

Executive Summary of

GIVE SMART

Philanthropy That Gets Results
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Prepared by: Excellence in Giving

Give Smart

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OVERVIEW

“Generosity alone is rarely sufficient if you aspire to leave a legacy of exceptional results. Outstanding philanthropy is distinguished by what is achieved as well as by the act of charity itself.”

Give Smart is written for people who have the awesome responsibility of giving money away and who want to achieve the best possible results. Achieving significant results with the money and time you give away is hard work and requires informed and focused discipline. The pitfalls to be avoided include:

- Fuzzy-headedness
- Flying solo
- Underestimating and underinvesting
- Satisfactory underperformance

Fuzzy-headedness occurs when donors allow their emotions and wishful thinking to override logic and thoughtful analysis. This can lead to “feel-good” philanthropy that produces little of lasting impact.

Flying solo reduces the odds of success. The grander your ambitions, the more important it is to work with and through a broad range of players.

Many well-meaning donors chronically ***underestimate*** what it will actually cost to deliver results and ***underinvest*** in the capacity required to make those results reality over time.

Accepting “good enough” when things could be outstanding is settling for ***satisfactory underperformance***. What would not be tolerated in business is often the status quo in philanthropy.

There are six key questions the authors identify and answer that will help smart donors minimize the risk of failure and maximize their return on investment:

- What Are My Values and Beliefs?
- What Is Success and How Can It Be Achieved?
- What Am I Accountable For?
- What Will It Take to Get the Job Done?
- How Do I Work with Grantees?
- Am I Getting Better?

What’s in it for the donor who puts in the extra time and effort?

- A legacy that inspires others to use their resources more effectively.
- An enhanced sense of meaning and fulfillment.
- A confidence that they've accomplished as much as possible with their time and resources.

Valuable lessons can be learned from real life philanthropists. The book is filled with examples, both exemplary and cautionary. Several names will be noted in each chapter that warrant and will reward further study.

“Where excellence is desired,
it must be self-imposed.”

1. WHAT ARE MY VALUES AND BELIEFS?

“Great philanthropy is distinguished not by the sheer size of a gift or grant but by what it accomplishes.”

All philanthropy is personal: “There is no one best kind of philanthropy. The path that’s right for you will be the one you conceive and design according to your own specific circumstances, ambitions and values.”

Philanthropists can support almost anything. This absolute freedom allows donors to express their individuality. It also creates room for innovation and provides support for the institutions and centers of power that characterize democratic societies. This freedom has to be focused, however, in order for this generosity to amount to much.

Philanthropists don’t have to settle for simply doing good. They can accomplish far more by focusing on something they’re passionate about and pouring their time and resources into areas where they want to make the most difference.

You can’t do everything or respond to every need. Spreading yourself too thin may generate lots of accolades but it seldom achieves lasting results. Focusing on results increases the chance of having a real impact on the causes you care most deeply about.

WHAT DO YOU REALLY CARE ABOUT?

To answer this question, you have to clarify your philanthropic priorities based on your values and beliefs. Here are some broad categories that have provided anchor points for others:

People: specific groups, often in life-restricting circumstances.

Problems: perhaps ones that have touched your own life.

Places: improving or preserving places for future generations.

Pathways: a particular approach to dealing with problems or social issues.

Philosophy: a belief about how the world works, or should work.

Once you’ve identified your foundational values and beliefs, you can use data and analysis to help frame a strategy for pursuing your philanthropy. Making explicit choices is the first step in a personal journey of discovery. This involves identifying the things you care deeply about and taking the time to learn and expand your horizons.

Moving too quickly before clarifying your values and beliefs is likely to waste resources as you jump from one area to another. The specific priorities you establish at the start may evolve and change over time, but values and beliefs tend to persist and they can provide a touchstone throughout a lifetime of giving.

Being clear about what you want makes it easier for you to work effectively with others and for others to work effectively with you. On the flipside, ambiguity makes it harder to make key decisions, to identify strategic opportunities and to select the right grantees or projects.

