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## An Exploratory Study of Michigan Grantmaker Attributes and Competencies

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AN EXPLORATORY STUDY OF MICHIGAN GRANTMAKER  
ATTRIBUTES AND COMPETENCIES

by

Lisa R. Wyatt Knowlton

A Dissertation  
Submitted to the  
Faculty of The Graduate College  
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Department of Teaching, Learning and Leadership

Western Michigan University  
Kalamazoo, Michigan  
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## AN EXPLORATORY STUDY OF MICHIGAN GRANTMAKER ATTRIBUTES AND COMPETENCIES

Lisa R. Wyatt Knowlton, Ed.D.

Western Michigan University, 2000

Foundation trustees and professional staff are giving greater attention to issues of accountability and return on investment, while voices of those with significant experience in the private sector inquire with increasing frequency and vigor about the organizational performance of foundations. For these reasons there must be renewed attention on the competencies and attributes of grantmaking practitioners. This study is a self-assessment by grantmakers based on the construct of Emotional Intelligence (Goleman, 1995) as well as competency studies in organizational management and leadership.

In association with the Council of Michigan Foundations, grantmakers associated with foundations holding in excess of \$1 million in assets were invited to participate in the survey. Because of a low response rate (14%), the survey data was used to describe the grantmakers who responded and to develop insights about their characteristics. The respondents did generally reflect the distribution of foundation types in Michigan. Nearly half (48%) of the respondents were 55 years or older, gender was about evenly distributed. Less than one-third (30%) have past employment history in the nonprofit sector, though many (61%) have stayed in

philanthropy 11-16 years. Most prevalent program areas for respondents were education, human services and arts/culture.

Respondents ranked trustworthiness, communication, commitment and leadership among the most important relative to effectiveness. Items rated least critical include: conflict management, self-control and diversity. The strongest correlations between frequency and importance of use on the job were in team capabilities, collaboration and endurance.

Ninety-two percent of grantmakers were referred to their positions by colleagues or personal relationships. Closed recruitment is most prevalent. The most prevalent suggestions for selection process improvement were: more relevant/stringent criteria, expanded candidate pool, and clarity in job descriptions and assessments. Grantmakers rely on their colleagues and the Council of Michigan Foundations for professional development. Very few, 13%, experience a formal orientation to their work. Among respondents, less than half (49%) employ common private sector practices.

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Lisa R. Wyatt Knowlton

## TABLE OF CONTENTS

ACKNOWLEDGEMENTS .....	ii
LIST OF TABLES .....	vii
LIST OF FIGURES .....	ix
CHAPTER	
I. INTRODUCTION .....	1
Statement of the Problem .....	1
Purposes .....	7
Limitations and Key Assumptions .....	8
Overview of the Study .....	9
II. REVIEW OF LITERATURE	
Introduction .....	10
Foundations and Grantmakers: A Brief Orientation .....	10
Grantmaker Competencies and Attributes .....	15
Competency Studies .....	20
Emotional Intelligence .....	25
Summary .....	32
III. RESEARCH DESIGN AND METHODOLOGY .....	34
Introduction .....	34
Population and Sample .....	34

## Table of Contents—Continued

### CHAPTER

Instrumentation .....	35
Validity .....	36
Reliability.....	38
Procedures.....	38
Limitations .....	40
Summary .....	40
IV. ANALYSIS OF THE DATA.....	41
Introduction.....	41
Characteristics of Respondents .....	42
Individual Practitioner Characteristics.....	42
Organization Characteristics .....	46
Emotional Intelligence: Frequency and Importance .....	48
Selection and Development .....	60
V. CONCLUSIONS, RECOMMENDATIONS AND SUMMARY.....	65
Introduction.....	65
Learning and Practice Development.....	68
Diversity Deficits .....	69
EI Model Match .....	70
Recommendations.....	70

## Table of Contents—Continued

### CHAPTER

Further Investigation..... 72

Summary..... 72

### APPENDICES

A. Letter of Approval of Exemption by Human Subjects  
Review Board..... 74

B. Invitation Letter to Participants ..... 76

C. Survey Instrument with Descriptive Response ..... 78

D. Definition of Terms..... 89

BIBLIOGRAPHY..... 92

## LIST OF TABLES

1. Census Population Characteristics.....	35
2. Respondents' Gender.....	43
3. Respondents' Age.....	43
4. Respondents' Ethnicity/Race.....	44
5. Respondents' Most Recent Educational Credential.....	44
6. Respondents' Position Title.....	45
7. Respondents' Prior Work Experience.....	45
8. Respondents' Prior Philanthropic Work Experience.....	46
9. Census and Respondents' by Type.....	46
10. Respondents' Assets.....	47
11. Respondents' Grant Distributions.....	48
12. Respondents' Program Areas.....	48
13. Emotional Intelligence Item Frequency and Importance.....	50
14. Ratings of Sub-Factors and Item Frequency.....	52
15. Ratings of Sub-Factors and Item Importance.....	55
16. Frequency and Importance for Sub-Factors and Items.....	57
17. Competency/Attribute Effectiveness Criticality Ranking.....	59
18. Referral Sources.....	61
19. Selection Methods.....	61

## List of Tables—Continued

20. Selection Process Improvement.....	62
21. Professional Development Resources.....	63
22. Formal Orientation.....	63
23. Foundation Operating Practices.....	64

## LIST OF FIGURES

1. Emotional Competence Framework .....	28
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## CHAPTER I

### INTRODUCTION

In “Giving Better, Giving Smarter” (1997), the National Commission on Philanthropy and Civic Renewal called charity “our secret weapon” to help revive America’s poorest communities and promote self-sufficiency and independence among all Americans. They also confirmed what many in philanthropy already knew, that effectiveness must become the principal objective for donors intending to help people in need.

Contemporary challenges in philanthropy and the management of foundations have been widely recognized by the public, legislators, donors, trustees, and practitioners. Today’s needs call for renewed attention on the practices in philanthropy—and the competencies and attributes of the practitioners.

#### Statement of the Problem

New projections (Havens & Schervish, 1999) of the forthcoming intergenerational wealth transfer in the United States for the next two decades (1998-2017) suggests \$12 to \$18 trillion will pass to family members and an estimated \$1.7 to \$2.7 trillion will become charitable bequests. These estimates, based on a recently developed Wealth Transfer Microsimulation Model at Boston College suggest the

impending transfer of wealth will be many times higher than the frequently cited estimate of \$10 trillion over a 55-year period, 1998-2052.

The implications for philanthropy are enormous. These new estimates suggest a new, golden age of philanthropy is just beginning. Havens and Schervish (1999) articulate several important material, social-psychological, and methodological trends that presage this “golden age.” They include:

1. The material resources available for charitable giving are large and growing larger than previously appreciated.
2. Both the reality and self-perception of financial security are more widespread than ever.
3. The economic and emotional incentives to devote financial resources to charitable purposes increasingly shape the moral sentiments of wealth holders; and
4. A new values-based approach to financial planning that is increasing the commitment of wealth holders to charitable giving by guiding them through a planning methodology in which they discern for themselves: (a) their material potential for charitable giving; (b) the people and causes for which they care; and (c) the combination of financial, family, and philanthropic strategies best suited to implement their objectives.

Other indicators concurrently suggest the philanthropic landscape is growing dramatically, getting increasingly complex, and becoming more diverse. Since 1987, the number of foundations in the United States has grown from around 28,000 to about 50,000 and their assets have expanded from \$115 billion to over \$300 billion

(Foundation Center, 1999). In Michigan alone, there are now 1,468 foundations. This number has risen by 257 in just the past two years. Collectively, Michigan foundation assets total more than \$17 billion. In 1998, they distributed \$1.1 billion, up from \$860 million in 1997. Currently, 600 of the Michigan foundations distribute in excess of \$50,000 annually. There are 518 Michigan foundations with more than \$1 million in assets (Council of Michigan Foundations, 1999). Nearly 500 community, private, and corporate foundations belong to a vibrant membership association, the Council of Michigan Foundations.

All this activity in new foundations and their assets is a precursor to tremendous expansion along with a certain vigor and diversity in practice (Havens & Schervish, 1999). Some of the foundations are corporate, some are created by families or entrepreneurs, and others are community foundations. Increasingly, as public expectations rise about results, foundations are determined to operate with more attention to strategy and impact. This means trustees, committee members, and professional staff are giving greater attention to issues of accountability, or return on investment, not unlike the managements and associated enterprises that created these assets.

Further, voices of those with significant training and experience in the private sector inquire with increasing frequency about organizational performance. And an emerging group of critics have begun to challenge the value and special privileges afforded non-profit organizations and their exempt tax status. Some say that

foundations “...are an expensive way to allocate dollars to social enterprises” (Porter & Kramer, 1999).

The estimated \$2 billion or more spent annually on administrative costs with a distribution of only 5.5 percent of assets (annually) is juxtaposed with donors who get tax deductions up front for their entire gifts. Porter, a Harvard Business School professor, and Kramer, a lawyer, venture capitalist and writer, suggest that foundations need to create added value in their giving—something they believe too few grantmakers do.

Influential wealth advisors have surveyed foundation staff and introduced challenges in foundation management. Graystone Partners, an investment consulting firm in Chicago, recently produced an assessment of foundations that explores factors affecting and influencing these unique organizations (Graystone, 1999). In their survey, which included foundations with assets ranging from \$50 million to \$11.4 billion, Graystone found “the primary need among foundations today is the creation and development of a tool (or system) by which one can gauge foundation effectiveness.”

One area they identify as one of “tremendous concern” is personnel. Adequate staffing was frequently cited as a problem area along with trustees’ denial/avoidance of this important factor. Graystone’s report cites the president of a \$1 billion foundation saying: “...uninformed people are making decisions and executing programs that they have no knowledge or experience doing.” In analysis, the Graystone report complains, “there is no one field from which foundation staff is

usually selected.” Importantly, there is a call for further study on these common issues: (a) familial bureaucracy, (b) legal constraints, (c) inappropriate asset allocation, (d) undefined management, (e) nonspecific portfolio strategies, and (f) a host of other factors which affect foundations.

Salamon (1999), a well-known economist, writes that the whole sector faces “a crisis of effectiveness.” Others focus specifically on foundations as important levers and as badly needed role models or exemplars for the nonprofit sector. Contemporary journals with wide distribution outside philanthropic practice, like *Newsweek*, suggest philanthropy can and should improve: “While American foundations do a huge amount of good, collectively they are failing to seriously affect most of the problems they confront. The heart of what’s wrong with American philanthropy is...management” (Alter, p. 50).

The root of this management problem may be “adaptive capacity” (Letts, Ryan, Grossman, 1997). That is, the learning, innovating, and improvement functions necessary in any organization to realize better performance. While organizational structures and processes are certainly important elements in adaptive capacity, a central element is people. In the philanthropic context, it points a finger at grantmakers.

There is enormous increase in the number and type of grant-making organizations. This spurs both concern and interest in what constitutes effective practice. Likewise, discussions of practice naturally lend themselves to questions about practitioners—particularly their selection, recruitment, training and

development. The exploration and development of philanthropic pedagogy necessarily begs inquiry about grantmakers, such as:

1. Who are effective practitioners?
2. What are their skills, training and experiences?
3. What are their management and leadership styles?

This encourages the field to consider how selection occurs, what future training is appropriate, how would it be developed, and what resources might design and deliver it.

The development of a profile is premised on the assumption that certain knowledge, skills, attitudes (or competencies) and attributes are consistent with an effective practitioner. Responsibilities of grantmakers and the functional activities they apply on a daily basis with grantees (and the nonprofit sector generally) suggests a broader and more sophisticated repertoire of management and leadership abilities may be necessary to secure results which reflect sustainable change.

This modest inquiry only begins to examine an essential element of organizational capacity. It disaggregates human resources (grantmakers) as a primary input that influences organizational capacity and impact.

A conceptual framework, which helps to shed light on improving grantmaker performance, might first investigate organization and human resources. Subsumed in organization is our knowledge of structure and even the culture or climate that is specific to the organization's environment. Subsumed in human resources are our knowledge about theory of change and our knowledge of competencies. This

dissertation study specifically addresses an exploration of grantmaker characteristics and competencies

A profile and self-evaluation from grantmakers in their own mirrors, can begin to build a descriptive baseline about Michigan practitioners which can be compared and contrasted with private sector leadership, inform selection and development processes, and offer guidance to those seeking entry to the field. It may also be used to generalize about practitioner competencies in the nonprofit sector. In a sub-sector with enormous responsibilities and opportunities for the common good, it might also advance discussion about standards and professionalism in philanthropy.

