

# BOLD NEW WORLD

## THE NEW PHILANTHROPY AND ITS IMPERATIVES

Part 4: A Discussion with Tom Waldron and Summary of the Waldron-Evans Survey

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waldron



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## WALDRON-EVANS SURVEY SUMMARY

This essay was never intended to actively promote the Waldron-Evans survey, but rather to look at it nakedly as one of a number of key sources today, alongside others, which are at this point better known. Dr. Bernholz will no doubt continue to lead and enrich the philanthropic narrative elsewhere. The numerous other authors mentioned will probably add new thinking over time. Newcomers will inevitably arise. **Philanthropy and its offshoots grow with creative momentum—in one hundred years it may well be viewed as the hallmark of our times.** So the first survey comes at a perfect moment. As a first time fledgling effort it might be easy to dismiss in the face of some of the substantial literature discussed previously. This I think would be a mistake, because it is a different sort of tool, and it has only just begun.

In its first rendition, the survey has defined its space and created a purpose on which to build. It was designed to serve the entire community, so inherent in my thoughts is that others should and will interact and get on board. Organizations ought to offer areas of enquiry and encourage active response. Critical input should be made, constructive suggestions offered. It's easy enough: a short email. Or a longer one. That's the broad view—we have a great potential resource if it is used by the community.

**The more specific view is that a single overwhelming issue the survey has moved onto the table is that of succession planning,** or the low degree of it in practice, today, in a context of a booming “industry” if I may use that term (comparatively accurate as I believe it is). This strikes me as the paramount concern, but of course there is much more on offer within the survey to satisfy needful curiosity across the sector. One need only read it.

Though Waldron and the Evans School are apparently committed to a vigorous continuation, and no doubt capable of it, I look at it through an old analogy, unfortunately often true. “People get the government they deserve.” In this case the community, through its response to this ongoing work, will get the survey results they deserve. And to get a good result requires but a minimum effort.

As I am not within the target audience of respondents, I am limited to making suggestions for the future surveys.

My background has forced me to do a great deal of research, over 50 studies with Nielsen, numerous in-house special purpose projects, and a major effort with Australia's Gallup equivalent and media research giant in one—the distinguished Roy Morgan Research, Australia. So I know the difficulties, and appreciate the pains and energies received and extended. Ms. Jaime Pharr, Marketing Communications Director of Waldron, was the driving force behind the Waldron-Evans survey, as well as editor of this essay, whom I warmly thank for efficiency and perception, two of my favorite qualities. With her background in the industry, she no doubt will determine if my suggestions are useful:

1. An enlistment of a core group of leaders to a lunch or dinner outing with a discussion/debate on one or more key topics might make an excellent side piece, and attract some well known names to the table. Or a weekend conference in an attractive spot. Material will flow.
2. The stage has been set to drill down on existing questions and to explore new areas. There might even be a call to theme the survey each year, as IBM does, but new information is what is needed, along with confirmation of previous findings.

3. Subjects: I'm biased, but identifying and sharing innovations is one; perceived differences in leadership qualities for the social sector is another. But above all, the user audience of the survey should receive a copy with requests for questions that interest them. And any necessary follow-up procedure across the year, making the whole exercise an easier flow.
4. Response rates have become more difficult to achieve with each passing year, even amongst groups who in theory should be automatic and eager respondents. They are eager but lacking time. They just have to be chased vigorously. I have used well-scripted, trained telephonists who issue endless polite reminders through Executive Assistants to ultimately good effect—in the end many thanked us for the persistence.

Finally, this: the survey was never meant to be limited to recruitment efforts or specifically to the propulsion of the Waldron enterprise as a business, which has been growing of its own accord very nicely for a long time, expanding coast to coast. Of course the Evans School added its own emphases, born entirely from an academic perspective, and providing a most compatible partnership.

The survey can serve different audiences with special interests in varied ways. But clearly those with a management role required to make recruitment, management, and job description decisions can benefit. For those readers, few are as well qualified to dwell on some specific points—call them Talent Management, Human Resources, Recruitment, what you will—as Tom Waldron, Founder and CEO of Waldron. Thus, I requested an interview with him as an instructive and business-specific addition to this piece, which follows.

## DISCUSSION BETWEEN TOM WALDRON AND JOHN KEENEY

I met with Tom in his Seattle office, seeing him for the first time in many years. We were blessed with a sunny day, so we took our lattes outside onto an immense top floor patio adjoining his office. The view was spectacular: a 270 degree panorama of Capitol Hill, Lake Union, Queen Anne Hill, Seattle Center, the Space Needle, Pacific Science Center Arches, and beyond to Puget Sound. “We are lucky to have the large deck, we offer it to our nonprofit clients to host donor appreciation events,” he said, taking a chair.

“You look fit,” I say. “Have to fight for tennis time these days, too busy,” he mumbles.

“Ok, let’s get to it,” I say, and lay out a notebook, hit the recorder.

**JK:** What is your philosophy on philanthropy?

**TW:** Well, you know how it is, in the first 10 or 15 years of building a business, you don’t really have time to come up for air. When things become more solid, you start thinking of other ambitions. I’ve always been involved in community activities, and even in the early days served on a number of nonprofit boards. It became clear to me that conducting searches for nonprofit boards was much more rewarding than in the corporate sector. More consultative and less transactional. As the business grew I was able to do small-ball philanthropy through the company and personally with Pam, my wife.

**JK:** Great, but what is your philosophy on it?

**TW:** Do you always have to intellectualize?

**JK:** Yeah, usually. Apart from romance.

**TW:** (laughs) I was hoping for more softball questions but I’ll give it a try. I think the motives for corporate and personal philanthropy differ in some ways. To be honest, while directed at the things we care about, our corporate philanthropy motive is to gain visibility for our brand in the social sector. My wife Pam and my personal giving is more tied to things we want to change in the world and it’s mostly influenced by the social network we have among like-minded people. If you have been lucky and enjoy a comfortable lifestyle, there is no excuse for not trying to help others less lucky... those trapped in an environment where no amount of luck, talent, or hard work can lift them out of poverty. I’m very fortunate to be working professionally in the impact sector and it aligns so well with my personal interests in the sector.

**JK:** So we can put you down as a Classical Greek Stoic?

**TW:** Groans. (shakes head and places in hands)

**JK:** That simply means you think actions are more important than words.

**TW:** I can live with that.

**JK:** Your firm is now completely devoted to the social sector, right?

**TW:** It is our primary focus. We still have Fortune 500 companies in our Org. Dev. practice. We’ve always done some [social sector work] over the years, but in the last 20 or so years we’ve gravitated steadily to work with clients such as foundations, NGOs, and other large nonprofits. And we’ve

dabbled a bit in government and higher ed. Previously, of course, we had worked right across the gamut with a strong emphasis on the private sector.