CLARITY IS CRITICAL; AMBIGUITY IS THE ENEMY

Clarity is especially important when it comes to addressing complex problems. Social issues in particular may take a long time before visible results are apparent. Getting involved requires persistence and unwavering commitment. Knowing clearly why you became engaged in the first place can provide a strong incentive to stay the course.

If you've created a foundation, you have trustees and perhaps staff members. Each will have his or her own values, beliefs and opinions that may or may not agree with yours. Being clear about your values will make it easier to achieve alignment. It will bring differences of opinion to the surface and decrease the chances of trouble down the road.

Your personal perspective may change over time as you have different experiences or as your interests evolve. The people engaged in your philanthropy—heirs, key staff, other donors—are also likely to change. If you're clear enough about your aspirations, values and beliefs, the new priorities that result will continue to reflect the good you want to see done in the world.

“Philanthropy is not a one-time event.”

EXAMPLES:

Pierre and Pam Omidyar: Ushahidi.

Julius Rosenwald: Julius Rosenwald Fund.

John Dorr: Dorr Foundation.

Peter and Jennifer Buffett: NoVo Foundation.

Duncan Campbell: Friends of the Children

John and Catherine MacArthur: MacArthur Fellows Program.

2. WHAT IS SUCCESS AND HOW CAN IT BE ACHIEVED?

“Getting strategic means bringing rigorous thinking and evidence into the decision-making mix.”

Developing an effective strategy for philanthropy requires asking and answering three key questions:

- 1) What will constitute success for this initiative? – Getting Clear
- 2) What will it take to achieve success? – Getting Real
- 3) What am I accountable for? – Getting Personal

GETTING CLEAR: WHAT IS SUCCESS?

Getting clear involves defining success in terms specific enough to help you decide where to invest your resources. It means translating what you envision for society into real-world outcomes. The broader the vision the more important it is to have a clear idea about what you intend to accomplish.

A good working definition of success satisfies three criteria:

- 1) It reflects the values and beliefs of the philanthropist.
- 2) It is specific enough to guide decisions about what to fund and what *not* to fund.
- 3) It allows you to gauge progress over time and judge when to recalibrate or make course corrections.

GETTING REAL: HOW CAN SUCCESS BE ACHIEVED?

Getting real involves laying out the sequence of activities necessary to achieve success. It requires the discipline to make explicit choices and trade-offs about whom to serve and the issues to be addressed.

You probably have some ideas about success to begin with. Now you need to figure out whether they are realistic or merely wishful thinking. One way to do this is to develop what is often referred to as a “theory of change.”

“A **theory of change** starts with the change in the world you want to see and works backward to everything you think will need to happen to bring it about. The theory identifies the key players who will need to be involved, what each of those players will have to do, and why they are likely to behave in the way you expect.”

Laying out a theory of change involves making your assumptions very clear. It can help you become aware of who else will need to play a part in bringing about success. Most philanthropists can accomplish little of lasting impact on their own.

A theory of change involves a comprehensive strategy. The aim of strategy in business is winning: outcompeting competitors in the quest for customers. The aim of strategy in philanthropy revolves around collaboration to achieve social impact.

Keys to outstanding strategies:

- Build on core strengths.
- Maintain an external orientation.
- Vigorously pursue facts.
- Measure the few things that matter most.
- Never ever become complacent.

Approaching philanthropy with humility and an inquiring mind will help you avoid problems and put your resources to the best use. Here are some general questions to ask yourself:

- How do people who are most deeply involved with the issue understand it?
- Who else is actively engaged in addressing the issue?
- What do experts have to say about why the issue persists?
- What have others tried in the past and what lessons have they learned?
- Does the issue seem ripe for tackling now?
- Are there specific kinds of help that would be particularly useful?

DON'T UNDERESTIMATE THE CHALLENGE

“We often see philanthropist leaping into action without having gotten clear about what will constitute success and without having gotten real about what it will take to achieve that success. What is the problem? Basically, ***the problem is human nature.***”

“It feels good to be generous and it’s flattering to be thanked for our generosity. It doesn’t feel good to impose discipline on ourselves. Who wants to make tough choices, especially when there are no compelling external reasons to do so? We don’t make tough trade-offs. We don’t give up on pipe dreams. We don’t say no to funding request that have only a remote chance of doing some good.”