### Purposes

This study is a multiple perspective descriptive analysis of Michigan grantmakers to: (a) profile their experiences and training, (b) describe their selection and development practices, (c) describe self-assessed competencies and attributes, and (d) rank attributes. To promote participant compliance, survey administration was done in association with the Council of Michigan Foundations. The Council is a membership organization of 460 Michigan foundations.

This study employs the substantive content of prevailing management and leadership theorists as a model “stage” to consider Michigan philanthropic practitioners and practice. In particular, this study relies on the works of Peter Drucker (1998), Chris Argyris (1962; 1991), Diane Zohar (1997), Michael Fullan

(1993), Warren Bennis (1999), Peter Vaill (1989), John Gardner (1990), John Kouzes and Barry Posner (1987), and Daniel Goleman (1995; 1998).

The list of competencies and attributes are based largely on the construct of “emotional intelligence”—which are well informed by all the aforementioned authors/theorists/practitioners as well as other contemporaries. This study determines perceptions of grantmakers, by grantmakers about the importance of respective competencies and attributes in their work.

The results of this study provide: (a) a multiple perspective descriptive profile of Michigan grantmakers, (b) a description of perceived competencies/attributes for grantmakers, and (c) insight about areas for further investigation relative to both grantmakers and foundations.

In turn, these findings can be actively employed for the: (a) development of grantmaker recruitment and selection criterion, (b) creation of training and development curriculum for grantmakers, (c) improvement of knowledge management and related philanthropic pedagogy, (d) informed debate and discussion about creation of standards/professionalism in philanthropy as well as the Third Sector, and (e) development of further qualitative and quantitative study about practice.

### Limitations and Key Assumptions

The response rate in this study was 14 percent. This limits the generalizability of findings to those in the responding group. Respondents in the study include only



Michigan grantmakers and are generally reflective of the distribution of foundation types in Michigan. The census includes 32 (6%) company-sponsored, 44 (9%) community, and 442 (85%) private foundations. The participant response includes 7 (10%) company-sponsored, 11 (15%) community, and 53 (75%) private foundations.

The variance in foundations in Michigan is likely to reflect the field nationwide. An exception to this is the large concentration of community foundations relative to total population. (A special long-term project by the Council of Michigan Foundations, through support of the Kellogg Foundation, is directly responsible for the disproportionate proliferation of the 44 community foundations in Michigan.)

The identified competencies and attributes for effective management and leadership reflect the author's effort in constructive validity based on commonly held principles in literature and specifically those associated with emotional intelligence. Methodological limitations are discussed in Chapter III.

### Overview of Study

A background of this study and a statement of the research problem is provided in this chapter. The significance, limitations, and key assumptions are also included in the first chapter. The reviews of literature are elements in Chapter II. The research design and a discussion of research procedures are found in Chapter III. An analysis of data in Chapter IV, and a summary, conclusions, and recommendations are essential elements of Chapter V.

## CHAPTER II

### REVIEW OF LITERATURE

#### Introduction

This study was conceived, primarily, as a way to begin a better understanding of grantmakers' attributes and competencies through their own mirrors. The study represents perceptions of grantmakers by and about themselves and their work. Given the functional responsibilities of grantmakers, the basis for the inventory and related conclusions will be drawn largely from management and leadership literature. However, the special area of management competencies is of particular interest. As suggested in the statement of study design, a survey instrument employed established conceptual models and theory to inform an inventory that has construct validity.

This chapter is organized in four related elements that include: (1) a brief historical orientation to foundations, (2) grantmaker competencies and attributes, (3) competency studies, and (4) an application discussion. To date, no study or related exploration on the characteristics and competencies of grantmakers exists.

#### Foundations and Grantmakers: A Brief Orientation

Andrew Carnegie began endowing public libraries about 100 years ago. He offered an example of something that now familiar names like Henry Ford, J.P.

Rockefeller and Will Keith Kellogg quickly imitated. In part, because of Carnegie, Americans became better educated; the country changed. Over time, there's agreement that Carnegie's philanthropic leadership proved to have more impact than his market share in the steel industry. Carnegie's example represents the exciting potential of contemporary philanthropy, too.

To contextualize this challenge and its opportunity, it is helpful to review an abbreviated orientation to the history of philanthropy—as well as a short description of what grantmakers do and how they work.

Many attribute the official beginnings of Western philanthropy to Plato's Academy, founded in Athens in 387 B.C. (Orosz, 2000). Plato left the Academy, along with its farmland to his nephew. His will stipulated that it be administered for the benefit of Plato's followers. The careful management of these resources ensured the Academy endured for more than 500 years. In later years, Roman laws made significant contributions to underlying principles that support today's corporate forms of philanthropy.

Ben Franklin launched the first U.S. experiment with philanthropy in 1790 (Orosz, 2000). His bequest of 1,000 British pounds (each) to Boston and Philadelphia was intended to serve those communities for 200 years. At the termination of both trusts in 1990, Boston distributed \$5 million in assets and Philadelphia granted \$2 million. The first true American foundation was initially known as the Magdalen Society. It was established in 1800 in Philadelphia to “ameliorate the distressed condition of those unhappy females who have been seduced from the paths of virtue,

and are desirous of returning to a life of rectitude.” Because the Society had some difficulties fulfilling its mission—it reorganized with a focus in youth development as the White-Williams Foundation.

Two hundred years after the first foundation was launched, statutes and regulations have evolved to support three prevalent types of foundations: (1) corporate, (2) community, and (3) private (Orosz, 2000). While each has nuances along with particular legal requirements, they all make grants to serve their respective mission. The staff/trustees, known most often as grantmakers, are challenged with the wise distribution of charitable resources as their primary activity.

In practice, grantmakers work with and through others, namely grantees (mostly nonprofit organizations), to accomplish their mission(s). Simply put, making a grant disbursement requires many careful decisions about investing foundation resources in a specific proposal from a grantee along with the appropriate technical assistance to support and monitor the investment. Grants often are “seed” money or catalyst funds to support the development and implementation of a particular program or service. They may provide on-going support for existing programs, endow a function or institution, or act as a challenge to leverage other resources. Initiatives are another tool of grantmakers in which multiple, related grants clustered for a common or related purpose are awarded to several nonprofit organizations.

The necessity of engaging others and their organizations in activities which result in a particular outcome is highly evident in the work of grantmakers. McIlroy (1998) confirms this: “Foundations are vicarious, in a sense; they fulfill their goals

through the work of other people or entities, without which they would essentially be pools of unused or poorly applied money.” Few could ever argue that grantmaking requires a combination of both management and leadership talents, what Gardner (1990) calls a “manager/leader.” As experience with managing these special organizations and their constituencies grows, the expectations for results relative to their mission does, too.

These missions are rarely “small.” They include ambitious intentions such as: (a) reduce poverty, (b) protect the environment, (c) improve healthcare, and (d) reform public education. For example, John D. Rockefeller’s foundation has a simple, bold mission “to promote the well-being of mankind throughout the world.” W.K. Kellogg, founder of both the Company and Foundation that bears his name gave his philanthropic institution this charge: “To help people help themselves through the practical application of knowledge and resources to improve their quality of life and that of future generations.”

Whether implicit or explicit, every foundation has a theory (or theories) about its work. They represent the assumptions on which the organization has been created and is being operated. These are what Drucker (1998) calls the “theory of the business.” They can be grouped into three elements: (1) environmental assumptions, (2) organizational mission, and (3) core competencies. The last element represents a direct interface with human resources. Each organization’s competencies mirror its work force and are significantly shaped by its managerial or executive leadership.

Grantmaking is a specialized kind of decisionmaking. Accordingly, McInay (1998) calls it "...a complex cultural understanding governed by powerful individual and organizational values. Grantmaking is an art, not a science, and its dimensions are not only intellectual, but aesthetic and moral as well." Andrew Carnegie and many others after him have been frustrated by the difficult challenges of grantmaking. He called it a "supremely difficult art," confessing he had not worked one-tenth as hard at making money as he did at giving it away.

In foundations, this puts the spotlight on grantmakers (Bolman & Deal, 1984). Orosz's (2000) recent primer on the pedagogy of grantmaking concurs. He cites deep historical footings from Book Two of Nicomachean Ethics, where Aristotle states: "...anyone...can give away money or spend it; but to do all this to the right person, to the right extent, at the right time, for the right reason, and in the right way is no longer something that anyone can do. It is for this reason that good conduct [in such matters] is rare, praiseworthy, and noble."

While the title can vary considerably from program officer, program associate, program director, vice president program, or even trustee—in general, grantmakers are those responsible for the review/decline of proposals, for decisions about grant awards, along with the significant demands associated with the management of grants, initiatives, and operated programs. A seminal question is what common or composite attributes enable performance as a grantmaker. Ultimately, this translates to organizational impact. This study employs, in part, what we've learned in the

private sector about competency studies in organizational management and leadership.

### Grantmaker Competencies and Attributes

Almost no literature exists which discusses grantmaker competencies and attributes. More often, literature special to the field discusses principles or approaches to grantmaking as a practice. The foundation membership association, the Council on Foundations, has encouraged the development of principles and practices by all its members to guide both foundation operations as well as grantseekers.

Andrews (1973) suggests principles which encourage philanthropy is spent in a hierarchy of triage: (a) to help people in trouble, (b) to help people get out of trouble, and (c) help people avoid trouble. He cites five principles of grantmaking that many foundations use:

1. Give adequately, but not lavishly: give in ways that stimulate giving from others.
2. Give toward rehabilitation rather than relief, toward cure rather than treatment; still better, give toward prevention.
3. Give toward research and discovery, especially discovery of the conditions of health and well-being.
4. Give so that the gift will not confirm a feeling of inadequacy, but stimulate the recipient to help himself.

5. Finally, give thought, for with thoughtful giving, even small grants may accomplish great purposes. (Andrews, 1973, p. 82)

While the foundations' principles in grantmaking are essential elements of strategy, they should not be confused with the competencies and attributes of the grantmaker. The former represents the organizations' practice and are readily evident in the information foundations provide publicly. These are often supplemented by what's known as "program areas" or interests (e.g., health, environment) of the foundation which correspond to their mission. Together, the principles, program areas, and mission of the foundation create a context for the organization's work and the grantees' assessment of a prospect.

The import of cross-sector strategies is not unheard of in grantmaking. It likely began in the late 1800s. Frederick Gates, an advisor to Rockefeller, introduced what he called "scientific giving"—borrowing on the principles of Frederick Taylor who is often recognized as the founder of American management. His illustration of "scientific giving" redirected Rockefeller's response to hundreds of appeals from Baptist missionaries all over the world to their headquarters in Boston. Instead of granting thousands of dollars to many small requests, Rockefeller gave hundreds of thousands through their organized system (McIlnay, 1998, p. 39).

To date, only two texts directly and specifically discuss grantmaker competencies and attributes. McIlnay's 1998 book, "How Foundations Work," gives anecdotal descriptions of grantmaker qualities, from both program staff and his own assessment. He advances the notion that grantmakers must employ both their head



and heart. James Joseph, former president of the Council on Foundations, has profiled grantmakers as people who can be objective, but also be compassionate, humble, selfless; possess both intellectual and emotional aptitude balanced relative to the moral and professional self, and be able to offer empathy as well as selective apathy (Joseph, 1986). Alan Pifer, a past president of the Carnegie Corporation has publicly stated grantmakers must be objective yet empathetic, analytical yet compassionate (Pifer, 1984). McIlnay summarizes the essential quality as judgment, “an irreplaceable property, partly innate and partly the result of experience” (McIlnay, p. 28).

Orosz (2000) has written the only existing primer on grantmaking, “The Insider’s Guide to Grantmaking: How Foundations Find, Fund and Manage Effective Programs.” In it, he confirms that the quality of any foundation’s work and “the amount of positive change that it can effect in the world is directly dependent upon the capabilities of its employees. And, of all these employees, no position matters more than that of the program officer [grantmaker]” (Orosz, 2000, p. 38).