**JK:** Is it much of an environmental change to work in the social vs. private sector? I am asking about style of doing business, speed included, patience levels, attitudes, and so forth.

**TW:** I'm probably the wrong person to ask. I have done all of the above, and anyway I wouldn't make such general categorizations—you meet fast efficient people in the social sector, just as you meet indecisive ones in the private sector—there are no sectoral norms. I haven't had a boring or disagreeable assignment in memory. Sure, some are more challenging, more complex. I like that. Maybe I am addicted to the business so I like all search and consulting assignments, and we are lucky to attract top-drawer clients.

Thinking a bit wider, I don't think one can be partially committed to working in the social sector today. There's too much background knowledge, and change, what's the word? Sensibility, I think, says it. So in that sense, yes, there is a difference. You need to be passionate about making a difference and you need to stay current. I accomplish this through my nonprofit board service, reading about philanthropic innovation and attending conferences. The conferences give me a chance to learn from others equally committed to the sector.

**JK:** So tell me about what you are doing outside your professional work in philanthropy, or maybe they sort of merge together?

**TW:** I attend philanthropic conferences, most of what I read is about philanthropy strategies, and these days I generally hang out with people who care about this stuff. I currently serve on five boards and am a trustee of a foundation granting to programs in Latin America. This gives me a unique understanding of our client base at Waldron. I'll give you an example if you're willing: I was on the board of Global Partnerships for eight years. We went from three million U.S. dollars in microcredit loans to MFIs in Latin America to 100 million dollars this year. Within the first year of my term I was travelling with the Founder in Guatemala when he took me aside and asked if I would help him with a succession plan that would free him from the CEO role and bring in a new CEO from the outside. We built the plan, that was easy, but when it came time to conduct the search things got interesting. I led the search.

**JK:** Ok, I'm ready and willing.

**TW:** But because of the committee governance procedures, we hired a different search firm to conduct the search. All of a sudden, I was placed squarely in the position of my clients. I had all the doubts and insecurities they have when they come to Waldron. Would we find the leader who could manage through a Founder transition? Would they grow the business? Would they be passionate about our work? It turned out great in the end but I still regularly apologized to the search consultant for micromanaging his every move.

**JK:** As it turns out you are not the wrong person to ask. I've always advocated learning by shock immersion, which is I guess what you went through.

**TW:** I'd call it an unexpected but very valuable role reversal—I learned something.

**JK:** What is Org. Dev., which you mentioned before in terms of Fortune 500 companies?

**TW:** Organizational Development, which is consulting we do both for private and social sector

organizations. Corporate governance, coaching, organizational structuring, intertwined with HR. Often we combine this with recruiting at all levels.

**JK:** Can you elaborate on the social sector?

**TW:** We have a special unit providing what we call Comprehensive Services—designed specifically for the social sector. It's our own program, evolving, to help give a complete assistance support to social sector organizations. Especially those experiencing rapid growth. When a large institutional foundation, like Gates or Skoll, is making a major capacity-building investment into a single grantee to rapidly scale its programs, we are often brought in to be the human capital partner during that capital-building process.

**JK:** Could I have that in English please?

**TW:** If a new project or division is being created within a large nonprofit, it may be based on an individual of high merit, a grantee. That person will need an entire plan, infrastructure, and staff. All of this needs careful construction, thought, and work. Usually these are fast-track high growth situations, which is what I mean by scale. We come in and at the very least provide suitable people, but often we address the whole structure.

**JK:** It seems that getting the right people goes much deeper than just getting the right people. I mean, with a new structure, the talent is inextricably tied up with...everything—mission, goals, and the fundamentals of how the operation will actually work. In fact nearly every operational aspect.

**TW:** Right. A scaling strategy requires an equally strategic plan for the human capital needs to deliver on the strategic goals. Getting structure right, building a successful culture and recruiting are essential to growth.

**JK:** So Comprehensive Services is an all around service that, from what you've said, must affect the bottom line.

**TW:** I would certainly hope so; that is the aim, amongst many others—it's about getting the whole organization in good order, in some cases. In others, we are working on specific areas of need. The best nonprofits have an internal mission that aligns with their program mission. Funders are paying much more attention to this than before. The Skoll Foundation is a perfect example. They start with identifying the best leaders in an impact area of interest. In addition to program funding they surround that leader with funding for strategic planning, networks to other funders, staffing resources and a network of leaders, many are "Skoll Fellow" recipients, to give the leader an affinity group. While not a precise analogy, the approach is similar to the private sector venture capital model.

**JK:** So, for example you would liken yourself to a company like, say, McKinsey?

**TW:** No, they are much larger and focus mostly on strategy. Our services are focused on the implementation phase. We share many of the same clients with Bridgespan, FSG, BCG, and other consulting firms with social impact practices.

**JK:** But within a context of performance, structure, creating and improving performance, it would be like a McKinsey style operation, no? At least for the social sector?

**TW:** In a small way. Again, we are on the tactical implementation end of the spectrum.

**JK:** Have you ever been poor?

**TW:** Yes, three distinct times in my life but not in the sense of when I think of domestic or world poverty. There is a difference when you are privileged and lucky to be born in America. In my early years before my mother remarried we were quite poor...single mom with six kids. My sainted mother, may she rest in peace, raised six kids working as a restaurant hostess. The second time came after graduating from high school. I took my first trip to the British Isles to visit my Irish homeland and totally ran out of cash halfway through the trip. Nothing original about this story. However something happened that changed me forever. I was travelling alone, and, because I was still in my teens, I had the occasional fits of depression. I'm on a bridge in the town of Sligo with fast and high water below. It wasn't as if I had one leg over the bridge but I definitely had what psychologists call ideation thoughts about suicide. At that moment a Tinker approached me for a handout. She was small, carrying the obligatory infant wrapped in a dirty shawl. I told her that I was in no condition to help and that she was probably wealthier than I.

Then I realized how false and untrue that statement was. I had 10 people I could call or telegram for money. I was from America and had credit with friends and family. She was the one working without a net. My third bout of poverty came in 1983 when I started my company. An old story told too many times: I was definitely broke, had to borrow against my first receivable. That was the first and last loan in the history of Waldron...and ah...

**JK:** Yes, I'm listening (and thinking I see a bit of misty eye on mention of his mother—by those lock-in blues, his persistent eye contact).