Donors need to guard against underestimating the difficulty of things they don’t know a lot about and overestimating how much they do know.

Resist underestimating the strategic challenge of moving from aspirations to impact. Discipline yourself to do good well. Invest the necessary effort to get clear about

your definition of success. Be as smart as possible about how success might be achieved with and through others so that you can increase the odds of leveraging your scarce resources to make a significant difference in the world.

“Ignorance is the paramount philanthropic sin.
Arrogance is its twin.”

EXAMPLES:

James Irwin: Irwin Foundation.

Clarence Day: Day Foundation.

Herb and Marion Sandler: ProPublica.

William Draper and Robin Richards Donahue: Draper Richards Foundation.

Barbara Lee: Barbara Lee Family Foundation.

Michael J Fox: Michael J Fox Foundation.

3. WHAT AM I ACCOUNTABLE FOR?

“The number of philanthropists who demand accountability of themselves remains extremely small.”

Getting personal involves deciding whether you’ll be willing and able to hold yourself accountable for success. Do you, in your own right, or in collaboration with others, have the financial and nonfinancial resources to pursue this strategy successfully?

When you’re willing to hold yourself accountable for success, you’re likely to do everything possible to ensure that the resources you invest are adequate for the desired outcome. If you don’t demand outstanding performance from yourself no one else will demand it of you.

An effective strategy for any philanthropic initiative will:

- Be in line with your limited resources: money, time and influence.
- Build on your strengths.
- Be personally satisfying.

WHAT RESOURCES AM I ABLE TO EMPLOY?

There is no such thing as an isolated philanthropic decision. Every new commitment requires trade-offs.

Making the most of your money can include alternatives to traditional giving. One way donors try to make the most of their money is by aggregating capital to tackle significant social problems. Others are financing social change by leveraging their balance sheets.

The line between philanthropy and investing has become blurred. Allocating assets between philanthropy and investments that earn satisfactory returns that can be invested in social change is something to consider.

Making the most of your time is critical because no matter how much wealth you possess, you only have 24 hours in a day—just like everyone else on Earth. Once you’ve decided to focus on a specific area, the demands on your time will only increase.

You may also be pulled backward into prior commitments or pushed forward into the new “next” thing. Therefore you should be brutally honest about the commitments you’ve already made before deciding to take on anything more.

Making the most of your influence involves using intangible assets like your knowledge, reputation, expertise and networks to motivate people to get involved in causes you care deeply about.

One of the most helpful services you can render your grantees is introducing them to those who might become future supporters. Think creatively about the personal assets you may not even realize you have, and how you can deploy them to achieve success.

Get clear about what you’re willing to invest in terms of money, time and influence. Don’t just think about your capacity; ponder your personal preferences, think about what you enjoy. Identify activities that make the days exciting and the weeks fulfilling. If the philanthropic responsibilities you take on aren’t personally fulfilling, you aren’t likely to persist.

There are two personal considerations you should factor into your philanthropic decisions: your timeframe and your risk tolerance.

What’s your timeframe? Be as realistic as possible about how long it might take to achieve the results you want, and how long you’re willing to stay involved. As a donor you should be up-front, clear-minded and realistic about matching the time frames for the grants with what you’re trying to accomplish.

What’s your risk tolerance? There are three overlapping kinds of risk to think about: strategic risk, secondary risk and personal risk.

Strategic risk is the risk that the resources you’ve invested will fail to generate the desired results. Strategic risk is largely a function of three elements: the scale of the effort, the complexity of the issue and the degree of uncertainty the strategy contains.

Secondary risk is the risk you create for others, which can exist even when your efforts succeed. You should be mindful of the impact your philanthropy will have on the recipients and do your best not to create unintended consequences that forethought might have eliminated.

Personal risk is the risk that your philanthropy fails to produce tangible results, personal satisfaction, or worse, creates public embarrassment or compromises your reputation. The best way to manage personal risk is to ask the hard questions up front and to be truly honest with your answers.

EXCELLENCE IS SELF-IMPOSED

Sooner or later we all have to answer to someone for our performance: business executives to stockholders, politicians to the electorate, nonprofit leaders to funders. Philanthropists have no such accountability. With few exceptions they have no customers, no competitors and no predators.