Orosz, like other authors, comments on grantmaking principles and practices. He offers a typology to understand foundation styles on a “4-P Continuum.” The styles he describes representing this continuum are passive, proactive, prescriptive and preemptory. In application, this typology articulates styles of grantmaking that include: (a) those which “respond to unsolicited requests” (passive), (b) those that “make its interests known” (proactive), (c) ones which “clearly define interests”

(prescriptive), to (d) those that are “totally agenda-driven” and choose their own grantees (preemptory).

In his comments about grantmakers, Orosz frames the work of grantmaking as “ineluctably a human enterprise.” Orosz indicates that “it matters greatly what kind of people [grantmakers] they are” and “surprisingly little attention has been paid to these matters...philanthropy has suffered from this oversight.” In his chapter titled “Grantmaking: The Human Factor,” Orosz contextualizes the challenging environment grantmakers work in by declaring seven deadly sins which include: (1) believing the flattery, (2) actions by whims of arrogance, (3) rejecting all compliments, (4) regarding the foundation’s money as one’s own, (5) finding no applicant worthy of funding, (6) finding all applicants worthy of funding, and (7) taking the easy way out. He calls on the grantmaker to be personally accountable and suggests the foundation’s impact is largely determined by the integrity or (lack of same) of its program officers.

Orosz explores the “necessary qualities for fitness as a grantmaker” *vis a vis* the temptations of philanthropy and some imperatives for right treatment of grantseekers in another list. His six “requirements” include: (1) integrity, (2) people skills, (3) analytical ability and creativity, (4) spirituality, (5) sense of balance and proportion, and (6) compassion. These qualities reflect on years of experience in the field (as both a grantmaker and seeker), as well as observations of effective peers.

Another veteran, Alan Pifer, wrote in a 1973 Carnegie Foundation Annual Report that:

Above all other aspects of foundation work, I would put the human factor. I mean by this the attitudes and behavior of foundation staff members. If they are arrogant, self-important, dogmatic, conscious of power and status, or filled with a sense of their own omniscience—traits which stewardship of many tends to bring out in some people—the foundation they serve cannot be a good one. If, on the other hand, they have a genuine humility, are conscious of their own limitations, are aware that money does not confer wisdom, are humane, intellectually alive and curious people—men and women who above all else are eager to learn from others—the foundation they serve will probably be a good one. In short the human qualities of its staff may in the end be far more important to what a foundation accomplishes than any other considerations (Pifer, 1973, p. 10)."

His sensitive perceptions and important prediction about organizational impact appear to resonate and align with Orosz.

Despite these few descriptions or anecdotes from “insiders”, there is no formal study—even in the most nascent form—of grantmakers’ competencies or attributes. There are no known empirical studies of grantmaker aptitudes which predict job performance (Spencer & Spencer, 1993, p. 3). Techniques and strategies used to develop competency profiles in the private sector may have enormous potential for the nonprofit sector and specifically in philanthropy. To date this deficit suggests the criterion for “average grantmakers” are those who do their jobs well enough not to get fired.

Orosz, Pifer, and others may advance an important issue about selection processes for grantmakers. While many selection processes seek information about knowledge and skills (which tend to be visible) as a basis for employment, the most important assessment of performance is better reflected in the more hidden characteristics of people—that is, their self-concept, traits, and motives. Spencer and

Spencer (1993) write persuasively about strategy for selection and development.

“Current human resource management knowledge suggests it is more cost effective to *select* for these less visible characteristics. While the surface knowledge and skills are relatively more easily developed, core elements of personality are the most difficult to change and improve” (p. 11).

### Competency Studies

David McClelland’s 1973 paper, “Testing for Competence Rather Than Intelligence,” has been both credited and blamed for launching the competency movement. His work involved research methods to identify competency variables which could predict job performance unbiased by race, sex or socioeconomic factors. Through criterion samples (comparing people with successful jobs or interesting lives with those with relatively less success) and the identification of operant thoughts and behaviors causally related to successful outcomes (open-ended situations wherein the participant generates the response/behavior) he sought new ways to predict job performance. His initial work was with the U.S. State Department Foreign Service Information Officers and Massachusetts human service workers.

More and more organizations are now conducting studies to identify competencies that are important to success in job performance. The logic is that organizations will improve, if there is intervention at the point of individual job performance. Management deploys competency studies through human resource/organization development functions to secure information that applies to

their recruitment, training, counseling and evaluation processes. Competencies are in widespread use as business organizations make choices about their expectations and assumptions for both employee and organizational performance. This logic easily transfers to foundations and grantmakers.

Unfortunately, there is also broad discussion and some debate over what constitutes a competency. They are often mistaken or intentionally defined as motives, values, or personality traits. A competency is “a knowledge, skill, ability or characteristic associated with high performance on a job” (Mirabile, 1997, p. 74; Parry, 1998). The significant influence competencies have relative to job functions is an important aspect. Competency, according to Parry (1998) and others, correlates with job performance and can be measured against standards.

Competency models are frameworks that represent the output from analyses that differentiate performance mastery, often segregating high performers from average and low. McLagan (1996) defines a competency model as “an instrument for decision-making that identifies major capabilities required in the performance of a particular job.” Depending on the methods used to collect data, customer’s requirements and the particular biases of the developers, these models are represented in different formats. Subject matter experts often provide initial information about jobs, which support the creation of competency models. Additionally, position analysis, completed with the help of interviews and archival literature (e.g., position descriptions) is commonly used.

Organizations have started to focus on their “human competence base” (McLagan, 1997) and its development. In the private sector, market value increasingly relies on intangibles like knowledge, customer loyalty and other expressions of human capital. This is true, too, of both the Third Sector (nonprofit) and philanthropy which is largely comprised of services. Drucker (1998) describes this new category of professionals as knowledge workers. They are, generally, “people with a high degree of formal education who apply knowledge to work” rather than manual skill or brawn. This is not intended, however, to suggest grantmakers or other knowledge workers lack diversity in experience, knowledge, skill, responsibility, pay, training or education. Kelly (1992) suggests that the essential intangibles in our global “new economy” include ideas, information and relationships. Because they produce a new type of marketplace and society—they also suggest new expectations or competencies of workers.

Several authors (Boyatzis, 1982; Powers, 1983; Schroder, 1989; Parry, 1998) argue that most core management competencies are generic and apply to most managers, regardless of function or type of organization. In application, competencies are expected to contribute to superior managerial performance (Albanese, 1989). Boyatzis, sometimes called a “competency apologist,” qualifies this with some adjustment for contextual factors, which is consistent with the conceptual framework of this study. He recognizes that environmental conditions (e.g., culture) and other organizational conditions (e.g., structure) may affect competencies. Boyatzis says that generic competencies likely account for about a

third of the variance in managerial performance with the remaining two-thirds reflecting organization-specific elements and day-to-day situational factors.

Spencer and Spencer (1991) name a general profile of superior managers, which includes indicators in these arenas: (a) impact and influence, (b) achievement orientation, (c) teamwork and cooperation, (d) analytical thinking, (e) initiative, (f) developing others, (g) self confidence, (h) directiveness and assertiveness, (i) information seeking, (j) team leadership, and (k) conceptual thinking.

Work by Raelin and Cooledge (1995) suggests significant value in the development of “organic” sets of competencies based on a prior “generic” competency instrument. In their study of managers in a medium-sized technology company, the organic competency list benefitted from the generic instrument in the construction of a competency profile. However, the ultimate profile had little resemblance to the generic, nor were the categories commensurate. This suggests the unreliability of the generic since its language may not be consistently interpreted. They conclude “face” validity derives from perceptions of what constitutes effective performance by practitioners and an organic instrument can serve as a thermometer of developmental needs. Further, they believe the organic competencies approach has applications for selection, succession planning, compensation, total quality management and strategic planning—well beyond human resource training and development.

Competencies and their use is not necessarily a performance panacea for foundations or any other kind of organization. There is some debate over

competencies and their role in forecasting performance, particularly in the valid application of scientific methods. Good managers have always been recognized for their skills, but competencies as “management magic” has also been questioned in the past few years. Even though Boyatzis’ early work in 1982 was based on rigorous empirical study and Schroder (1989) identified and conducted validation of eleven high performance managerial competencies, much of what has followed has not employed their research methods.

Cockerill, Hunt and Schroder (1995) write about competencies as fact or fiction from a nine-year research program in this area. They distinguish between threshold and high performance competency. A threshold competency is a cluster of related behaviors, which is used by workers but not empirically associated with superior job performance. One example would be “concern for close relationships.” This cluster of related behaviors includes spending time talking with subordinates, co-workers and colleagues. A “high performance competency” is found to be distinguished empirically relative to levels of performance on relevant work output criteria. Schroder’s (1989) “concept formation” or “the behavior of building models or concepts on the basis of information to become aware of patterns, trends and structural cause/effect relations” is one example.

Importantly, Cockerill, Hunt and Schroder (1995) point out that most job analyses employ threshold, not high performance competencies in their models. This makes it impossible to differentiate between behaviors that yield superior performance and those that do not. The result is analytical confusion and



questionable findings. Notwithstanding, Cockerill et al. also indicate “Inventors” are mostly concerned with introducing a language that underpins the selection and development of managers for the future. This author uses an Inventor approach, but recognizes the necessity of both qualification and incremental improvement through subsequent substantiation of the competencies cited in instrumentation. Moreover, utility may require development of an organic materials that exceed the limitations of generic efforts.

### Emotional Intelligence

As a manager/leader (Gardner, 1990), the strategic grantmakers’ definitive responsibility is to create successful, constructive change in a way that provides a legacy of greater capacity and human vision with grantees. This “braid” of leadership and management is operationalized in the daily activities of a grantmaker. Implicit is a flexible or situational response to *both* tasks and relationships (Hersey & Blanchard, 1996).

These relationships are important because grantmakers work with and through others to advance their foundation’s programming agenda. Self-awareness and facility in social skills are paramount to shaping other’s perceptions of common change theory, objectives, and strategies (Goleman, 1998; Kelly, 1992). Burns (1978) writes these leaders are able to “lift others into their better selves.”

Creating change is a primary objective of the strategic grantmaker and often synonymous with impact. Grantmakers frequently face what are called “divergent

problems” (Fullan, 1993). These problems are characterized by dynamic complexity and multiple answers or remedies. Often, grantmakers with grantees, seek to do what Fullan calls “reculture”—seeking to increase organizational or systemic capacity and reform norms, values and beliefs.

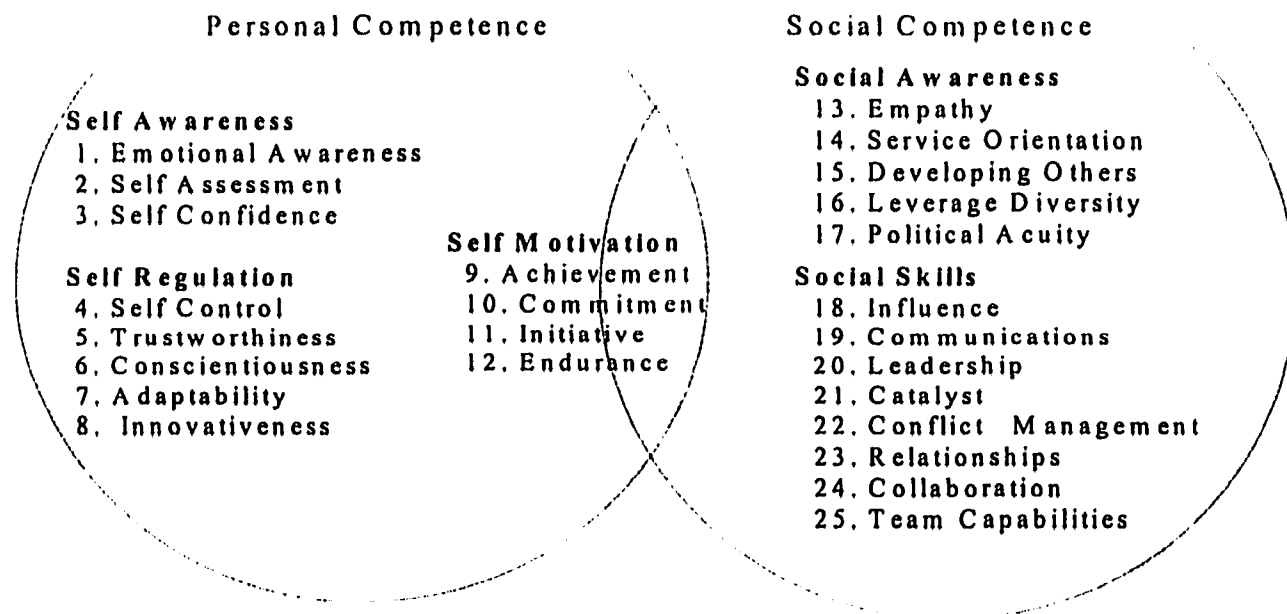
The challenges of mitigating or resolving complex social problems amidst a dynamic context of economic and political influences is the milieu of grantmakers. It can be an overwhelming, exciting and tremendously rewarding arena in which to work. Vaill (1989) descriptively defines the pace, novelty, danger, and nonstop challenge of our contemporary environment as permanent white water. Stacey (1992) writes that this “unknowability” calls for a new mind set as he provokes questions about paradigms which emphasize organizational control.