**TW:** Yeah, but I was just thinking relatively for a moment about some of our recipients for microfinance and their definition of poor. I've never had a dirt floor...I've always had the safety net of friends and family.

**JK:** Well you've got nigh on four decades in the industry—what's changed over time?

**TW:** Candidate mobility has changed greatly and made it much more difficult to relocate executives for our searches. This change has many causes: dual heads of household careers, housing and fluctuating housing markets, more attention focused from the “sandwich generation” parents on the risks attached to relocating children, caring for aging parents, just to name a few. Personal, family things in the main...understandable.

**JK:** Your candidates have, I gather, the luxury of not moving.

**TW:** In the main they are in the top 10% of their field and are currently employed. They have career choices internally and in the market at large—they are in demand, big demand, which in a way makes our job more difficult. It takes a compelling story and a good storyteller to get their attention.

**JK:** What else has changed?

**TW:** Not a surprise to anyone, but technology has radically changed the way we do business. With real time candidate tracking systems we no longer shuffle through paper to sort candidates. It also allows us to share real time dashboards with our clients. We use a CRM system to track and communicate with high potential candidates. Good riddance to the Rolodex era!

**JK:** I remember the days when research consisted of a few card files and a million phone calls.

**TW:** That was pitiful compared to today. Using our database along with tools like LinkedIn, we can reach a thousand targets in a matter of hours. Our research colleagues have a myriad of tools at hand to profile specific candidate targets, track their educational background, see if they are speaking at conferences or publishing, and so on.

**JK:** What other technologies help you now?

**TW:** The advancements in video conferencing, Skype, and Google have saved our clients millions of dollars on consultants' travel, not to mention the wear and tear on our Search Leads. We can pre-screen more candidates using these tools and not worry that we may have missed a good candidate with a poor resume.

**JK:** Impressive. But are there other human-related changes?

**TW:** Clients are certainly more sophisticated, which is a true benefit for all. And an important one: the imperative to fill our positions' candidate pools with more gender and ethnic diversity. While that is a worthy undertaking, it is always a challenge because at the levels we work, everyone is after the same pool of leaders. We work very hard at building networks that will help us identify undiscovered leaders that would add gender and racial diversity to the mix.

**JK:** So, it sounds as though your work is both easier now, yet more difficult too.

**TW:** True. Certainly the client service is way, way better. Speed helps of course. The rarefication of our business puts special demands on us, which must be met. We are dealing with a shrinking pool of candidates, at least apparent or semi-obvious ones. Our CEO survey illustrates that many leaders are retirement-ready and younger leaders may not want the top jobs.

**JK:** What about the issue of social sector reluctance to hire from the private sector?

**TW:** It's an issue, but often overplayed. If clients work cooperatively with us, preferably within the context of a Comprehensive Service arrangement, a full relationship builds, trust follows, and maximum results are achieved together. They rely on our judgement of whether someone from the private sector can and will be motivated to lead a nonprofit.

**JK:** That sounds a bit pat.

**TW:** It's true though. What are you after?

**JK:** I want to know whether there is an uncalled-for resistance to private sector, or for that matter, government background people to be hired by the social sector, how much of the time, and what you do about it. I confess a fascination with this subject.

**TW:** It is overplayed, as I said, or maybe we just have intelligent clients. Yes it comes up, say, 20-25% of the time, to varying degrees, maybe a bit more. I always advocate for the best candidate but I better be able to make the case.

**JK:** And?

**TW:** It very much depends on the client. In many cases we are asked to specifically target and go after private company leaders. Usually it would be for the top position in an organization or a very specialized professional such as finance or IT.

**JK:** I can see that. That's outside the bounds of the question. What more?

**TW:** When we do recruit from the private sector it is imperative that those candidates can make the case that they truly desire to enter a "social impact" career and, hopefully, they have already demonstrated their commitment through community board involvement and active volunteerism.

**JK:** OK, thanks. That's really a key issue. Do you want to round out that statement? Because it is a big issue in the minds of many and I think they would value your opinion.

**TW:** Sure. Let me just summarize this. There has been a tendency in the past for some caution about accepting private sector candidates, sometimes for reasons of perceived cultural background. We have spent a lot of time counseling clients on this, and of course we screen candidates intensely for qualities in this regard. Actually, many of our clients are very reasonable and focus directly on skill sets and adaptability. Of course some do not, and it is our job to work with them. In some cases, this attitude of preferring a background in the social sector does make sense, as long as the candidate has the other essential skills in place.

In the cases where we are regarded as a consultant, not just a recruitment firm, we generally get a very reasonable hearing. I think this is beneficial to the client, and also the candidate, but it is the client on whom we focus. Of course every situation is, ah, what? Different? Special? Unique, really, and that is how we approach it. Overall there has been a steady and discernable trend toward more openness on the part of the social sector to consider private sector candidates, moving steadily over the past years. And also, with your cynicism, you may not believe that there are a number of great people to be found in government, and actually the bias might be worse against them than any other background.

**JK:** I am a professional skeptic, not in the slightest cynical. In fact, I happen to totally agree that there are some brilliant people in government. I've worked with them. Generally though, they are only found in the top 10%, or as special project leaders, and better if they are shorter term, or mixed background people in my opinion. They don't get lulled that way. Any chief of staff or similar has got to be good—no, great—and prepared to work around the clock and deal with emergencies, pretty much by definition, or they are vapor, history, and fast.

No, Tom, legitimate call, I think it is a question of finding the right ones. Glad you raised that. Now, on another subject: What is your take on the measurement issue in the social sector?

**TW:** It's today's hot issue and by that I don't mean just for today, it's a very important tool. For some it's vital for survival in the competition for funding. We have worked with some clients on finding candidates with measurement and impact as a specific skill set.

**JK:** You've read Mario Morino's book, [Leap of Reason](#). What do you think of it?

**TW:** The book is smart and to the point. He's an admirable guy, knows business and philanthropy well, so he's an important figure today, though some people find him, a bit tough, hard-nosed, whatever... He does support my beliefs that selecting the right team and building the right culture is the key to program success and conversely, the wrong leader can totally trash an organization with a great mission.

**JK:** But that is what today's reality prescribes isn't it? He's saying what needs to be said. Am I right or wrong?

**TW:** Putting me in the corner? Good try. I'd say he is fundamentally right, but...I need to choose my words carefully here. He is very impatient, and guess what? So am I, and I think in most cases this is an admirable or at least necessary trait. But major cultural change doesn't happen by snapping your fingers. Some of this takes time, therefore also patience and cooperation. Look, his aims are absolutely on target. I look at the world through the eyes of a realistic facilitator though so naturally I can believe thoroughly in what he says yet approach it from a different angle. I'd be overjoyed if every client immediately called me and asked for consulting on measurement tomorrow morning. Ain't gonna happen. But it will in due course. And I do recommend it all the time; who wouldn't? But remember, first things first.

