

# EDUCATION FOR THE FUTURE OF PHILANTHROPY

Kevin Matheny

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philanthropy ▲ strategy ▲ planning ▲ coaching

P.O. Box 510257 ▲ Milwaukee WI 53203 ▲ 414-962-6696 ▲ [www.garyhubbellconsulting.com](http://www.garyhubbellconsulting.com)

# EDUCATION FOR THE FUTURE OF PHILANTHROPY

By Kevin Matheny, M.A., CFRE

We stand at a crossroads in the role nonprofits play in our communities and how to best prepare leaders of a new generation to articulate, lead and manage nonprofits that provide essential services to millions of people each year. As the Baby Boomer generation ages out of the workforce (including leadership positions within many nonprofits) and a new economic reality challenges nonprofits to explore innovative funding models to not only continue operations but to seek new ways to engage key publics as well, an unquestionable and well-documented paradigm shift will force all nonprofits to re-imagine their strategies and tactics.

“Aspiring leaders must seek and demand access to increasingly meaningful educational opportunities that go beyond training in basic management to preparation for thoughtful, insightful leadership. Tomorrow’s nonprofit leaders must acquire the understanding and expertise that will enable them to lead great organization’s to fulfill noble missions that spur cultural growth, address societal inequalities, and strengthen civil society. Technical excellence in nonprofit operations, including skills such as finance, budgeting, program management and evaluation, are vital to a leader’s success – but true leadership for the future will require more” (Burlingame, 2007, p.1).

There is a need to establish a philanthropic educational program specifically designed for committed philanthropic leaders who want to shape the culture of philanthropy in their community, across the country, and around the world. Through intensive writing, opportunities for demonstrated leadership, robust and critical dialogue, and research about the ideas, thinking, and strategies that shape the philanthropic culture – past, present and future – the hallmarks of the program will be established.

The philanthropic leadership program of the future must seek to educate current and up-and-coming development leaders who will employ teaching, critique, and analysis to define, actualize and create a new model of philanthropy. This next generation of philanthropic leaders will articulate their ideas in a collaborative model that injects philanthropic inclinations (the

desire to make a difference, the ability to make a donation) into a vision of a philanthropic outcome shared by the donor, the nonprofit leadership and the development professional.

“Voluntary action for the public good links philanthropy to concepts like professionalism. It is, in fact, the philanthropic value of concern for the well-being of others that lifts professionals above their peers in the private marketplace. Philanthropy and professionalism, among other instruments of the public good, rest most fundamentally on moral rather than economic or political values” (Payton, 2000, p.12).

## New Model for Philanthropic Leadership

<b><u>Current State:</u></b>		<b><u>Future Goal:</u></b>
<i>Transactional Fundraising</i>		<i>New Philanthropy</i>
Transactional Fundraising	➔	Donor provides philanthropic leadership
Focus on funding operations	➔	Focus on fulfilling mission & vision
Management	➔	Leadership
“Business/public administration leadership”	➔	“Transformational/servant leadership”
Episodic use of technology	➔	Full integration of new technologies
Competency in conduct of development office	➔	Culture of integration & empowerment of all stakeholders
Technical skills	➔	Liberal arts foundation
Economic value base	➔	Moral value base
Organization-focused	➔	Donor-focused

A liberal arts environment is the ideal educational setting for the development of this new model of philanthropy.

“My main concern is the survival of philanthropy as a subject grounded in the liberal arts. Philanthropy in higher education is largely dominated by training in nonprofit management, skewed toward the values and approaches of business and public administration. There are three very unequal sectors in the society and their counterparts in the university are similarly unbalanced: practice dominates; training dominates; action dominates.” (Payton, 2000, p.7)

In this educational model, students will be characterized by their passionate quest to capture and define the opportunities inherent in the movement away from “transactional fundraising” – that is, the traditional model that exists primarily to gather resources for the operation of the institution – and instead toward a “new philanthropy” grounded in philanthropic leadership by the donor and with the development officer acting as “ombudsman” on the donor’s behalf. Together and in collaboration with the institution, the donor and the development officer will create a common synergy to realize the fullness of the institutional mission and vision.