The construct of “emotional quotient,” (EQ) was pioneered by an Israeli psychologist, Reuven Bar-On in 1985. His work focused on what factors determine the ability to be effective in life. He conceptualized emotional intelligence as a way of operationalizing human effectiveness. Psychologists John D. Mayer and Peter Salovey first introduced the term “emotional intelligence” in 1990. They describe EI as a group of mental abilities that help one recognize and understand your own feelings, as well as others. Daniel Goleman brought the notions of “emotional intelligence” (EI) to popular attention in his first book, *Emotional Intelligence* (Bantam, 1995). His second text, *Working with Emotional Intelligence* (Bantam, 1998) aims at advancing the case for emotional competence in the workplace. His definition expands on Mayer and Salovey’s to include the ability to motivate oneself.

The apparent popular utility of EI is rooted in two factors: (1) it seems to have universal application to anyone in any job, and (2) it ties the particular items of EI to individual and organizational performance.

A common conceptualization of the EI framework considers personal and social competence (see Figure 1). These two areas are further defined in sub-factors: (a) self-awareness, (b) self-regulation, (c) motivation (in the personal arena) and (d) social awareness and social skills (in the social arena). Within each of the sub-factors the items are very consistent with what is known and hypothesized about effective grantmakers. For example, in social skills, the items are (a) influence, (b) communication, (c) leadership, (d) change catalyst, (e) conflict management, (f) building bonds, (g) collaboration and cooperation, and (h) team capabilities. Each would be among the elements considered essential to the practitioner.

Goleman's studies focus on what personal capabilities drive outstanding performance in organizations, and to what degree they do so. He finds intellect is a driver of outstanding performance. Not surprisingly, cognitive skills, like "big-picture thinking," and long-term vision are of particular importance. When establishing the ratios of technical skills, with IQ and EI as ingredients of excellent performance, he found EI is twice as important as the others for jobs at all levels. Interestingly, his studies show that EI plays an increasingly important role at the most senior levels of the corporation. The renowned (late) researcher in human and organizational behavior, David McClelland, has also confirmed relationships between



Adapted from Goleman, D. (1998). *Working With Emotional Intelligence*. New York: Bantam Books.

Figure 1. Emotional Competence Framework.

EI and outstanding leaders, and linked the construct to strong organizational performance (Goleman, 1998, p. 94).

Argyris' (1962) thoughts about a continuum of maturity is a useful contribution *vis-a-vis* EI. On any given factor there is a range of maturation, which provides great opportunity for personal and professional growth. This makes it relatively easy to complete an assessment, intervene through feedback and training, and subsequently improve emotional intelligence.

While some debate continues about competencies being simplistic, when one adds attitudes or traits as well as change theory we get a more complete picture of practitioners. There would be little or no debate that merging theories of leadership and management is necessary when characterizing the work of a grantmaker. In professional development, the good news about respecting competencies is that it implies particular skills can be taught. In a nascent "profession" like grantmaking, this may be critical to spurring its maturation as a distinct field.

The Emotional Intelligence sub-scales employed in this study reflect both competencies and attributes. Examples of competencies include leadership, communication, influence, conflict management and team capabilities. These items reflect a knowledge, skill or ability. They are part of what Goleman calls social competence. Many of the items in the personal competence dimension are attributes (a motive, belief, value). Examples include self-confidence, self-control, trustworthiness, and commitment.

Bennis (1999) acknowledges that our contemporary views of leadership too often praise it as an “inherently individual phenomenon” (p. 72). Despite the tremendous volume of rhetoric assigned to collaboration, attention and celebrity is given to individuals not teams who make change possible. The alternative reality he describes so precisely is a society that is complex and technologically sophisticated—one which requires the “coordinated contributions of many talented people working together” (p. 72). Bennis writes that “today’s world of blurring, spastic, hyper turbulent change” (p. 73) can get us into terrible difficulties if we fail to recognize that diverse alliances are necessary for effective change. He offers an essential generalization about leadership and change, which applies to grantmakers: no change can occur without willing and committed followers.

The knowledge work of grantmakers requires concentration. However, most grantmakers must deploy a broad range of highly technical activities (e.g., budgeting and evaluation), planning and conceptualization, communications, support/lead teams, as well as much of the tedious paperwork that accompanies administering grants. This “splintered attention” (Drucker, 1998) is very much the norm in many foundations, as few but the largest have staff in supporting administrative functions.

Classic management theory (first formulated by Taylor) includes planning, organizing, directing, staffing, coordination, reporting and budgeting as key functions, which would likely inform management attributes and competencies. More recent theory moves from the functions to what abilities are necessary to manage. Leonard-Barton (1995) writes that managers need to develop shared

problem-solving skills, experiments, integrate information across boundaries, and import expertise.

Others move away from the boundaries of function and competencies to principles. Drucker (1998), for example, defines management through “essential principles,” which include (a) recognition that we are human beings in a common venture, (b) culture has significance, (c) it is important to seek unifying objectives, (d) learning and teaching are on-going activities, (e) we can employ diverse measures to articulate success, and (f) results are determined outside the organization’s walls. In the inaugural text on grantmaking, Orosz offers some insight on *who* should make grants. He suggests grantmakers have six “necessary qualities.” His list includes: (1) integrity, (2) people skills, (3) both analytical skills and creativity, (4) spirituality, (5) a sense of balance and proportion, and (6) compassion (Orosz, 2000).

The Taylorian notions of management certainly reflect parts of grantmakers’ work, but they are not inclusive. A repertoire that spans from analytical to interpretive management (Lester, Piore, & Malek, 1998) may correspond more appropriately to the work content of a grantmaker. Unfortunately, most formal training continues to concentrate only in classical notions. As a new century begins, researchers and practitioners are just beginning to develop different schemes that reflect on improved ways to structure and lead organizations. Much of this evolution in theory takes its lead from chaos and brain sciences to offer practical, complementary and inspiring alternatives. Zohar (1997) calls her iteration of this more holistic approach, “quantum management.”

Kotter (1995) has studied and written about change management extensively. His requisites for creating change have implications for both roles and abilities. For example, assembling and managing “a guiding coalition” suggests particular competencies in task and relationships. Communications is another essential feature he raises relative to creating successful change. This competency, again, relates directly to the grantmakers’ functional portfolio.

Theory and practice have developed very useful models that when constructively applied help us with frameworks to understand and improve both management and leadership competencies. The Myers-Briggs Type Inventory (1962) is a well-known tool that allows for assessment and development along four key dimensions. Kouzes and Posner’s new Leadership Inventory (1999) is premised on their early work (1987) and examines just five elements: (1) challenging process, (2) inspiring and sharing vision, (3) enabling others, (4) modeling, and (5) encouraging the heart.

### Summary

Shareholder value, market share, and other indicators are relevant in the private sector to measure success. Systems change and progress toward the common good are benchmarks that become operationalized in many ways in philanthropy. Similar to their business executive counterparts, grantmakers seek impact. Trustees, grantees, donors, shareholders, policymakers and the general public widely and deeply share this desire. Creating impact through constructive change is a very tall



order. In one small part, it certainly can benefit from specific attention to the competencies, attributes, training, attitudes, role and responsibilities of grantmakers. Emotional Intelligence has been directly tied to organizational performance—it is valued especially for this contribution. Moreover, it stands on the shoulders of others by its inclusion of prevailing management and leadership theories and practices.

## CHAPTER III

### RESEARCH DESIGN AND METHODOLOGY

#### Introduction

A description of the study participants and the sample are presented in this chapter. The rationale and relationships under investigation are also discussed along with definitions of terms. The instrument developed to collect data and the questionnaire is presented here as are the procedures of data collection.

#### Population and Sample

A survey instrument with four general categories was distributed to grantmakers at the 518 Michigan foundations which hold assets greater than \$1 million. Those foundations hold about 63 percent of Michigan assets in aggregate and are briefly described in Table 1.

The primary audiences for the inventory are those professionals titled as program officers, directors, associates, vice presidents and presidents with authority for grant proposal reviews and investment decisions. Trustees and other foundation staff were also invited to participate in order to generate a multiple perspective reflecting other roles in the grantmaking process. Depending on survey response rates, this may allow for comparison among participants about practitioners and

Table 1  
Census Population Characteristics

Foundation Type	Number	Assets	Expenditures	Grants
Corporate	32	\$ 704,796,794	\$ 158,364,114	\$ 153,773,977
Community	44	\$ 1,101,235,480	\$ 68,833,617	\$ 54,018,761
Private	442	\$ 15,475,030,083	\$ 888,341,858	\$ 728,203,526
Totals	518	\$ 17,281,062,357	\$ 1,115,539,589	\$ 935,996,264

(Source: The Michigan Foundation Directory, 1999, p. 378.)

practice. Foundation types will be disaggregated by corporate, community, and private. A sample of the census will be secured via direct mail response. The census includes 518 Michigan foundations; 32 corporate, 44 community and 442 private foundations.

### Instrumentation

Instrument categories in the Philanthropic Practitioners Inventory includes information on individual characteristics (e.g., education, gender, race, age), organizational characteristics (e.g., assets, distributions, type, program areas), a rating of frequency and importance for competencies used in the daily practice of grantmakers, criticality ranking, and information about selection and development practices.

The inventory has 43 questions total and includes 25 that reflect most of the items from Goleman's construct of EI. The competencies section of the inventory requests ratings on a 5-point scale for each item. The left column asks for a response to relative *frequency* of occurrence in the daily work of a grantmaker. The right column asks for a response relative to the *importance* of the competency in a performance assessment. The options of DK (don't know) and NA (not applicable) were also included. The numeral 1 indicates a low value, and 5 a high value. The inventory is found in Appendix C. Terms used in the inventory are defined in Appendix D.

### Validity

The competencies and attributes summary employed in the instrument reflect items commonly found in position descriptions for grantmakers, practice literature, management and leadership literature, the author's professional experience, and Goleman's work in emotional intelligence. Some theorists and practitioners define competencies very broadly. They include motives, beliefs, and values as well as the knowledge skills, abilities or qualities associated with job performance. Others don't.

Spencer and Spencer (1991, p. 9) define competency as an "underlying characteristic of an individual that is causally-related to criterion-referenced effective and/or superior performance in a job or situation." The terms *underlying characteristic* means "a fairly deep or enduring part of a person's personality and can predict behavior." *Causally related* means "a competency causes or predicts behavior

and performance.” And, *criterion-referenced* means “the competency actually predicts who does something well or poorly measured against a standard.” Spencer and Spencer suggest that competencies generalize across situations and endure over time. Instructively, they indicate knowledge and skills are generally the visible descriptors of people—and are readily improved through training. Motives and traits lie deep in personality with self-concept somewhere in between.

For this study, the author defines competencies as “knowledge, skills, and abilities associated with high performance in a job” (Mirabile, 1997). It may be important to note this definition implicitly suggests proficiency—because of the reference to “high performance.”

Additionally, motives, beliefs and values are considered attributes and Mirabile’s taxonomy is consistently employed. A motive is “what people are driven to think about seek, desire,” such as power. A belief is “an idea, concept people hold as true for themselves or for others,” such as honesty. And, values are “internal evaluations and judgments on what people consider good, positive, useful and important,” such as integrity. This author recognizes the important distinctions between competencies and attributes. However, both competencies and attributes are included in the Emotional Intelligence descriptors which are used to profile grantmakers and their practices.