**“We try to find and build a new kind of leader—one part private sector-rigor black belt, two parts cause evangelist.”**

**Tom Waldron, Founder and CEO, Waldron**

**JK:** Are there special qualities you look for when recruiting candidates for the social sector?

**TW:** Whether we speak of the private sector or social sector, there are in many cases a sort of general preference for someone with directly related, you might say similar or tangible skills or activities in the background, which are perceived as relevant or superior for the position. Frequently enough the client is right or at least partly right in this perception. The challenge of our role is to extrapolate accurately and provide a slate of candidates, after a lot of interviewing, analysis, and thought, which genuinely offers the new employer an excellent range of skills and, let me stress this—the right character—and to advise accordingly.

**JK:** OK, but I am sensing something deeper you have to say about this...you are getting into corporate-speak on me again.

**TW:** All right, I see you are really probing as we do in interviews. So, when talking about these sector shifts, there is an added layer of nuance that gets to your earlier question about what has changed over the past decades. Twenty years ago we would describe a good leader as hard working, Type A, hard charging, take no prisoners, etc.. Although we use nicer words to describe those characteristics today, many of those traits are still required. The nuance part is a leader in the social sector today cannot be successful if they are not self-aware, fully enlightened, have highly developed EQ, free from prejudice or bias, and really care about an impact mission. In a way, we are trying to find and build, or you might say encourage, a new hybrid kind of leader: one part private sector-rigor black belt and two parts cause evangelist.

**JK:** Great, quotable remark. Like it. See, I'm not so difficult. Ever hear of Oriana Fallaci?

**TW:** No, I haven't heard of her, but interviewing is of course fundamental, and there are so many unpredictable parts to the puzzle that you can't address in one interview. I'm not sourcing heavy equipment for my clients I'm sourcing humans. They're imperfect and unpredictable. They have lives outside their work, they get sick, they have ethical slip-ups, etc.. My product is my process and methodology to hedge the risk in hiring top leaders but most people see my product as the people we recruit. That my friend, is why what I do is most interesting but more challenging than any other service.

**JK:** I understand, indeed, people are complex and so is the interview process. Fallaci had skills to be observed, in fact by any interviewer like yourself, though not to be used, generally in such a bulldog fashion. She was the original tigress she-demon of responsible investigative interviewing. Tore the Shah of Iran to pieces with fact and intelligence on TV. Kissinger too, I think, amongst others. Deeply admired. Next to her I'm a pussycat. But let's move on. Please tell me about your selection process.

**TW:** You've got the right word, Process with a capital P. First is finding a group. Stage One is skill examination, you know, the basic knowledge and practice capabilities. The hard skills. Then the soft skills, and I don't mean "soft," really; they are just as important. There are a lot of skilled people who are not people people. Not good communicators, some deficiencies in character areas, and of course—this is where some of this overplayed private/social dichotomy in hiring may be coming from! Of course, each and every culture is different, so this Stage Two examination actually is vital. I have a feeling that some of this private/social sector reluctance we're talking about may be that the WRONG (raises voice) candidates are being put forward from the private sector to the social.

**JK:** Do you think you can actually make profound character judgments from interviews?

**TW:** That's what we get paid for. And if there is one fundamental in our business which places it as a profession, it would be long experience with people and understanding them. Along with business and organizational knowledge. Everyone, or just about, thinks they are a great interviewer. Believe me, few are. In our case, if we don't do it very well we get fired, and that doesn't happen here. The simple fact is, you cannot present a candidate without such knowledge and your judgments. So you do it. If you can't get them to fully express, if they are professional interviewers, phonies, then they are not presented. If they are not honest, all they are doing is hurting themselves.

**JK:** What do you read for professional purposes?

**TW:** The Economist as a general information source. Great, global perspective. The Stanford Social Innovation Review magazine and their online stuff is truly outstanding. And Lucy Bernholz is always lively, full of ideas. But honestly, I think I get more overall from just being immersed in my work environment as far as practical learning.

**JK:** That's a good line-up. I reckon The Economist is the world's greatest weekly and Stanford has really taken the high ground, superior work. Lucy probably has the most voracious mind in the sector—she'll tackle the most interesting subjects with aplomb, every time. But what I think should happen is that a cable channel should be started. The number of really instructive stories, fascinating ones which don't get enough play, are beyond belief once you start looking for them online, but without the coverage they are due. I estimate there would be 500,000 committed viewers. And good demographics, obviously. That's just by the way, maybe Stanford will consider it. Or Rockefeller, it would be a fantastic fundraising tool, and sponsorship? Probably no problem. Ah, sorry, I get carried away on media.

Anyway, what surprised you most about your recent Waldron-Evans survey results?

**TW:** I knew the succession planning situation was a problem, but it was far worse than I had imagined. I just hope it has some real impact, because when we refer to the private sector, such situations would never be allowed to occur, except in privately held companies where the result is often disastrous. One exception worth noting is Forbes Magazine—here's a family that through good planning and cooperation has managed and consistently grown into their early fourth generation with intelligent succession planning—and as a private company. A lesson for all—there are no excuses, really. Not for what is at stake.

JK: What does the future hold?

TW: Pretty general question.

JK: Deliberately.

TW: Well, the expansion of philanthropy in its various forms will continue to grow at a fast pace. Management sophistication is growing, beyond question. I think the really exciting emerging patterns are the wider variety of new forms of social business, new structures, and new approaches. I don't know widely if this is appreciated at large, but I think we are in a period of huge creativity and opportunity, a launch pad that is on fire. It's maybe not as big as the web, but I see similarities in the way the world can be changed. If you look, for example, at Jeff Skoll's work at Participant Media, which you know...How stimulating, how profound is that thinking? Impact capital, and public-private partnerships are still at the ground floor stage. It will be an exciting decade to see how second and third generation family members will influence private philanthropy. Not to mention the new wealth creators interested in getting solutions in the field at a fast pace.

JK: Very. I agree; this seems like a slower paradigm shift than the web, but certainly a forceful one that shows signs of longevity. Skoll's one of the more visible leaders, but the strength of this whole forward thrust, I don't know what to call it otherwise, a hyper-social thrust maybe, is underpinned by thousands and thousands of different people and new ideas and organizations. And, by the way, have you done work for Jeff Skoll?

