianapolis: August 5–9, 2002
- Indianapolis: August 26–30, 2002
- New York: September 30–October 4, 2002
- San Francisco: September 23–27, 2002
- Indianapolis: October 14–18, 2002
- San Francisco: October 28–November 1, 2002
- Minneapolis: November 4–8, 2002
- Indianapolis: November 11–15, 2002

Planned Giving: Getting the Proper Start
- Indianapolis: March 11–13, 2002
- Indianapolis: May 29–31, 2002
- Indianapolis: August 12–14, 2002
- San Francisco: October 16–18, 2002
- Indianapolis: November 18–20, 2002
- Chicago: November 20–22, 2002

Preparing Successful Grant Proposals
- Indianapolis: March 14–15, 2002
- Indianapolis: June 10–11, 2002
- Indianapolis: August 1–2, 2002

Building the Annual Fund
- Indianapolis: June 12–14, 2002
- Indianapolis: October 7–9, 2002

Managing the Capital Campaign
- Indianapolis: April 29–May 1, 2002
- San Francisco: August 14–16, 2002
- Indianapolis: October 21–23, 2002

Developing Leadership for Major Gifts
- Indianapolis: January 7–9, 2002
- San Francisco: March 18–20, 2002
- Indianapolis: April 17–19, 2002
- Chicago: May 13–15, 2002
- Indianapolis: July 8–10, 2002
- Indianapolis: October 9–11, 2002

Interpersonal Communication for Fundraising
- Indianapolis: January 23–25, 2002
- Indianapolis: May 1–3, 2002
- San Francisco: June 19–21, 2002
- Chicago: July 22–24, 2002
- Indianapolis: July 29–31, 2002
- Indianapolis: November 6–8, 2002

Marketing for Fundraising
- Indianapolis: April 2–3, 2002
- Indianapolis: September 5–6, 2002

more info To register, or for more information, contact The Fund Raising School at **(800) 962-6692** or visit the Center on Philanthropy Web site at **www.philanthropy.iupui.edu/fundschool.htm**.

Vital Signs
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Johnson, it's often the funders who have the resources and expertise in financial management, as well as the know-how to set up a well-managed financial reporting system. All funders should ask for quarterly financial reports. Once organizations know that they have to report this data, says Johnson, they'll keep better track of their own finances.

Reingold emphasizes that funders also can encourage a more steady flow of non-financial information. "Nurture sources of informal, rather than simply formal, communication," he says. "If you rely only on formal sources, you're probably missing most of the important details." Casual, unannounced site visits, taking members of the staff and board out to lunch, and attending social events are all key. "Remember that the real business, especially the problems, isn't going to come out in an annual report."

Most important, both professors believe, is staying alert. While Reingold says that funders shouldn't be unduly suspicious, the best policy is to be aware of the possibility that "other involved parties may not be doing their jobs right." Third-party independent observers such as credit rating agencies in financial market transactions—who are experts, are free from a conflict of interest, and have a vested interest in maintaining their credibility—are one good way to make sure that everything is running smoothly.

"Funders have a high stake in seeing that their money is used wisely, effectively, and efficiently," says Johnson. "They could do a lot toward setting up industry standards for others to follow."

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Bookmarks

Private Charity and Public Inquiry: A History of the Filer and Peterson Commissions
Eleanor L. Brilliant
Cloth, 352 pages, $39.95

In *Private Charity and Public Inquiry*, Eleanor Brilliant, professor of social work at Rutgers University, tells the history and analyzes the legacy of two national commissions that she convincingly contends were the basis for much of the nonprofit sector as it exists today.

While Congress passed the Tax Reform Act of 1969 to curb abuses and define the responsibilities of charitable foundations, John D. Rockefeller III saw that it could have a negative impact on voluntarism and philanthropy. He initiated two private commissions to protect and develop the role of philanthropy: the Commission on Foundations and Private Philanthropy (1969–70), named the Peterson Commission after its chair Peter G. Peterson; and the Commission on Private Philanthropy and Public Needs (1973–77), referred to as the Filer Commission after its chair John H. Filer.

Drawing from archival materials, interviews with key players, and original documents, which are now part of the Ruth Lilly Special Collections and Archives at the University Library at Indiana University–Purdue University Indianapolis, Brilliant examines the enduring significance and impact of the commissions, tracing their importance to the development of a "Third Sector" separate from business and government. Her analysis yields new insights into what these commissions reveal about our basic notions of voluntarism and philanthropy and how powerful individuals and groups influence social policy.

To order this book or other resources from the Center on Philanthropy, e-mail Denys Pittman at **dpittman@iupui.edu** or call (317) 684-8901. A list of resources is available on the Center's Web site at **www.philanthropy.iupui.edu**.

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