### Reliability

The competencies framework was determined through a review of literature, grantmaker position descriptions, author experience, and analysis of the constructs associated with emotional intelligence (Goleman, 1998). A field test of the inventory was conducted with the assistance of program directors, associates and vice presidents at the W.K. Kellogg Foundation. Ten inventories were distributed. In 10-12 days, a second inventory was directed to this same convenience sample. In total, six paired responses were returned to the author. Chronbach's Alpha test was used on frequency and importance for items 8-32 (the Emotional Intelligence items). Missing cases were excluded in analysis. The Alpha for frequency is 0.93, for importance the test result is 0.92. The test suggests that the construct of Emotional Intelligence, in this sample, has internal consistency reliability.

### Procedures

Support from the Council of Michigan Foundations as an active sponsor of the survey was sought and secured to encourage participation of grantmakers. An exemption was also sought and secured from the Human Subjects Institutional Review Board at Western Michigan University.

Once the population was determined (see above), sponsoring materials were mailed to prospective participants with the actual survey and its cover letter. A follow up reminder communication was also sent to the entire census population two weeks later. A total of 518 surveys were distributed to Michigan foundations.

Appendices to this document contain copies of the communications used in the data collection, including the survey instrument.

Through the Philanthropic Practitioners Inventory, the study responded to these questions:

1. Who are Michigan grantmakers?
2. What general demographics describe them?
3. What are their experiences and training?
4. What are grantmakers' perceptions of competencies used in effective practice?
5. What competencies are most frequently employed in grantmaking?
6. What are grantmakers' most critical competencies?
7. Is Emotional Intelligence a relevant competency model for grantmakers?
8. What generalizations, if any, can be made about grantmakers' management and leadership styles?
9. What are common selection and development practices among Michigan foundations?

This study offers an exploratory description of Michigan grantmakers and foundations in response to the aforementioned questions. The next chapter will offer a summary of findings provided by responding grantmakers. The author will employ general, descriptive statistics to review four general categories of data: (1) demographics, (2) competencies and attributes, (3) selection and development practices, and (4) organizational characteristics. Individual characteristics of

grantmakers, the role they play in the foundation, and organizational characteristics are some, but not all of the ways the author may elect to disaggregate data to determine any trends or general patterns.

### Limitations

Given the sample response rate to the Inventory, it is not possible to generalize findings from this study to all grantmakers in Michigan or nationwide. However, the distribution of respondents generally reflects the categories of Michigan grantmakers.

Social desirability may have influenced findings because the inventory construction employed a Likert scale, it did not include any reverse ratings or inverted questions.

### Summary

This chapter presents the procedures for data collection, definition of terms, operationalizes the investigative exploration, and presents the methods for data analysis. A brief description of the study participant census and the inventory used to obtain data are also provided.



## CHAPTER IV

### ANALYSIS OF THE DATA

#### Introduction

A primary purpose of the study is to create a baseline that begins to identify and explore competencies and attributes of Michigan grantmakers. The key contextual issue framing this element of inquiry is the performance of grantmakers and their effectiveness. This necessarily and logically begs questions about: (a) who are grantmakers, (b) how are they trained, (c) what are their experiences, (d) what are their perceptions about the content of their work, and (e) what requisite competencies/attributes support efficacy. Moreover, the study also begins to describe current selection and development practices of Michigan foundations.

This chapter is organized to report findings indicated by the data collected in relation to the questions above. Further, it reflects the categories of data collected: (a) respondent characteristics (both individual and organizational), (b) competencies and attributes by importance and frequency, and (c) selection and development practices. In addition, a complete respondent description of items is included in the text of the inventory as Appendix C.

### Characteristics of Respondents

The study focused on a census of 518 Michigan foundations with assets of \$1 million or more. A cover letter and survey instrument, Philanthropic Practitioner Inventory, were mailed to 518 organizations. A reminder card to encourage participation, followed ten working days later. Of the 89 total respondents, 71 (14%) were complete enough to employ in data analysis. This response rate does not justify generalization, but is generally reflective of the distribution of foundation types in Michigan. The census includes 32 (6%) company-sponsored, 44 (9%) community, and 442 (85%) private foundations. The participant response includes 7 (10%) company-sponsored, 11 (15%) community and 53 (75%) private foundations. Missing cases were excluded from analysis.

### Individual Practitioner Characteristics

Of respondents, males represented only slightly more than half the sample population (see Table 2). A majority of respondents (83%) were 46 years or older, with few (17%) in the 31 to 45 year range (see Table 3). All respondents were Caucasian with one exception who is African American (see Table 4). There were no respondents representing any other ethnic category.

Nearly half (46%) of respondents held a BA/BS as their most recent educational credential (see Table 5). Many respondents (29%) held graduate degrees, with 15% having had doctorates, and 10% indicated other (3 Associates degrees, 2 high school diplomas, and one HHB).

Table 2  
Respondents' Gender

Gender	<i>f</i>	Percent
Female	33	48
Male	36	52

Table 3  
Respondents' Age

Age Range (years)	<i>f</i>	Percent
31-45	12	17
46-55	25	35
55+	34	48

More than half the respondents were program directors, program associates, or program officers (see Table 6). Nearly one-quarter (24%) were trustees, 13% were vice presidents, and 10% were presidents/CEOs.

More than half the respondents' prior work history was in the private sector (see Table 7). The nonprofit sector was second in proportion, with a few from philanthropy and government.

Table 4  
Respondents' Ethnicity/Race

Ethnicity/Race	<i>f</i>	Percent
Caucasian	70	99
African American	1	1
Asian American	0	0
Latino/Hispanic/Chicano	0	0
Alaskan Native	0	0
Pacific Islander	0	0
Multiracial	0	0
International	0	0

Table 5  
Respondents' Most Recent Education Credential

Credential	<i>f</i>	Percent
BA/BS	32	46
MA/MSW	13	18
Doctorate	11	15
MBA	8	11
Other	7	10

Table 6  
Respondents' Position Title

Title	<i>f</i>	Percent
Program Director/Associate/Officer	38	53
Trustee	17	24
Vice President	9	13
President/CEO	7	10

Table 7  
Respondents' Prior Work Experience

Sector	<i>f</i>	Percent
Private	42	60
Nonprofit	13	18
Philanthropy	9	12
Other	4	7
Government	2	3

The distribution of respondents' work histories in philanthropy indicated some longevity as more than half (61%) had 11-16+ years (see Table 8). Just less than one-quarter (22%) had 0-5 years and 17% had a history of 6-10 years.

Table 8  
Respondents' Prior Philanthropic Work Experience

Years	<i>f</i>	Percent
0-5	15	24
6-10	12	17
11-15	13	19
16+	29	42

#### Organization Characteristics

The distribution of foundation types was indicated earlier to be generally proportionate to Michigan's total foundation population (see Table 9).

Table 9  
Census and Respondents' by Type

	Census		Respondents	
	<i>f</i>	Percent	<i>f</i>	Percent
Corporate	32	6	7	10
Community	44	9	11	15
Private	442	85	53	75

Just over half of the respondents (52%) indicated assets greater than \$1 million to \$10 million, 42% held greater than \$10 million to \$300 million, and 6% held more than \$300 million to \$500 million (see Table 10).

Table 10  
Respondents' Assets

Assets (\$ millions)	<i>f</i>	Percent
1-10	36	52
>10-50	15	22
>50-300	14	20
>300-500	4	6

Most respondents (89%) distributed between 0 and \$10 million in grants for charitable purposes each year. Few (7%) had grant programs in the \$10 million to \$100 million range, and just three distributed in excess of \$100 million annually (Table 11).

Most respondents focused their programming in education. Human services was followed closely in prevalence by arts/culture. About half of the respondents distributed grants in healthcare and nearly the same number indicated other areas. Table 12 details the program foci of respondents.

Table 11  
Respondents' Grant Distributions

Distributions (\$ millions)	<i>f</i>	Percent
0-1	42	59
>1-10	21	30
>10-100	5	7
>100	3	4

Table 12  
Respondents' Program Areas

Program	<i>f</i>	Percent
Education	60	85
Human Services	48	68
Arts/Culture	46	65
Healthcare	40	56
Environment	32	45
Other	30	42

### Emotional Intelligence: Frequency and Importance

Respondents rated 25 items representing Goleman's construct (1998) of Emotional Intelligence for frequency and importance in their work as grantmakers as



shown in Table 13. Items rated most important (in descending rank order) were: (a) trustworthiness, (b) conscientiousness, (c) communication, (d) commitment, and (e) leadership. Items rated most frequently (in descending rank order) were: (a) trustworthiness, (b) conscientiousness, (c) communication, (d) self-confidence, and (d) commitment. On the scale, items least important (in descending rank order) for frequency were: (a) emotional awareness, (b) conflict management, (c) self-assessment, (d) endurance, and (e) leverages diversity. Items least important (in descending rank order) for importance were: (a) conflict management, (b) emotional awareness, (c) initiative, (d) influence, and (e) catalyst. A definition for all items is found in Appendix D.

Both the frequency and importance of items, categorized by sub-factor are presented in Tables 14 and 15. Those items with the largest percentage in the high category included only items in self-motivation, regulation and skills, but did not include any items in the social skills and self awareness sub-factors.

In addition, the author calculated the correlation between frequency and importance on all items as shown in Table 16. Items exhibiting the largest correlations were: (a) team capabilities, (b) collaboration, and (c) endurance.

Of all 25 competencies and attributes cited in the inventory, Table 17 represents those items grantmakers identify as contributing most to grantmaker effectiveness.

Table 13

## Emotional Intelligence Item Frequency and Importance

	Frequency					Item	Importance				
	1	2	3	4	5		1	2	3	4	5
<i>F</i>	2	6	29	21	6	Emotional Awareness	3	8	16	22	5
%	3	9	45	33	10		5	13	25	34	23
<i>F</i>	0	3	14	28	21	Self-Assessment	0	1	9	28	29
%	0	5	21	42	32		0	2	13	42	43
<i>F</i>	0	1	9	28	29	Self-confidence	0	0	11	30	27
%	0	2	13	42	43		0	0	16	44	40
<i>F</i>	2	9	17	19	17	Self-control	0	2	12	16	37
%	3	14	27	30	27		0	3	18	24	55
<i>F</i>	0	0	5	6	55	Trustworthiness	0	0	0	4	65
%	0	0	8	9	83		0	0	0	6	94
<i>F</i>	0	0	7	13	45	Conscientiousness	0	0	1	16	50
%	0	0	11	20	69		0	0	2	24	74
<i>F</i>	0	8	16	21	21	Adaptability	0	1	9	31	27
%	0	12	24	32	32		0	2	13	45	40
<i>F</i>	1	5	23	25	11	Innovativeness	0	3	10	20	35
%	2	8	34	39	17		0	4	15	29	52
<i>F</i>	0	2	8	30	26	Achievement	0	0	3	27	39
%	0	3	12	46	39		0	0	4	39	57
<i>F</i>	0	0	8	22	35	Commitment	0	0	6	20	43
%	0	0	12	34	54		0	0	9	29	62
<i>F</i>	0	6	31	19	9	Initiative	1	1	7	30	29
%	0	9	48	29	14		2	2	10	44	42

Table 13—Continued

	Frequency					Item	Importance				
	1	2	3	4	5		1	2	3	4	5
<i>F</i>	0	7	24	17	16	Endurance	2	2	15	27	22
%	0	11	38	27	25		3	3	22	40	32
<i>F</i>	0	5	15	29	17	Empathy	1	1	13	28	25
%	0	7	21	41	24		2	2	19	41	37
<i>F</i>	0	8	19	23	15	Service Orientation	1	1	12	30	23
%	0	12	29	36	23		2	2	18	44	34
<i>F</i>	0	11	25	13	13	Develops Others	1	1	16	23	22
%	0	18	40	21	21		2	2	25	36	35
<i>F</i>	3	10	24	13	9	Leverages Diversity	2	6	14	19	21
%	5	17	41	22	15		3	10	22	31	34
<i>F</i>	0	7	20	23	13	Political Acuity	2	3	14	23	26
%	0	11	32	37	21		3	4	21	34	38
<i>F</i>	0	5	25	24	9	Influence	0	3	9	27	30
%	0	8	40	38	14		0	4	13	39	44
<i>F</i>	0	2	9	27	28	Communication	0	0	3	22	44
%	0	3	14	41	42		0	0	4	32	64
<i>F</i>	0	4	12	34	16	Leadership	1	0	4	23	41
%	0	6	18	52	24		1	0	6	33	60
<i>F</i>	0	7	29	19	9	Catalyst	1	0	15	26	25
%	0	11	45	30	14		2	0	22	39	37
<i>F</i>	7	10	24	11	5	Conflict Management	2	4	14	28	16
%	12	12	42	19	9		3	6	22	44	25