TW: Yes, I'm proud to say we have done work for the Foundation and Skoll Global Threats. But we have dozens of equally innovative clients that are often working below the klieg lights.

JK: Congratulations, Tom. What are some of your current philanthropic activities?

TW: I personally and the company are funding a number of things. Board wise I've just joined the board of trustees of Pro Mujer (for women); a New York based nonprofit providing credit and health products to women in Latin America. I've joined the Advisory Board for the Evans School For Public Policy at the University of Washington, I also serve as a trustee of the Burke Museum at UW and I continue to sit on Bill and Paul's [Gates and Paul Allen the latter, co-founders of Microsoft: JK note] private family foundation board.

JK: Shall we end this and go play some tennis?

TW: I'd love to, how many games do I need to spot you?

## ANNOTATED BIBLIOGRAPHY

The following is meant to highlight and expand on some individuals and occurrences noted, not in specific relation to, or delineation of, a single point made within the essay. It is meant as a reading and comment list for further thought. It is my hope that readers will send their own reading contributions and recommendations, and indeed their responses to ideas within the piece; or their own freewheeling riffs on any subject of relevance. Certainly I have engaged in a few riffs here, but that's just an assumption that the readers are innately curious, and do not mind a bit of related, if extra-curricular, fact and opinion.

1. **ANDY GROVE.** My reference to Mr. Grove pertained to his book Only the Paranoid Survive: How to Exploit the Crisis Points That Challenge Every Company (1996), a lively and pertinent management book. Among his many quotable remarks is: “*Success breeds complacency. Complacency breeds failure. Only the paranoid survive.*” Mr. Grove was a Hungarian refugee arriving in the U.S. at age 20, with a passion for learning. He was Intel’s third employee and rose to be CEO for two decades, responsible for immense growth—stock gains of 2,400%. His 1967 book Physics and Technology of Semiconductor Devices is still used in leading universities. Steve Jobs, along with many of his generation, looked upon him as a hero for his business and technological acumen, and status as a founder of Silicon Valley. He wrote other books of note.
2. **JIM COLLINS.** Jim Collins was a hugely popular professor of business at Stanford before returning to his home state of Colorado to found an institute, and remains very active today on the lecture and advisory circuit. His website offers a number of short, often penetrating, usually amusing (he’s big on body language) video clips on various subjects, including his passionate riff on the value of the paranoid neurotic personality in business. It is unknown but possible that he borrowed Andy Grove’s inspiration. His Good to Great: Why Some Companies Make the Leap...And Others Don’t business book is widely popular today and referenced by many, including Mario Morino.
3. **GARY HAMEL.** Gary Hamel is an American professor of business, located since 1983 at the London Business School. In 2012, he was named by the Wall Street Journal the “World’s most influential business thinker”. He has consulted with numerous Fortune 100 companies and written a number of books. He is also the highest reprinted Harvard Business Review author, due to articles such as “**Waking up IBM.**” Innovation has been one of the cornerstones of his work. I attended a full day seminar which he led, based on his then current book The Future of Management (2007) which dealt extensively with innovative business structures, and found him a quietly dynamic presenter of considerable depth. The chapter devoted to the W.L. Gore Company, which invented Gore-tex amongst many other items and patents, is particularly fascinating. The company can allow and afford—or in their rarefied creative atmosphere, not afford NOT—to encourage talented employees to work with absolute freedom on anything they choose, in many cases. This is very similar to the program of the Santa Fe Institute, which harbors Nobel Laureates only, permitting them to work on anything they want, often outside their field (e.g. a biochemist studying the origins of human language). Dr. Hamel, as indicated in the essay, is essential reading for those wishing to delve into innovation within management.
4. **LUCY BERNHOLZ.** Lucy Bernholz is among the most prominent voices in the New Philanthropy. She describes herself as a “philanthropy wonk,” and is the writer/owner of Philanthropy 2173 (a regular free e-blog), an author, consultant, and visiting scholar at the Stanford University Center on Philanthropy and Civil Society, and a Fellow of the Hybrid Reality Institute. She is a board

member on several national and international philanthropic organizations. Clearly she is a futurist, judging from the title of her book Creating Philanthropic Capital Markets: The Deliberate Evolution which I look forward to reading and commenting upon at another time. Her blog is a rapid-fire commentary on a wide variety of interrelated subjects surrounding philanthropy. It is unique in its content and perspective primarily for its sheer variety and pep! I thank her for providing the “Not Invented Yet” category, which played an obvious inspirational role in this essay.

5. **MUHAMMED YUNUS.** Muhammed Yunus was born in then East Pakistan, now Bangladesh, and studied economics, ultimately earning a Ph.D. at Vanderbilt University. After teaching economics and building a successful packaging business, displaying hands-on commercial acumen, he founded Grameen Bank and developed the concept of microfinance, which has largely proven to be an outstanding success. Given that this model was based on making loans to the very poor, he struggled initially for several years to convince established banks to cooperate, finally breaking through and proving that the poor were very reliable in their repayments. Grameen has spread its own operations and influenced many other similar programs around the world. In 2006 Yunus was awarded the Nobel Peace Prize. In addition to Banker to the Poor: Micro-Lending and the Battle Against World Poverty mentioned in the essay, his two subsequent books exhibit both his own and the social sector’s evolution. These are Creating a World Without Poverty: Social Business and the Future of Capitalism and Building Social Business: The New Kind of Capitalism that Serves Humanity’s Most Pressing Needs. He stands unquestionably among the greatest and most innovative drivers of practical philanthropy in the 20th and early 21st centuries. Due to overtly political motives (he once considered creating a political party and naturally had enemies) he was progressively driven out of Grameen and displayed only gracious concern for the bank’s welfare during his dénouement. He remains active as a writer and in other capacities.
6. **STANFORD SOCIAL INNOVATION REVIEW (SSIR).** As a professional editor and founder of numerous print and other media outlets, a magazine junkie of the first water, I cannot praise SSIR more highly. Among many other things, it proves that it is still possible to produce and apparently sell successfully very high quality commentary in our refashioned (distorted, if enhanced and enlarged) web world.

A quarterly magazine accompanied by a website, online newsletter, blogs, and other features, it was founded in 2003 by a division of the Stanford Business School (SBS). Its concerns range widely, but in proportion, across the social sector, and it is not in any sense a “business” magazine, in spite of its origins. Apart from its rigor when business analysis is brought to a subject. Articles appear each quarter on topics such as foreign aid, developments within environmental legislation, human rights, measurement in the sector, role of government, and importantly, new trends, developments, and styles of operation. In this latter category, its connection with the SBS is no doubt helpful. SSIR has won many awards. When compared against most of the offerings on the social sector, online or off, it is clear that a commitment to quality expression, good editing, choice of pertinent ideas, accent on innovation, choice of informed writers and above all, a reliably high respect for facts and the ordered argument, set it atop the Mount Olympus of social sector writing today. It is inconceivable that anyone seriously engaged in the sector not be a regular reader. A guess only, but those unable to pay might receive some support from this committed organization. Clearly there is commitment at work here.