“The ideas I find most exciting and energizing are philanthropy and liberal or general education, and the role of philanthropy in the great issues and movements of the time. I am in that sense interested more in leadership than in management, more in philosophy than practice, in *Why more than How*. My devotion to the balance called for by general and liberal education reminds me to respect training as well as education. Philanthropy is about beneficence as well as benevolence. Who else feels that way, thinks that way?” (Payton, 2000, p.8).

This educational model will be marked by:

- a paramount regard for ethics and integrity as the essential philanthropic conduct;
- leaders (principal – guide – facilitator) committed to a culture that is conducive to philanthropic success;
- use of ideas from both transformational and servant leadership to create a new model of “philanthropic leadership”;
- sharing of successful development practices while shedding old, familiar, and tired models;
- commitment to technology as a tool to enable development teams to work smarter and more creatively.

The intent of education in philanthropic leadership is to expand the competency of the profession in order to raise the viability and impact of nonprofit organizations in an increasingly sophisticated philanthropic environment. This opportunity will only be maximized if organizations are staffed with well-prepared professionals who are not only technically competent but hold an enlightened view of the philanthropic culture, yearning not only for competency in the conduct of the development office but also the ability to integrate and empower all stakeholders through a culture grounded in philanthropic leadership.

“Understanding the context of the work we do in philanthropy – the historical context from which today’s sector emerged, current big-picture issues and how they got to be that way, what external forces or factors influence them, past approaches that worked or didn’t – is perhaps the most important element of a nonprofit leader’s success. A liberal arts education in philanthropy equips future executives with this understanding and provides the critical thinking ability necessary to anticipate, analyze, problem-solve and think on one’s feet” (Burlingame, 2007, p.1).

The intent of this educational model is to provide development professionals a graduate-level environment for philanthropic study. "I strongly believe that this field (philanthropy) requires people to have a real understanding of moral values and motivations – in other words, that they be liberally educated as well as technically competent" (Payton, 1993, p.15).

The next frontier of the philanthropic landscape demands not just educated professionals but professionals who are capable to profoundly influence the maturation of their donors, volunteers, board members, staff, colleagues, and those they serve toward a realization of real philanthropy – "love of humankind."

This educational model seeks to serve the ambitions of professionals who would like to position themselves locally, regionally and/or nationally as development leaders in the field and who also aspire to contribute to the body of knowledge in the field.

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## ABOUT GHC CONVERSATIONS

Annually, Gary Hubbell Consulting convenes and hosts a small hand-picked group of social sector professionals from throughout North America for three days of intense dialogue and critical thinking. We strive to create a thought-provoking, mind-opening, and stimulating conversation about philanthropy, organizational leadership, and the sector as a whole. This deep exploration of the nature and challenges of the philanthropic environment is intended to engage, inform, and inspire senior leaders to be catalysts for change in their own organizations and communities of influence. With each GHC Conversation, we seek to establish the seeds of a continuing and enriching network that nourishes us as individuals and helps each of us change how we converse, inspire, and seek new dimensions of philanthropy. This essay is one contributed for *Conversation 2010*.

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## Conversation 2010 Participant Bio

**Kevin Matheny, M.A., CFRE**  
President and Chief Executive Officer  
Oregon Independent College Foundation (OICF)  
17600 Pacific Highway  
Marylhurst, OR 97036  
503-496-3421  
kevin@oicf.org  
<http://oicf.org>



Prior to joining OICF in October 2007, Matheny spent almost nine years with Providence Health System in Oregon, serving as Executive Director of the Providence Child Center Foundation and Regional Director for Foundation Services. Matheny was also the founding Director of the \$151m Providence Together Capital Campaign.

Matheny, who holds a Master of Arts degree in Philanthropy and Development from Saint Mary's University of Minnesota and a Bachelor of Arts in English from Santa Clara University, is an adjunct faculty member in the College of Urban and Public Affairs and the Institute for Nonprofit Management at Portland State University where he has taught since 1998. He is accredited as a Certified Fund Raising Executive (CFRE) by CFRE International.

In a career of over 30 years with educational and healthcare organizations, Matheny has written and spoken extensively on the subjects of CEO leadership in the development program and strategic visioning and planning for the development effort.

As Principal in MATHENY Philanthropy and Development Counsel, L.L.C., Matheny and his associates provide counsel to non-profit organizations in matters of development and fund raising, mission and leadership effectiveness, and marketing and communications.

This is Kevin's first GHC Conversation.

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