Feedback is scarce and what there is tends to be suspect. If you're committed to excellence, you'll have to demand it of yourself. That means setting a high bar and holding yourself accountable to clear it.

“It takes resolve, perseverance
and the disciplined pursuit of high performance
to produce excellence.”

EXAMPLES:

Jeff Skoll: Participant Media.

Josh Bekenstein: New Profit.

Sandy and Joan Weill: National Academy Foundation.

Ray Chambers: Millennium Promise Alliance.

Steve and Jean Chase: Case Foundation.

Mary and Albert Lasker: Lasker Foundation.

4. WHAT WILL IT TAKE TO GET THE JOB DONE?

“The most elegant strategy is useless if it can’t be implemented effectively.”

To deliver and sustain outstanding results, you need to:

- Employ the right people in the right jobs.
- Develop processes that enable them to work together and make smart decisions.
- Provide appropriate resources through a sustainable financial model.

THE “RIGHT” CAPACITY FOR MY PHILANTHROPY

“The ‘right’ capacity is a function of the strategy you’re pursuing and the results you’re holding yourself accountable for.”

Once you formally involve even one person in your decision-making process you’ve taken the first step toward creating an organization. Sooner or later you’ll have to think about whether you have the essential elements of an effective organization in place.

The First ‘Who’: Your first hire represents a new stage in your philanthropy. It’s the most important staffing decision you’ll make. The requisite skill-set for a candidate should include:

- Personal fit with you, the donor (and your family).
- Experience in the program areas in which the foundation will work.
- General management experience and proven ability.
- Personal attributes such as integrity, intelligence and energy.

Does your board “Give Smart?” Foundation boards are typically accountable for things like strategic direction, resource allocation, staff recruiting and grant approval. If these decisions aren’t made wisely, you can’t achieve the desired success.

Good governance is necessary but not sufficient. A foundation exists to serve society, not itself or its trustees. Boards must be designed and led in a style that produces the best possible results with the available resources.

Foundations that employ professional staff often encounter problems with the board-staff interface. Among the more significant are:

- Confusion and conflict about decision-making.
- Unproductive working relationships with the CEO.
- Excessive burdens placed on the staff by trustees.

Getting decision-making right: Achieving good results demands clarity about how decisions are made and the discipline to make them within the context of your theory of change. Clarity about who's accountable for which decisions will lead to greater efficiency and transparency. It will also reduce conflict and make it easier for grantees to get on with their work.

Good and bad overhead: Like any organization, a foundation needs to keep a sharp eye on its cost structure. The best mix of costs reflects whatever's required to get the job done, consistent with the foundation's accountability, theory of change and desired results. The key is to focus more on the *value* that the cost generates than the cost itself.

Bad overhead includes things like lavish offices and surplus secretarial support. Good overhead might include: top-notch staff, a human resource system that helps develop people, functional information technology, a good COO who can manage the organization and free up the Executive Director to focus on program issues and development funding.

Adding internal capacity adds cost. Whether it is productive will depend on if it enables you and your grantees to achieve better results consistent with your strategy.

WHAT DO GRANTEES NEED?

Your grantees need the capacity to deliver the results you, and they, expect. To facilitate this, they need:

- The leadership and management to sustain good performance.
- The right processes and systems to manage their programs.
- The funding to support their activities.

Many nonprofits are strongly led but undermanaged. The leaders are often generally inspirational figures who are passionate about their work. However, they tend to fall short when it comes to critical management activities. They may have trouble turning their vision into clear organizational priorities, providing employees with performance feedback and developing future leaders.

Many nonprofits are investing to train and develop their management teams. Others are hiring "bridgers"; men and women who bring the skills and management expertise they developed in the business world to the social sector. Some funders

are focusing on programs to develop nonprofit leaders, such as the Social Enterprise Initiative at Harvard Business School, initiated by John Whitehead.

Nonprofit Starvation Cycle: The cycle begins with donors who have unrealistically low assumptions about what it actually costs to run a nonprofit. Many nonprofits feel obliged to conform to these impractical expectations. To that end they cut overhead to the bone and underreport their expenses. Over time, funders expect grantees to do more and more with less and less.