7. **MARIO MORINO.** Mario Morino spent many years in the software business with some specialization in measurement a facet of the man which is translated into his book Leap of

Reason: Managing to Outcomes In an Era of Scarcity, discussed extensively in the essay. Formerly working in Washington, D.C., he has now returned to Cleveland where he works full time in philanthropy, in part as co-founder of VPP (Venture Philanthropy Partners) which focuses on youth education and assists in funding start up philanthropy ventures. His book has received wide attention within philanthropic circles throughout the U.S. and Europe. Since selling his company, he has distributed \$40 million to charities, which no doubt has been managed with precision. Newspaper coverage, including a recent mention in *The Economist*, indicates that the uptake of his ideas are both surging in the social sector community and successful, and according to various units of press coverage, ecstatically received. Of course, not all reviewers or sector leaders agree with him.

8. **The MacARTHUR FOUNDATION.** In years of publishing on foundations, The MacArthur Foundation struck me as especially innovative, imaginative in comparison to many, and importantly, a source of knowledge and inspiration for other institutes and foundations, for which it runs an Advisory Service. Appropriate, given their long tenure and variety of programs. Created in 1978, it has consistently grown and evolved. It is perhaps best known for its so-called “genius grants” but in fact embraces a wide number of causes, including justice, medical, and sustainability issues worldwide. Its endowment is \$5.7 billion. As an example of innovation, their relatively recent Badge awards, aimed at youth for the achievement of skills relevant to their lives and a better society, is notable. There are presently over 370 videos available online which present a superabundance of activities by TMF and the appearance of quality management throughout.

My initial exposure and enquiry into TMF resulted from my two book publications on the Nobel Prizes; I came to view TMF as a uniquely American and 20th century counterpart to the Nobel tradition. Clearly TMF devotes time to making awards beyond its “genius grants,” most of which are of a more traditional bent, such as the “Award for Creative and Effective Institutions.” These are directed worldwide and address health, environment, education, and other areas.

The “genius grants” are perhaps their best-known awards. And a fascinating cultural counterpoint to the Nobel Prize, which I hold in the highest esteem: its status as the world’s most recognized award is fully deserved, and its contribution to the promulgation of science indisputable, a vital necessity. TMF awards a higher sum in its grants than the Nobel Prize, and for a different purpose. The Nobel Committee honors past and groundbreaking advances. Their later-instituted Economics and Peace Prizes operate similarly.

TMF’s genius grants do not seek to award past performance, but rather originality, potential, and imagination. Though it must be noted that certain recipients, such as author Cormac McCarthy—an outstanding choice in my opinion, who coincidentally is the only non-Nobel Laureate allowed regular access to the Santa Fe Institute, mentioned previously in the Annotated Bibliography—had established an original literary style over at least six books prior to his award. His grant allowed him to complete what some (myself included) consider his finest work, Blood Meridian: Or the Evening Redness in the West. But now we are on literary ground, and...

Alfred Nobel, a stern engineer and businessman, was not as the record shows particularly interested in or knowledgeable about literature, and an approximate recount of his edict on author selection was “no books of a negative tone.” A loose and subjective opinion and mandate, to be sure. A literary Nobel award debate, however gripping, is uncalled for here, except to note in fairness that one doesn’t read many bad books on the Nobel list. Equally, if literary style were

a criterion, Nabokov would have won, not Solzhenitsyn. The serious Norwegians, bless them, seek social purpose, or their version of it, as literature. It is useful for society though, to have another Institute with a different ethos. And a more adventurous search for quality. TMF is surely not known for choosing “negative” writers, but the contrast in perception of grant placement remains fascinating. TMF has sought out generally little known (including McCarthy at the time) but gifted artists of various sorts. The obscure composer/musician, Conlon Nancarrow, a 40 year American expatriate (for political reasons) in Mexico, at age of about 80 became a grantee: he subsequently created several notable works. Some commentators have criticized TMF for a minority of their genius awards, so be it. My interest is in the contrast of styles, nationally and era wise, and the “personality” of various institutes.

On matters as to how the arts community ought be awarded, at least in polite company, I am not the best person to ask, as I also regard Frank Zappa as a unbridled and raucous American genius; this a stance which requires careful review of his over 75 recordings, his evolution, his various quotes and comments on music, and a study of music and its 20th century history, to fully comprehend. Apart from his immense cache of compositions still unperformed, his orchestral recordings, (esp. Yellow Shark) and endless synclavier, digital and music editing innovations, (listen to Civilization Phaze 3) his contribution to all-American satire and social criticism, and late in a foreshortened life (53, prostate cancer, not drugs—he took none), an effective dabble in politics, and appearance before a Senate Special Enquiry. (**Listen to Zappa’s “Mothers of Prevention” album featuring among others, Al Gore.**)

Such an exciting music history adventure is enhanced mightily by **only one of his many biographies**, “**The Negative Dialectics of Poodle Play**” by Englishman, Ben Watson. Others range from the moderately boring but factual, as in Zappa’s autobiography, to the cheerleader vapidness of others. “**Poodle Play**” is the finest (only?) intellectual rock biography of all time. And vastly more: a history of ideas, musical and otherwise. Mr. Watson is of the caliber of a future TMF genius award himself, in my opinion. And it is this sort of extraordinarily “different” kind of candidate, which makes The MacArthur awards so compelling. Long live the great Nobel Prizes! Long live The MacArthur Foundation and American imagination and its search for talent!