Table 13—Continued

	Frequency					Item	Importance				
	1	2	3	4	5		1	2	3	4	5
<i>F</i>	0	1	17	21	28	Relationships	0	1	7	24	37
%	0	2	25	31	42		0	1	10	35	54
<i>F</i>	0	7	17	22	19	Collaboration	1	1	5	25	35
%	0	11	26	34	29		2	2	8	37	52
<i>F</i>	0	9	15	17	18	Team Development	2	1	11	20	29
%	0	15	25	29	31		3	1	18	32	46

Table 14

## Ratings\* of Sub-Factors and Item Frequency

Sub-Factor and Item	Frequency Rating Percentage		
	High	Moderate	Low
Self-Awareness			
Emotional Awareness	42	45	13
Self-Assessment	74	21	5
Self-Confidence	85	13	2
Self-Motivation			
Achievement	85	12	3
Commitment	88	12	0

Table 14—Continued

Sub-Factor and Item	Frequency Rating Percentage		
	High	Moderate	Low
Initiative	43	48	9
Endurance	52	38	11
<b>Self-Regulation</b>			
Self-Control	56	27	17
Trustworthiness	92	8	0
Conscientiousness	89	11	0
Adaptability	64	24	12
Innovativeness	55	36	9
<b>Social Awareness</b>			
Empathy	70	23	7
Service Orientation	59	29	12
Developing Others	42	40	18
Leverage Diversity	37	41	22
Political Acuity	57	32	11

Table 14—Continued

Sub-Factor and Item	Frequency Rating Percentage		
	High	Moderate	Low
<b>Social Skills</b>			
Influence	52	40	8
Communications	83	14	3
Leadership	76	18	6
Catalyst	44	45	11
Conflict Management	28	42	30
Relationships	73	25	2
Collaboration	63	26	11
Team Capabilities	59	26	15

\*The author defines high frequency/importance as characterized by a Likert rating score of > 4, moderate is > 3, and low reflects a < 3 rating.

Table 15

## Ratings\* of Sub-Factors and Item Importance

Sub-Factor and Item	Importance Rating		
	High	Moderate	Low
<b>Self-Awareness</b>			
Emotional Awareness	52	23	16
Self-Assessment	83	13	4
Self-Confidence	84	16	0
<b>Self-Motivation</b>			
Achievement	96	4	0
Commitment	91	9	0
Initiative	87	10	3
Endurance	72	22	6
<b>Self-Regulation</b>			
Self-Control	79	18	3
Trustworthiness	100	0	0
Conscientiousness	98	2	0
Adaptability	85	13	2
Innovativeness	81	15	4

Table 15—Continued

Sub-Factor and Item	Importance Rating		
	High	Moderate	Low
<b>Social Awareness</b>			
Empathy	78	19	3
Service Orientation	79	18	3
Developing Others	71	26	3
Leverage Diversity	64	23	13
Political Acuity	72	20	8
<b>Social Skills</b>			
Influence	67	28	5
Communications	96	4	0
Leadership	93	6	1
Catalyst	76	22	2
Conflict Management	69	22	9
Relationships	88	10	2
Collaboration	90	7	3
Team Capabilities	78	17	5

\*The author defines high frequency/importance as characterized by a Likert rating score of > 4, moderate is > 3, and low reflects < 3 rating.



Table 16

Correlation\* of Frequency and Importance for Sub-Factors and Items

Sub-Factor and Items	Rho
Self-Awareness	
Emotional Awareness	0.426
Self-Assessment	0.597
Self-Confidence	0.356
Self-Motivation	
Achievement	0.546
Commitment	0.383
Initiative	0.458
Endurance	0.606
Self-Regulation	
Self-Control	0.455
Trustworthiness	0.542
Conscientiousness	0.375
Adaptability	0.380
Innovativeness	0.349

Table 16—Continued

Sub-Factor and Items	Rho
<b>Social Awareness</b>	
Empathy	0.400
Service Orientation	0.475
Developing Others	0.397
Leverage Diversity	0.354
Political Acuity	0.458
<b>Social Skills</b>	
Influence	0.497
Communications	0.226
Leadership	0.282
Catalyst	0.413
Conflict Management	0.456
Relationships	0.445
Collaboration	0.610
Team Capabilities	0.630

\*All items indicate significance at 0.05, with the exception of communications.

Table 17

## Competency/Attribute Effectiveness Criticality Ranking

Item	<i>f</i>	Percentage
Most Critical		
Trustworthiness	32	49
Communication	20	31
Commitment	19	29
Leadership	17	26
Moderate Critical		
Conscientiousness	12	19
Collaboration	11	18
Catalyst	10	16
Relationships, Service Orientation, Innovativeness	9	14
Initiative	8	13
Least Critical		
Adaptability, Team Development	6	10
Empathy	5	9
Influence	4	8
Achievement	4	8
Political Acuity	3	5

Table 17—Continued

Item	<i>f</i>	Percentage
Emotional Awareness, Endurance, Develop Others	3	5
Self-Assessment	3	5
Self-Confidence	1	2
Self-Control, Leverage Diversity	1	2
Conflict Management	0	0

#### Selection and Development

Respondents indicated, in aggregate, personal recruitment, other and colleagues comprise 92% (61) of referral sources to their current position (Table 18). Search firms, public advertisement and affinity groups together total 8% of referrals.

Table 19 shows that respondents indicated the following methods are used in selection: (a) close recruitment and offer (23/37%), (b) other (20/32%), open/competitive review (13/21%), and (d) search firm services (6/10%). Closed recruitment and offer combined with other total nearly 70% of methodology.

Twenty-nine respondents offered comments regarding the improvement of selection processes in foundations (see Table 20). Most indicated a need for far more competency-based selection that would generate a larger pool of candidates and tie selection to job requisites. Several indicated a need for much more clarity and detail

Table 18  
Referral Sources

Source	<i>f</i>	Percentage
Personal Recruitment	26	40
Other	21	31
Colleagues	14	21
Search Firm	3	4
Public Ad	2	3
Affinity Group	1	1

Table 19  
Selection Methods

Method	<i>f</i>	Percentage
Close recruitment	23	37
Other	20	32
Open/Competitive	13	21
Search Firm	6	10

Table 20  
Selection Process Improvement

Suggested Improvement	<i>f</i>	Percentage
More relevant/stringent criterion	9	31
Expand candidate pool	5	17
Clarity in job descriptions/performance	5	17
Satisfied	2	6
N/A	8	28

in position descriptions and performance expectations, and sound criteria prior to recruitment/selection activities. One respondent indicated that an open, national search with validated criteria had been utilized.

Nearly half (44%) of the respondents self-identified colleagues as their one most valuable professional development resource. About one-quarter (24%) cited the Council of Michigan Foundations. Other was the third most frequent choice, followed by selected topical conferences. A complete summary is provided in Table 21.

Very few respondents experienced any formal orientation to grantmaking practices at their foundation as shown in Table 22.

Of common business (private sector) practices, respondents indicated the greatest prevalence in strategic planning, knowledge management and return on

Table 21

## Professional Development Resources

Resource	<i>f</i>	Percentage
Colleagues	29	44
Council of Michigan Foundations	16	24
Other	9	13
Conferences	6	9
Grantees	4	6
Council on Foundations	2	3
Affinity Groups	1	1

Table 22

## Formal Orientation

	<i>f</i>	Percentage
Yes	8	13
No	53	87

investment calculations. The response for all practices cited are listed in Table 23.

Table 23  
Foundation Operating Practices

Practice	<i>F</i>	Percentage
Benchmarking	26	39
Return on Investment Assessment	27	40
Quality Assurance	15	22
Cost Analysis	22	33
Human Resource Management	10	15
Innovation Processes	22	33
Strategic Planning	33	49
Knowledge Management	27	40
Continual Improvement Processes	25	37
Logic Models	6	9
Competitive Bidding (Purchased Services)	9	13



## CHAPTER V

### CONCLUSIONS, RECOMMENDATIONS AND SUMMARY

#### Introduction

The purposes of this chapter are to: (1) summarize the study, (b) present conclusions drawn from the findings, and (c) provide recommendations.

The study defines and affirms many of the challenges inherent to philanthropy, as well as the growing expectations of the public and other constituencies for effectiveness. Projections (Havens & Schervish, 1999) indicate that a huge inter-generational wealth transfer of trillions of dollars will occur in the next two decades. With this transfer of wealth, the numbers and types of foundations are, and will be, growing. Importantly, critics, trustees, donors, and practitioners are beginning to seriously inquire about organizational performance in philanthropy. There is both concern as well as interest in what practices are effective. This study disaggregates organization and human resources—offering an initial exploration of the latter through grantmakers’ self-assessment of characteristics, competencies and attributes.

As grantmakers principally work through and with others to accomplish their organizational mission, their composite profile as “manager/leaders” (Gardner, 1990) translates to organizational impact. *Who* is making grants and *how* they do it is

critical to improving performance. The study represents a preliminary investigation of who is making grants in Michigan philanthropies.

Prevailing management and leadership theorists offer a stage to consider Michigan philanthropic practitioners and practice. In particular, this study relies on the conceptual framework of Emotional Intelligence (Goleman, 1995; 1998). It was selected because of its relationship to strong organizational performance. Goleman's 25 items (which include both competencies and attributes) support five sub-factors: (1) self-awareness, (2) self-regulation, (3) motivation, (4) social awareness, and (5) social skills. In turn, personal and social competence factors comprise emotional intelligence.

The literature review considers management competency studies and suggests transfer to the knowledge work of grantmakers. To date, philanthropy has not defined requisite skills and attributes of effective grantmakers. Instead, the field focus has been on principles or approaches to practice. Occasional anecdotal descriptions of grantmaker qualities are referenced and most authors confirm that the foundation's organizational effectiveness is tied directly to grantmakers (also known as program officers/directors/associates). The only existing primer in grantmaking (Orosz, 2000) suggests that the lack of attention to grantmakers in philanthropy has been an important oversight. Theory and practice from the private sector has developed models that constructively apply to relevant management and leadership competencies in grantmaking.

A survey of Michigan grantmakers, including respondents from corporate, community and private foundations was directed to those organizations with assets greater than \$1 million. The instrument captured data on individual characteristics, ratings on frequency and importance for EI elements, and related information on grantmaker selection and development. The study sought data to answer these three primary questions:

1. Who are Michigan grantmakers?
2. What are grantmakers' perceptions of competencies used in effective practice?
3. What are common selection and development practices at Michigan foundations?

The response rate in this study was 14 percent. This limits the generalizability of findings to those in the responding group. Respondents in the study include only Michigan grantmakers and is generally reflective of the distribution of foundation types in Michigan. The census includes 32 (6%) company-sponsored, 44 (9%) community, and 442 (85%) private foundations. The participant response includes 7 (10%) company-sponsored, 11 (15%) community, and 53 (75%) private foundations.

Descriptive statistics which review findings are found in Chapter IV. The reader will also find a concise summary by viewing Appendix C. The following discussion offers some conclusions from the findings. They represent one perspective and the author acknowledges the potential for differing perspectives in drawing any conclusions.

## Learning and Practice Development

Attributes like trustworthiness and commitment (in the realms of self regulation and self motivation, respectively) were highly rated among elements that contribute to effective practice by grantmakers. Competencies in social skills and self-awareness were ranked low, which may suggest little relative interest in other critical performance factors like adaptability, team development, and political acuity. Given the preferent attention to attributes, this self-assessment of responding grantmakers may set a stage that embraces the development of specific competencies which could yield positive changes in organizational performance. Human resources literature and practice suggest that selecting for attributes is an effective strategy, however, it relies on an implementation of subsequent skill development.