While it's wrong to waste money on things that aren't necessary, it's also wrong to limit the impact of nonprofits by depriving them of what's needed to sustain and improve their performance.

“Work to build a true partnership with your grantees
so that together you can achieve better results.”

EXAMPLES:

John Simon: GreenLight Fund.

John Whitehead: Social Enterprise Initiative.

Caroline Avery: Durfee Foundation.

5. HOW DO I WORK WITH GRANTEES?

“The ability to work effectively with grantees is the fundamental operating requirement in the journey from aspiration to real impact.”

“Developing an effective relationship with your grantees is similar to developing any other healthy relationship. It starts with some sort of common interest. It requires a willingness to understand the other person’s point of view, to make the effort to see the world through his or her eyes. It is reinforced by the quality of your interactions day-by-day and year-by-year.”

In this relationship, the donor always has the upper hand. This reality is never far from the nonprofit leader’s mind. It tempers his or her willingness to be candid and provide vital feedback. Helpful ways to avoid this problem include the donor and grantee having,

- reached a shared definition of success;
- goals that are strategically aligned;
- a productive working relationship that develops the grantee’s ability to get results.

CHOOSING WELL: FACTS OVER INFATUATION

Finding the right grantees begins with increasing the “deal flow” by expanding the pool of candidates you consider. Limiting your search to the nonprofits you already know means you may miss the opportunity to achieve better results.

Four Rs to help you in your search:

- Relationships
- Research
- Respected opinions
- Requests

Relationships: Start with the relationships you already have. Ask knowledgeable friends, colleagues or other philanthropists to highlight promising organizations in your field of interest.

Research: Do a “landscape analysis” that involves mapping all the major and minor players in your field of interest. Talk to local community foundation leadership to learn about nearby organizations.

Respected opinions: Trusted experts can provide new and promising names to consider. Talk to those you respect and those with particular expertise in your areas of interest.

Requests: Ask for information from potential grantees. It will take work to review what's likely to be a large number of applicants so enlist the resources you need to do the job well in a timely manner.

GIVE DILIGENCE ITS DUE

Once you have a strong pool of potential grantees, you have to do your due diligence. The more information you ask grantees for, the higher their expectations will become and the more work it will create for them so it's wise to do as much secondary work as possible before reaching out. Also, be as clear as possible about what you're looking for.

Donors considering deep investments usually require a more formal due diligence process, but it doesn't always have to be elaborate to be sufficient. You can focus on a short list of criteria that are important to you.

You get what you pay for: Skipping the due diligence process will almost always come back to haunt you. Mistakes can be expensive and difficult to remedy. Effective due diligence is a process of mutual discovery that includes collecting the facts about the potential grantee's programs and finances. It should go beyond this, however, to issues like compatibility and the prospects for developing a mutually committed and trusting relationship.

You need to be disciplined: It's human nature to fall in love with the deal. You can get swept away in the cause of the moment or be impressed by the leader of a particular initiative. When investigating a charismatic leader, it's okay to be inspired but you also need to discover whether he or she has the skills to drive the results you're after. It's not advisable to ignore your instincts but don't let an opinion or infatuation override the facts.

You need to be realistic: If your due diligence uncovers some serious deficiencies with an otherwise promising perspective grantee, the salient question is whether these deficiencies can be successfully remedied. If the nonprofits' leader and board are unable or unwilling to tackle the problems, there's little point in providing funding.

Just as you have to be clear about your goals, the nonprofit leaders with whom you work have to be equally clear about the results they hold themselves accountable for and how their organizations will deliver those results.

Using your goals as a lens, there are two ways to align with grantees:

- Identify organizations whose goals are compatible with yours and support their work in its entirety.
- Align strategically at the program level. A set of programs may be attractive because it fills a specific link in your theory of change.

Cost of philanthropic capital: Nonprofits pay a price for the money they raise. The true cost is rarely as modest as reported. The problem isn't that there's a cost of capital; the problem is that, all too often, it escalates out of control because a grantee's chronic need for funding motivates its leadership to accept whatever terms a major donor imposes, even if it results in organizational constraints or strategic distractions.