9. **GLOBAL FUNDRAISING**. Editors Penelope Cagney and Bernard Ross have provided what is at present, the most expansive “bible” of activity in the world of international fundraising, and it deserves more exposition than space allowed in the initial draft of this essay. Of its numerous exceptional aspects are its case studies that present individuals and their undertakings in depth. Its depth of detail and scope are impressive. They provide information such as the fact that there are approximately 114,000 volunteer organizations in Russia, of which 1,665 are listed as charities; that the heir to Dubai’s world’s largest Toyota Dealership has embarked with \$75 million on an enlightened philanthropic pathway; the largely obscure but remarkable stories of burgeoning philanthropies in Asia, which in today’s press have received virtually no mention against vast amounts concerning economic growth generally; a wide survey of activity in India, which includes religious and cultural attitudes as well as significant data. In all, a very ambitious and successful effort which as a wellspring of ideas and inspiration is indispensable. Published by AFP (afpnet.org), this book is apparently one of a series, which warrants further investigation. No other international volume I have reviewed is as comprehensive or culturally attuned. The choice of authors for each section is exemplary and the volume’s organization, with introductions, case studies, data charts, and summaries, is superior. Highly recommended.
10. **WARREN BUFFETT**. Iconoclastic? Complex? Certainly. His interest here in our context is how

another form of philanthropic urge can take form and the differences of style that make him stand out. His large non-egotistical donation to the Gates Foundation is the supreme example. I write this in mind of some individuals I have met who mistakenly lump him together with “rabid capitalists.” Their ignorance shows. Apart from his adherence to a comparatively ascetic lifestyle, living in the same unspectacular home for decades, insistence upon a continued base in Omaha, and the rest, he has used his immense credibility to exert some influence on political thinking. If only through short meetings, letters, and his precious quips. But perhaps more profoundly, he is not the sort to boast.

As a midwesterner with a gift for poetic plain speak, he falls in a line of men of letters which would include Mark Twain and Will Rogers; his output may be smaller but impact equal or greater. (There were presumably women of letters of this ilk too; I considered Harriett Beecher Stowe, but determined she was cut from different, if equally good, cloth. Any suggestions? The winner will receive a photo of me burning, in a public place, 10 copies of Atlas Shrugged, which I will purchase, unless her Institute is giving them way free.)

I am touched by his meeting with then Senator Obama, whom he had invited to his office which one reporter described as resembling a used tire store, or similar. Anyway, he pointed out a recent arithmetical realization: my secretary, he said, seems to be paying proportionately more tax than I am. How can a country progress like this? (My approximation, but accurate). Obama obviously agreed in some fashion.

Mr. Buffett nearly always sees the ultimate big picture, surely in business but in life as well. And it is invaluable to have a very wealthy money/business genius speak up for the populace on an occasional basis. This is part of his iconoclasm, and fully believable, now that he has put his money where his mouth is, via the Gates Foundation donation.

Indirectly, and sometimes pointedly, Mr. Buffett has addressed the central issue: no society can prosper without a strong middle class, which includes a lower middle class, and indeed a working class, and their ability to move ahead. Why then is this vital fact seemingly ignored by a significant proportion of the very well off? At least for the sake of their grandchildren?

Two things make any country great, a fact which the United States (and Australia, both successful countries composed largely of immigrants it should be noted) have proven across two centuries: the ability to make money, indeed its enjoyment, and thus create a buoyant middle class; and the ability and willingness to distribute money, or make it justly accessible to the wider whole. The two are inextricably tied. Though a decline in either, thus both, occurs and can be measured over decades not years. Perhaps those still unseeing are looking only at the ocean and not the many drops that make it up. Two of Mr. Buffett’s axioms sum up his non-contradictory position, and define for our terms the heart of the issue—that of a healthy society:

The rich are always going to say that, you know, just give us more money and we’ll go out and spend more and then it will all trickle down to the rest of you. But that has not worked the last 10 years, and I hope the American public is catching on.

Rule No.1: Never lose money. Rule No. 2: Never forget rule No. 1.

11. **LANGUAGE ABUSE.** I refer to the overuse, thus denigration of fine words in our beautiful language as mentioned briefly in the essay. Perhaps there is a way for a nonprofit to impact such a social problem as language improvement, and in fact there are literacy programs of various

sorts, though these do not tackle this problem directly. The French government actually attempted to eliminate “Franglais” (intrusion of English words such as “weekend,” “snack,” and “hot dog,” for which there were no equivalent or desirable ones. “Cool” has recently fallen on the list), spending millions of dollars in the 1980s to no effect and becoming something of a laughingstock. However, English, in the United States in particular, is regressing noticeably as exemplified by a singularly strange incident. A Claude Pollie, of Elko, Nevada, known variously as “Doc” and “The Judge” was imprisoned for impersonating both of these professional roles for financial gain, and related offenses. It was revealed in court that he had also sent a submission to The Guinness Book of World Records claiming to have created a sentence using the F word as a personal pronoun, noun, adjective, adverb, verb (both transitive and intransitive, no small feat), conjunction and preposition, in a sentence of 12 words, and claiming a world record. His defense of this disgraceful conduct was that “I was at the time under the influence of Hollywood B-script writers.” The Guinness Corporation was quick to react with its attempt to ban him for life from entering Ireland. “This is an insult to Eire, the land of poets, lovers of language and good humor, but this outrage constitutes neither language nor humor,” a Guinness spokesman stated.

12. **PETER DRUCKER.** Apart from what is said of the great Drucker in the essay, it should also be observed that he had a resounding wit and a way with words. Peter Drucker’s numerous instructive quotes can be found on the web. A few of those I find particularly pertinent to this essay:

“The most important thing in communication is to hear what isn’t being said.”

“If you want something new, you have to stop doing something old.”

“What’s measured improves.”

“This defines entrepreneur and entrepreneurship—the entrepreneur always searches for change, responds to it, and exploits it as an opportunity.”

**And this last one which goes to the depths of leadership, I believe:**

“Leadership is not magnetic personality that can just as well be a glib tongue. It is not ‘making friends and influencing people,’ that is flattery. Leadership is lifting a person’s vision to higher sights, the raising of a person’s performance to a higher standard, the building of a personality beyond its normal limitations.”

13. **DR. EDWARD de BONO.** Since his first title Lateral Thinking: Creativity Step by Step exploded onto both the personal and corporate booklists in the late 60s this medical doctor has authored well over another 30 books on thinking, creativity, and perception, and consulted with many multinationals. He also created educational programs for school-age children at use in several countries today. While widely popular, his work never falls into the dreaded “self-help” category and much of it remains highly pertinent to business as well as individual endeavor; no one has delved into nor presented the art of thinking as well, nor as simply. I had the pleasure of taking tea with him in Sydney; though he is of Maltese birth, his demeanor is quite English.

During a lively conversation we spoke of many subjects, including Japanese culture and their ability at miniaturization, and how he felt restaurants should be more active in selling books. He always comes up with innovative little ideas with commercial “bounce”. Innovation by combining

things differently. When enlisted by a local government in Australia to assist in a constant problem of overly long parking meter users, in spite of fines, his solution was: “Make it a posted law that all those who park must leave their lights on.”