Surprisingly, nearly 90% of responding grantmakers experience no formal orientation to their work and workplace. Further, the apparent lack of selection for, and intentional development of, individual responding grantmakers' skills (and internal systems), coupled with several insulating factors, suggests that familiar habits of mind and practice in philanthropy may be enabled. Further, they may differ from what is most effective. Given the relatively high level of homogeneity among responding grantmakers, one might explore how it is that smart people learn their jobs and learn them best.

Finally, common and effective private sector management practices have a minor presence in philanthropy. The most prevalent, strategic planning, occurs in only 50% of the respondents' organizations. Among responding grantmakers,

competitive bids for purchased services, human resource management, and quality assurance occur in less than 25% of Michigan foundations. The highly limited use of prevalent private sector management techniques suggests opportunities for adoption, adaption and improvement in grantmaking—as well as the other routine functions of foundations.

### Diversity Deficits

Diversity in its full sense extends beyond any superficial characterizations by physical appearance and includes habits of thought, education/training, life experience, personality and values. Data from respondents in this study suggests some diversity deficits. In general, responding Michigan grantmakers were older (48% are 55 years of age or more), they stay in philanthropy (42% have 16 or more years ) and may look mostly like the majority donor elite (college-educated and Caucasian). A significant reliance on colleagues for candidate selection and referral may also indicate some insulation or isolation that precludes optimal choices in staff. Responding grantmakers indicate closed recruitment and job offers are the overwhelming norm. Suggestions for improving selection and development indicate the need for more relevant and stringent criteria, expanded candidate pools, and great clarity in both the position descriptions and performance assessments.

The strategic imperative for philanthropy's focus on solutions to complex social issues suggests diversity may be one critical factor underlying organizational performance. After all, grantmakers need to be able to work with people who are

different from them and intentionally assemble teams with different expertise, training, experiences and perspectives to reflect the world around them.

Diversity of thought, culture, geography, race, and gender can contribute to organizational creativity, productivity and effectiveness. Conversely, the lack of diversity may be (or become) a liability. Getting and keeping talent in foundation staff suggests an imperative to assure important differences and variations among such a critical resource.

### EI Model Match

Assuming the Likert scale is indicative of an underlying continuous variable, this study suggests EI would fit the “mental model” of an appropriate generic competency framework for grantmakers. While this study did not compare or contrast among constructs, EI or Emotional Intelligence may be one approach that helps support more effective selection and professional development of grantmakers.

### Recommendations

Because Michigan has large numbers of foundations with assets greater than \$1 million, it may accelerate the urgency to attend to organizational performance via grantmaker competencies. If any or some of the study conclusions resonate with practitioners, organized philanthropy might consider exploring the value of the following action recommendations:

1. Create orientations and/or continuing education opportunities for grantmakers which include: (a) a history of philanthropy, (b) theories of management and leadership, (c) perspectives on change management, (d) organizational effectiveness, (e) strategy, and (f) measurement.
2. Expand candidate pools for staff positions secured through widely disseminated public announcement of employment opportunities.
3. Develop program staff position descriptions that cite, among others, explicit minimal qualifications reflecting common management competencies and related evidence of successful experience.
4. Explore the potential interest in and creation of best practices or standards for grantmaker selection.
5. Develop an ethics code for philanthropic practice. (Grantmakers, could, like lawyers, doctors, teachers, accountants and other considered “professionals” seek ways to self-regulate their work to mitigate and preempt government or external intervention, and increase credibility with both grantees and donors.)
6. Utilize performance assessment strategies for grantmakers that include multiple perspectives from outside the foundation and ensure developmental feedback in key competencies.
7. Create and share knowledge management data with and among foundation peers to build an explicit information base unique to the sector.

8. Seek and import appropriate applications of private sector management practices, e.g., planning, cost-benefit analysis, measurement, human resource management, quality assurance, and competitive purchase bidding.

### Further Investigation

Further investigation of which EI elements best predict grantmaker effectiveness may be beneficial. A specific EI profile of effective grantmakers would have practical utility if the field has interest in this construct for management/leadership development. Moving from a generic to an organic competency model would accommodate the unique responsibilities and challenges of grantmakers. Additionally, some review and study relative of other proven management/leadership frameworks for grantmakers could offer a broader menu for selection and development as this specialty field matures. Finally, the low response rate in this study suggests alternative methods for data collection may be more effective with grantmakers.

### Summary

The purpose of this exploratory study was to begin to define who grantmakers are—by examining their competencies and attributes along with what processes are used in selection, development and practice. Through a better baseline understanding, practitioners can subsequently explore approaches to enhance professional skills, values and styles. Through improvements in selection,



development and practice it is likely the field can positively affect grantmakers' abilities to deliver greater effectiveness in their organizational mission(s).

**Appendix A**

**Letter of Approval of Exemption by  
Human Subjects Institutional Review Board**



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## WESTERN MICHIGAN UNIVERSITY

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Date: 7 March 2000

To: James Sanders, Principal Investigator  
Lisa Wyatt-Knowlton, Student Investigator for dissertation

From: Sylvia Culp, Chair *Sylvia Culp,*

Re: HSIRB Project Number 00-01-02

This letter will serve as confirmation that your research project entitled "Grantmakers in Their Own Mirrors: A Descriptive Profile of Michigan Practitioners and Practice" has been approved under the exempt category of review by the Human Subjects Institutional Review Board. The conditions and duration of this approval are specified in the Policies of Western Michigan University. You may now begin to implement the research as described in the application.

Please note that you may **only** conduct this research exactly in the form it was approved. You must seek specific board approval for any changes in this project. You must also seek reapproval if the project extends beyond the termination date noted below. In addition if there are any unanticipated adverse reactions or unanticipated events associated with the conduct of this research, you should immediately suspend the project and contact the Chair of the HSIRB for consultation.

The Board wishes you success in the pursuit of your research goals.

Approval Termination: 7 March 2001

**Appendix B**  
**Invitation Letter to Participants**

# Council of MICHIGAN FOUNDATIONS

77

Suite 5 / One South Harbor Avenue / P.O. Box 599 / Grand Haven, MI 49417 / (616) 842-7080 / FAX (616) 842-1760  
cmf@cmf.org • www.cmf.org

April 10, 2000

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Blue Cross Blue Shield of Michigan Foundation

Elizabeth C. Sullivan, *Vice President*  
The Kresge Foundation

✓ Martin Taylor, *Senior Vice President*  
Detroit Edison

Peter P. Thirber, *President*  
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CME Advisory Council

«Salute» «ContactFName» «ContactLName», «ContactTitle»  
«Name»  
«Addr1»  
«Addr2»  
«Addr3»  
«City», «State» «Zip»

Dear «Salute» «ContactLName»:

The purpose of this letter is to invite your involvement in a study being conducted by Lisa Wyatt Knowlton as part of her requirements for a doctorate degree. The study is the basis for a dissertation titled: "Grantmakers in Their Own Mirrors: Descriptive Profile of Michigan Practitioners and Practice."

This study will have multiple benefits. Among them are:


- a descriptive baseline about Michigan grantmakers which can be compared and contrasted with others (inside and outside the sector),
- information that will inform personnel selection and development processes,
- information that provides guidance to new grantmakers,
- information that can be used to generalize about grantmaker competencies in the nonprofit sector, and
- information that might advance discussion about standards and professionalism in philanthropy.

In a competitive selection process, Aspen Institute chose this research proposal for funding. The enclosed inventory measures the perceptions of grantmakers relative to the frequency and importance of identified competencies. It also collects characteristics about individual participants, your organization, and methods for staff selection and development. Data from a sample of more than 500 Michigan foundations will be analyzed to create a descriptive profile.

Please respond to the enclosed inventory at your earliest convenience. The material can be folded, sealed and returned via U.S. mail. Responses will be coded and the data will be reported in such a way to assure participants' anonymity.

If you have questions, please feel free to contact Lisa Wyatt Knowlton directly at (616) 965-1596 or via Email: [LWK3rdss@aol.com](mailto:LWK3rdss@aol.com). I look forward to sharing findings of the study with you and other members of the philanthropic community. Thank you in advance for your participation!

Sincerely,



Robert S. Collier  
President & CEO

enclosure

*An Association of Foundations and Corporations Making Grants for Charitable Purposes.*

## Appendix C

### Survey Instrument With Descriptive Response

## Philanthropic Practitioner Inventory

Participation in this survey is entirely voluntary.

By returning this instrument you convey consent for use of the data gathered.

### Demographics

Providing the following information will assist us in the development of a profile of grantmakers by selected individual characteristics. Please indicate the one response that best describes your status in the following categories.

(1.) Most recent educational credential:

☐ Doctorate   ☐ MA/MSW   ☐ MBA   ☐ BA/BS  
☐ Associate   ☐ High school diploma

(2.) Age group:

☐ 20-30 yrs   ☐ 31-45 yrs   ☐ 46-55 yrs.   ☐ 55 yrs. +

(3.) Gender:

☐ Female   ☐ Male

(4.) Ethnicity/Race:

☐ African American   ☐ Caucasian   ☐ Pacific Islander  
☐ Asian American   ☐ Alaskan Native   ☐ International/Non-US Resident  
☐ Latino/Hispanic/Chicano   ☐ Multiracial

(5.) Position title/responsibility

☐ program director/associate/officer  
☐ vice president  
☐ trustee   ☐ president/CEO

(6.) Please identify the sector which reflects the *majority* of your work history (prior to current job)

☐ private sector   ☐ government  
☐ other   ☐ nonprofit sector   ☐ philanthropy

(7.) Please identify your work history with philanthropy

☐ 0-5 years   ☐ 6-10 years   ☐ 11-15 years   ☐ 16 years+

*Grantmaker Competencies: Frequency and Importance*

**Left Column**

Please rate the following competencies from 1(low) to 5 (high) relative to *frequency* of occurrence in the daily work of a grantmaker. NA indicates "not applicable"

1 2 3 4 5 NA

1 2 3 4 5 NA

1 2 3 4 5 NA

1 2 3 4 5 NA

1 2 3 4 5 NA

1 2 3 4 5 NA

1 2 3 4 5 NA

1 2 3 4 5 NA

1 2 3 4 5 NA

1 2 3 4 5 NA

1 2 3 4 5 NA

1 2 3 4 5 NA

**Right Column**

Please rate the following competencies from 1(low) to 5(high) on *importance* in the performance assessment of a grantmaker. DK indicates "don't know."

(8.) Emotional Awareness 1 2 3 4 5 DK  
Recognizes one's emotions and their effects.

(9.) Self Assessment 1 2 3 4 5 DK  
Knows one's strengths and limits.

(10.)Self-confidence 1 2 3 4 5 DK  
Has sureness about self-worth and capabilities

(11.)Self-control 1 2 3 4 5 DK  
Manages own disruptive emotions and impulses

(12.)Trustworthiness 1 2 3 4 5 DK  
Maintains standards of honesty and integrity.

(13.)Conscientiousness 1 2 3 4 5 DK  
Takes responsibility for personal performance.

(14.)Adaptability 1 2 3 4 5 DK  
Acts with flexibility, employs a repertoire of responses.

(15.) Innovativeness 1 2 3 4 5 DK  
Entertains novel ideas and new information.

(16.) Achievement 1 2 3 4 5 DK  
Strives to improve or meet a standard of excellence.

(17.)Commitment 1 2 3 4 5 DK  
Exhibits personal alignment with organizational mission.

(18.) Initiative 1 2 3 4 5 DK  
Readily acts on opportunities

(19.).Endurance 1 2 3 4 5 DK  
Persists despite setbacks and obstacles.