“Donors can easily fall into the trap of behaving like owners with formal control instead of financial intermediaries with an ability to exercise influence.”

DEVELOPING A PRODUCTIVE WORKING RELATIONSHIP

Keeping the cost of capital as reasonable as possible is a key to making a donor-grantee relationship truly productive. This means being as thoughtful and intentional about how you manage the relationship as you are about making the handful of decisions through which it is chiefly connected:

- Whom to work with.
- How to support them.
- How to end the relationship, when necessary, in a way that doesn't undermine what you've accomplished together.

Nonprofit leaders cite three things that characterize the best donor-grantee relationships:

- Clear communication.
- Consistent expectations.
- A sense of mutuality and respect.

Ending High: No donor-grantee relationship is eternal. In order to obtain the greatest good with the limited resources you have, you sometimes may have to transition from existing to new relationships. Such transitions are signature moments for donors and grantees and need to be carefully managed.

As a philanthropist, you have a responsibility to do your best to leave grantees in a better position than when you found them. What ultimately matters is how this affects the people or issues you and your grantees were jointly trying to serve.

“Effective philanthropists must be disciplined and tough-minded about how they allocate their scarce resources, yet it’s also essential to be fair, to presume trust and to earn trust. Demonstrating respect for the expertise and opinions of others is critically important.”

“Philanthropy is not a popularity contest.”

EXAMPLES:

Nancy Roob: Edna McConnell Clark Foundation.

John Morgrige: The Nature Conservatory.

John Olin: John M. Olin Foundation.

Gordon and Betty Moore: Moore Foundation.

Peter and Carolyn Lynch: The Lynch Leadership Academy

Elaine Wynn and Dan Cardinali: Communities In Schools (CIS)

6. AM I GETTING BETTER?

“Am I getting better?’ is a challenging question because it means confronting a basic, and uncomfortable, fact of life: getting better is a choice.”

Asking this question assumes you can answer it realistically. You know what you’re trying to accomplish, how your efforts are progressing and the results your grantees are producing. It also implies that no matter how good you’re doing, you can get better.

LEARNING TO IMPROVE

There are many ways of getting lucky, but getting better takes hard work and continuous learning.. This is as true for philanthropists as for athletes, executives, actors and doctors.

Not all learning is created equal. You can easily become distracted by information that’s interesting but not germane. The most useful learning will help you make smarter decisions about your strategy and about how to execute it more effectively.

In the world of nonprofits and NGOs, measurements serve different purposes:

- Accountability: what do donors get for their money?
- Continuous improvement: given these results, how can we get better?
- Proof of impact: can the results be tied to what our organization did?

Measuring performance with accountability in the foreground is focusing on keeping score. It is backward looking; it tells you ***what*** happened but not necessarily ***why*** it happened. In contrast, using measurement as a way to learn and improve is more like a placement exam. The objective is to understand not only what the organization has done but also ***what it needs to change*** in going forward.

The most important measures are those that ***inform strategy***. They will also be ***situational*** in that they should take into account your grantee’s stage of development. Finally, they will be ***actionable***. The measures that matter are the ones that inform and improve decisions.

Individuals and organizations learn from two distinctly different experiences: ***what works well, and what doesn’t***. Failure is often a better teacher than success.

“How you approach conversations about performance with you grantees will send an important signal as to whether you want to hear the whole truth, or only the good news. Assuming you’re more interested in being a coach than a referee, the best way to signal that intention is by asking the right questions in a spirit of partnership.”

What are the right questions to ask grantees? The same ones you ask yourself as a donor:

- What are the results you’re trying to achieve?
- What is your strategy for achieving them?
- What information do you need to test your theory change?

“Achievement is nurtured in the arms of humility, not arrogance. Having money is not the same as having answers. Without regularly asking yourself, ‘Am I getting better?’ you will underperform your potential.”

“Honey, just because you rich doesn’t mean you’re smart.”

IS MY STRATEGY ON TRACK?

The primary imperative around improvement is to get better at selecting, funding, and supporting grantees.