14. **DR. RICHARD FLORIDA.** Dr. Richard Florida has taught and lectured at numerous universities including George Mason in Washington D.C.. After authoring four or more academic books on his primary field, urban planning, he wrote The Rise of the Creative Class which surprisingly to all, became a best seller, at least within the circles of avid readers and those interested in cities. He is a disciple, as I am, of the great Lewis Mumford (The City in History) and Jane Jacobs, who wrote the then (and still) stunning The Death and Life of Great American Cities, in the 1960s. He studied directly under the latter.

He has, in original fashion, continued their lineage of effective and imaginative thought about urbanism, as expressed in The Rise. In this work and subsequent ones—though The Rise remains his most important in my opinion—he innovated remarkably, viewing cities from a people or talent perspective, this, a major paradigm shift in the field, and in hindsight a very obvious, if completely overlooked one.

Partnering with a statistician, he performed many studies pertaining to types of people and the cities they choose to live in, focusing controversially on, amongst others, the gay and so-called bohemian sectors, and their measurable contributions to a city’s economy, industries, growth, evolution and vitality. The operative word, was and is “chose” or “choose” to live in, as he demonstrated trends which indicated that certain cities attracted people first, not jobs themselves. People would then move to their favoured city and create jobs for themselves. So, what Dr. Florida terms a “virtuous cycle” occurs, people bringing talent, and in turn, attracting more, like-minded or similarly motivated people who bring more talent. Thus creating not only jobs, but whole new industries, and wider socio-political trends.

Clearly, some cities have fared much better than others. On his “creativity index” Seattle and Portland are near the top of the list, actually ahead of San Francisco in recent years. Interestingly, in a correspondence with him, he pointed out to me that were Sydney or Melbourne included in his study, they both would have rated “near the top.” His city rankings embrace all major cities in the U.S. and are deeply instructive, particularly if one uses them as a tool for further thinking and examination. Naturally, not everyone agreed with him.

However, far-sighted local and state leaders have hired him as a consultant to their governments, including then Premier (Governor) John Brumby of Melbourne, Australia who ran an innovative and effective state government for several years, and prompted me to create and publish a volume entitled Melbourne: Global Smart City, based on some of Dr. Florida’s precepts, but also expanding widely into the area of future and long term planning, both those extant, and others which were formulated as a function of the book’s production. This book was and is meant to be the first in a delayed series, and a somewhat new genre within the field.

In a wider sense Dr. Florida’s work is very important—apart from the fact that he has made urban planning an upfront issue again, after years of popular neglect or disinterest—because he expands the field as a whole to its proper place. Urban planning, is NOT any longer simply the province of infrastructure and engineering—IT IS REALLY AND PROPERLY ABOUT THE GROWTH OF CIVILIZATION AS A WHOLE, IN ALL ITS FULLNESS, AND HOW TO IMPROVE AND MAKE IT EVOLVE. The Rise, in which he quotes from a huge array of sources, some literary, and many outside of the field traditionally observed to be mere urban planning is therefore a cornerstone work of

great importance for thinkers in the social sector at large. This because it embraces all human activity from the arts to education, health, and much more—an holistic view based on human talent. It should also be noted that this book, would appear to be a must read for search consultants—and is a delightful and profound read for anyone who cares about people, culture, cities, and human endeavour.

15. **PETER C. BRINCKERHOFF.** This writer was slightly ahead of the curve with his 2000 book Social Entrepreneurship: The Art of Mission-Based Venture Development, at least by title. It is part of the respected John Wiley and Sons publishing group's Nonprofit Series, which comprises a very lengthy list, deserving review particularly by those seeking knowledge of law and taxation and other sub-specialties within philanthropy. The list has a "how-to" feel to it, which may explain some of my reactions to SE: it is an elementary sort of book which has begun to show its age—or maybe it is ideal for a quick read as a checklist exercise by someone inexperienced in business. At the beginning the author throws the word "risk" around like a basketball player on fire, apparently not understanding that venture capitalists and entrepreneurs (good ones anyway) hate risk and work to avoid it, whereas he treats it as both virtuous and something we should get used to. Nonetheless, there is so much by way of simple step-by-step process that would benefit any newcomer to philanthropy or even the practiced hand, that it is difficult to dismiss so abruptly. Or maybe my problem with SE stems from it being, probably deliberately, a textbook with a lot of stern boy scoutish advice and no real-life examples. So, for some people, it may be just the right instruction manual. Or one good read in a longer, varied list. In one important sense, the book demonstrates how rapidly the quality and sophistication of the literature in the social sector has matured, when compared with Morino's Leap of Reason or Rothschild's The Non Nonprofit.
16. **STEVE ROTHSCHILD.** Apart from the numerous innovations cited in his book and his work at Twin Cities RISE!, of particular interest to many social sector activists is his slate of activity in working with local and state government. In discussions with and subsequent proposals made to the State Economist, Mr. Rothschild quite logically explained that success in his nonprofit mission would transform inactive individuals into tax paying citizens, and moreover, remove them as dependents of government subsistence payments. He progressed this idea with others and the result was the passing of a Human Capital Bond in his state, Minnesota. A \$10 million pilot fund has now been passed, and is in early stages of implementation. Mr. Rothschild is especially adept at both working with governments and observing likely trends, which will impact the social sector. It's clear that, as mentioned within the essay, what has increasingly come to be called discretionary spending—a euphemism for "we don't have a lot of money in this government"—will continue to be a problem regardless of improvement within the economy at large. Some problems are simply too large, and governments generally are overburdened. So approaches based on the thinking of Mr. Rothschild, which could be carried out with almost infinite variety, make up a major avenue for growth amongst certain nonprofits. The broad proposition is simple: How can a nonprofit legitimately, and within a results focused manner, form a government alliance for fundraising? The basic criterion must be satisfied however: the raising of a bond or similar instrument which attacks the problem, presumably along with one or more nonprofits working on the SAME or closely related problems, must offer detailed explanations and forecasts, statements of capability. This serves as an example of cross-sectoral solutions and innovative approaches. The given, which Mr. Rothschild clearly believes in, is that governments (as presaged by Mr. Drucker decades ago) will continue to re-trench. Interestingly, and in some part no doubt due to Mr. Rothschild's efforts, the Minnesota unemployment figures as of this writing have returned to pre-recession levels—a hopeful

statistic, but surely no guarantee whatever that government coffers for new programs will at any time achieve their long-ago levels. Nor, with sufficient innovation of the sort practiced at Twin Cities RISE!, should they. The future beckons.

Readers may wish to send valuable reading material suggestions to [insights@waldronhr.com](mailto:insights@waldronhr.com).



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