1	2	3	4	5	NA	(20.) Empathy Senses others' feelings and perspective.	1	2	3	4	5	DK
1	2	3	4	5	NA	(21.) Service Orientation Anticipates, recognizes, meet grantees' needs.	1	2	3	4	5	DK
1	2	3	4	5	NA	(22.) Develops Others Discerns others' needs in order to develop and support their abilities.	1	2	3	4	5	DK
1	2	3	4	5	NA	(23.) Leverage Diversity Cultivates opportunities through diverse people.	1	2	3	4	5	DK
1	2	3	4	5	NA	(24.) Political Acuity Effectively interprets power relationships.	1	2	3	4	5	DK
1	2	3	4	5	NA	(25.) Influence Identifies and employs tactics to persuade others.	1	2	3	4	5	DK
1	2	3	4	5	NA	(26.) Communication Sends clear and convincing messages.	1	2	3	4	5	DK
1	2	3	4	5	NA	(27.) Leadership Inspires, guides and support others in a common endeavor.	1	2	3	4	5	DK
1	2	3	4	5	NA	(28.) Catalyst Initiates and manages processes that produce change.	1	2	3	4	5	DK
1	2	3	4	5	NA	(29.) Conflict Management Negotiates and resolves disagreements among others.	1	2	3	4	5	DK
1	2	3	4	5	NA	(30.) Relationships Nurtures and maintains relationships with others.	1	2	3	4	5	DK
1	2	3	4	5	NA	(31.) Collaboration Works with others toward shared goals.	1	2	3	4	5	DK
1	2	3	4	5	NA	(32.) Build Teams Creates group synergy in pursuit of collective goals.	1	2	3	4	5	DK

(33.) Of the proceeding 25 competencies, identify the *five* which contribute most to grantmaker effectiveness:

- (1) \_\_\_\_\_  
 (2) \_\_\_\_\_  
 (3) \_\_\_\_\_  
 (4) \_\_\_\_\_  
 (5) \_\_\_\_\_

*Selection and Development*

(34.) How were you referred to your current position?

\_\_\_ public advertisement    \_\_\_ personal recruitment    \_\_\_ colleague/friend  
 \_\_\_ search firm    \_\_\_ affinity group    \_\_\_ other \_\_\_\_\_

(35.) What selection process was used for your current position?

\_\_\_ open, competitive review    \_\_\_ search firm  
 \_\_\_ closed recruitment and offer    \_\_\_ other \_\_\_\_\_

(36.) How can selection processes be improved?

\_\_\_\_\_  
 \_\_\_\_\_

(37.) Which one resource is most valuable in your own professional development?

\_\_\_ colleagues    \_\_\_ Council on Foundations    \_\_\_ university/college program  
 \_\_\_ Council of Michigan Foundations    \_\_\_ affinity group  
 \_\_\_ selected topical conferences    \_\_\_ grantees  
 \_\_\_ other \_\_\_\_\_

(38.) At your hire, did the foundation provide a formal orientation to grantmaking practices?

\_\_\_ yes    \_\_\_ no

(39.) Please indicate all practices your foundation employs in its grantmaking function:

\_\_\_ benchmarking (or "best practices")    \_\_\_ return on investment assessment  
 \_\_\_ quality assurance processes    \_\_\_ cost/benefit analysis  
 \_\_\_ human resource management    \_\_\_ innovation processes  
 \_\_\_ strategic planning    \_\_\_ knowledge management  
 \_\_\_ continuous improvement processes    \_\_\_ logic models  
 \_\_\_ competitive bidding (for purchased services)

**Organization Characteristics**

Completion of the following information will assist us in a profile of grantmakers by selected foundation characteristics. Please indicate the one response that best describes your organization in the following categories.

**(40.) Foundation Type:**

☐ Corporate ☐ Private (includes family and operating)  
☐ Community

**(41.) Asset Size (\$millions):**

☐ >1-10 ☐ >80-100  
☐ >10-20 ☐ >100-200  
☐ >20-30 ☐ >200-300  
☐ >30-50 ☐ >300-500  
☐ >50-80 ☐ >500

**(42.) Annual grant distribution (\$millions)**

☐ 0-1 ☐ >20-50  
☐ >1-5 ☐ >50-80  
☐ >5-10 ☐ >80-100  
☐ >10-20 ☐ >100

**(43.) Program areas (choose all that apply)**

☐ healthcare ☐ human services ☐ education  
☐ environment ☐ arts/culture ☐ other \_\_\_\_\_

Thanks for your participation!

Please pull off the seal strip tape and the fold jacket. To return the survey, drop this postage paid package in the U.S. mail.

## Philanthropic Practitioner Inventory

Participation in this survey is entirely voluntary.

By returning this instrument you convey consent for use of the data gathered.

### *Demographics*

Providing the following information will assist us in the development of a profile of grantmakers by selected individual characteristics. Please indicate the one response that best describes your status in the following categories.

(1.) Most recent educational credential:

15% Doctorate    18% MA/MSW    11% MBA    46% BA/BS    10% other

(2.) Age group:

0 20-30 yrs    17% 31-45 yrs    35% 46-55 yrs.    48% 55 yrs. +

(3.) Gender:

48% Female    52% Male

(4.) Ethnicity/Race:

1% African American    99% Caucasian           Pacific Islander  
       Asian American           Alaskan Native           International/Non-US Resident  
       Latino/Hispanic/Chicano           Multiracial

(5.) Position title/responsibility:

53% program director/associate/officer  
13% vice president  
24% trustee    10% president/CEO

(6.) Please identify the sector which reflects the *majority* of your work history (prior to current job)

60% private sector    3% government    7% other  
18% nonprofit sector    12% philanthropy

(7.) Please identify your work history with philanthropy

22% 0-5 years    17% 6-10 years    19% 11-15 years    42% 16 years+

*Grantmaker Competencies: Frequency and Importance*

**Left Column**

Please rate the following competencies from 1(low) to 5 (high) relative to *frequency* of occurrence in the daily work of a grantmaker. NA indicates "not applicable"

	1	2	3	4	5
					(8.) Emotional Awareness
%	3	9	45	33	10
					(9.) Self Assessment
%	0	5	21	42	32
					(10.) Self-confidence
%	0	2	13	42	43
					(11.) Self-control
%	3	14	27	30	27
					(12.) Trustworthiness
%	0	0	8	9	83
					(13.) Conscientiousness
%	0	0	11	20	69
					(14.) Adaptability
%	0	12	24	32	32
					(15.) Innovativeness
%	2	8	34	39	17
					(16.) Achievement
%	0	3	12	46	39
					(17.) Commitment
%	0	0	12	34	54
					(18.) Initiative
%	0	9	48	29	14
					(19.) Endurance
%	0	11	38	27	25
					(20.) Empathy
%	0	7	21	41	24

**Right Column**

Please rate the following competencies from 1(low) to 5(high) on *importance* in the performance assessment of a grantmaker. DK indicates "don't know."

	1	2	3	4	5
					(8.) Emotional Awareness
	5	13	25	34	23
					(9.) Self Assessment
	0	2	13	42	43
					(10.) Self-confidence
	0	0	16	44	40
					(11.) Self-control
	0	3	18	24	55
					(12.) Trustworthiness
	0	0	0	6	94
					(13.) Conscientiousness
	0	0	2	24	74
					(14.) Adaptability
	0	2	13	45	40
					(15.) Innovativeness
	0	4	15	29	52
					(16.) Achievement
	0	0	4	39	57
					(17.) Commitment
	0	0	9	29	62
					(18.) Initiative
	2	2	10	44	42
					(19.) Endurance
	3	3	22	40	32
					(20.) Empathy
	2	2	19	41	37

					(21.) Service Orientation					
%	0	12	29	36	23	2	2	18	44	34
					(22.) Develops Others					
%	0	18	40	21	21	2	2	25	36	35
					(23.) Leverages Diversity					
%	5	17	41	22	15	3	10	22	31	34
					(24.) Political Acuity					
%	0	11	32	37	21	3	4	21	34	38
					(25.) Influence					
%	0	8	40	38	14	0	4	13	39	44
					(26.) Communication					
%	0	3	14	41	42	0	0	4	32	64
					(27.) Leadership					
%	0	6	18	52	24	1	0	6	33	60
					(28.) Catalyst					
%	0	11	45	30	14	2	0	22	39	37
					(29.) Conflict Management					
%	12	18	42	19	9	3	6	22	44	25
					(30.) Relationships					
%	0	2	25	31	42	0	1	10	35	54
					(31.) Collaboration					
%	0	11	26	34	29	2	2	8	37	52
					(32.) Team Development					
%	0	15	25	29	31	3	1	18	32	46

(33.) Of the proceeding 25 competencies, identify the *five* which contribute most to grantmaker effectiveness:

- (1) Trustworthiness
- (2) Communication
- (3) Commitment
- (4) Leadership
- (5) Conscientiousness

*Selection and Development*

(34.) How were you referred to your current position?

<u>3%</u> public advertisement	<u>40%</u> personal recruitment	<u>21%</u> colleague/friend
<u>4%</u> search firm	<u>1%</u> affinity group	<u>31%</u> other

(35.) What selection process was used for your current position?

<u>21%</u> open, competitive review	<u>10%</u> search firm
<u>37%</u> closed recruitment and offer	<u>32%</u> other _____

(36.) How can selection processes be improved?

More relevant/stringent criteria	31%
Expand candidate pool	17%
Clarity in job descriptions/performance	17%
Satisfied 6%	N/A 28%

(37.) Which one resource is most valuable in your own professional development?

<u>44%</u> colleagues	<u>3%</u> Council on Foundations	<u>0</u> university/college program
<u>24%</u> Council of Michigan Foundations		<u>1%</u> affinity group
<u>9%</u> selected topical conferences		<u>6%</u> grantees
<u>13%</u> other _____		

(38.) At your hire, did the foundation provide a formal orientation to grantmaking practices?

<u>13%</u> yes	<u>87%</u> no
----------------	---------------

(39.) Please indicate all practices your foundation employs in its grantmaking function:

<u>39%</u> benchmarking (or "best practices")	<u>40%</u> return on investment assessment
<u>22%</u> quality assurance processes	<u>33%</u> cost/benefit analysis
<u>15%</u> human resource management	<u>33%</u> innovation processes
<u>49%</u> strategic planning	<u>40%</u> knowledge management
<u>37%</u> continuous improvement processes	<u>9%</u> logic models
<u>13%</u> competitive bidding (for purchased services)	

***Organization Characteristics***

Completion of the following information will assist us in a profile of grantmakers by selected foundation characteristics. Please indicate the one response that best describes your organization in the following categories.

**(40.) Foundation Type:**

6% Corporate      85% Private (includes family and operating)      9% Community

**(41.) Asset Size (\$millions):**

52% >1-10      22% >10-50      20% >50-300      6% >300-500

**(42.) Annual grant distribution (\$millions)**

59% 0-1      30% >1-10      7% >10-100      4% >100

**(43.) Program areas (choose all that apply)**

56% healthcare      68% human services      85% education  
45% environment      65% arts/culture      42% other \_\_\_\_\_



**Appendix D**  
**Definition of Terms**

## **Terms and Definitions**

The following definitions were used to define terms (rated for both importance and frequency) in the Philanthropic Practitioner Inventory.

**8. Emotional Awareness**

The ability to recognize one's emotions and their effects.

**9. Self Assessment**

Knowledge of one's strengths and limits.

**10. Self-confidence**

Has sureness about self-worth and capabilities.

**11. Self-control**

Manages own disruptive emotions and impulses.

**12. Trustworthiness**

Maintains standards of honesty and integrity.

**13. Conscientiousness**

Takes responsibility for personal performance.

**14. Adaptability**

Acts with flexibility, employs a repertoire of responses.

**15. Innovativeness**

Entertains novel ideas and new information.

**16. Achievement**

Strives to improve or meet a standard of excellence.

**17. Commitment**

Exhibits personal alignment with organizational mission.

**18. Initiative**

Readily acts on opportunities.

**19. Endurance**

Persists despite setbacks and obstacles.

**20. Empathy**

Senses others' feelings and perspective.

21. Service Orientation  
Anticipates, recognizes, meet grantees' needs.
22. Develops Others  
Discerns others' needs in order to develop and support their abilities.
23. Leverage Diversity  
Cultivates opportunities through diverse people.
24. Political Acuity  
Effectively interprets power relationships.
25. Influence  
Identifies and employs tactics to persuade others.
26. Communication  
Sends clear and convincing messages.
27. Leadership  
Inspires, guides and support others in a common endeavor.
28. Catalyst  
Initiates and manages processes that produce change.
29. Conflict Management  
Negotiates and resolves disagreements among others.
30. Relationships  
Nurtures and maintains relationships with others.
31. Collaboration  
Works with others toward shared goals.
32. Builds Teams  
Creates group synergy in pursuit of collective goals.

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