When making a decision, blind love will let your heart outdistance your brain and will allow personal agendas to eclipse strategic priorities. As a rule, philanthropists overestimate their personal influence and underestimate what others in their field already know. This creates two problems:

- Relying on people to behave in ways that seldom materialize.
- Reinventing the wheel: making avoidable mistakes because existing expertise and knowledge are being ignored.

Who are my truth tellers? Truth telling penetrates the egos, misperceptions, wishful thinking, ambiguity and isolation of philanthropy. It’s the single most essential input for a donor committed to continuous improvement. Unless you aggressively pursue the truth, you won’t find it.

Truth telling also ***embraces failure***. To improve, donors must learn from mistakes, but, being human, they don’t like to admit failure. In the end, truth telling requires truth tellers; courageous people who will risk telling you exactly how they see things, even when the messages is tough and unwelcome.

WHY ME? WHY NOW?

The amount of money flowing into foundations during the first half of the 21st century will be ten times that of the entire 20th century. Of even more significance is America's talent transfer as C-level executives (e.g. Bill Gates) are shifting their efforts from the business world to the nonprofit sector. (More than twenty percent of current nonprofit senior executives have come from the business sector.)

"The abundance of both these resources creates an unprecedented opportunity for society. The challenge of 'getting better' is ensuring that this opportunity is not squandered, and that donors and foundation executives strive relentlessly for results, learning and innovation."

Your philanthropy is focused on the people, communities and causes you desire to serve. It's about them, not you. But on a deeper level, your philanthropy is indeed all about you. How you approach your philanthropy reflects your values, your life and your legacy. It is an unfiltered manifestation of who you really are.

"For better or worse, philanthropy is a defining act;
one that can generate immense joy
and a deep sense of personal fulfillment."

EXAMPLES:

Steve Hilton: Conrad N. Hilton Foundation.

Connie Duckworth: Arzu.

Tom Gill: Gill Foundation.

David and Lucile Packard: David and Lucile Packard Foundation.

Sandy Weill: National Academy Foundation.

Jeff Raikes: Gates Foundation.

MONDAY MORNING CHECKLIST

The questions posed in this book have some relatively clear indicators of progress. How can you tell whether you've wrestled with a question sufficiently to move on? Each has some relatively clear indications of progress.

What Are My Values and Beliefs?

- You've decided what portion of your philanthropy will focus explicitly on results.
- You've written down your values and beliefs.
- You've discussed your values and beliefs with your spouse, family and, if appropriate, your foundation leadership.

What Is "Success" and How Can It Be Achieved?

- Your definition of success is clear enough to allow you, and others, to judge progress against it.
- You've taken the time to learn what others know about the essential elements of your theory of change.
- All the decision-makers involved in your philanthropy understand and embrace your definition of success and theory of change.

What Am I Accountable For?

- You've been explicit with yourself and others about how much money, time and influence you're prepared to commit to a specific initiative.
- You've explicitly considered and accepted the risks associated with your strategy.
- You've been crystal clear about what you are *not* doing.

What Will It Take to Get the Job Done?

- You're confident that you have the right people in the right jobs to pursue your strategy. If not, you're actively addressing the problem.
- Trustees and staff understand their roles and decision-making responsibilities.
- Your grantees would say that you are realistic about the resources they need to execute their strategies.

How Do I Work with Grantees?

- You invest in due diligence to ensure that your selection process is as rigorous as the circumstances of the grant require.

- You and your grantees have shared goals.
- You have a reputation for following the golden rule in your philanthropy.

Am I Getting Better?

- You can judge (even if you can't measure) whether you and your grantees are making progress toward your goals.
- You periodically seek feedback from your grantees about your own performance, including in ways that ensure their anonymity.
- You're in regular contact with a few people who challenge your thinking.

About the Authors

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Back Cover

“In the first half of the twenty-first century, giving to family and community foundations alone will be ten times in today's dollars what it was throughout the entire twentieth century. Yet despite tremendous innovation in the social sector, philanthropy's natural state is under-performance.

Not since Andrew Carnegie wrote *The Gospel of Wealth* has a book been written that provides practical guidance for donors to get the most impact from their giving.”