# A Standard Prescription for Philanthropic ADD

By Kevin Laskowski

American foundations have attention deficit disorder, says Joel Orosz, a former program officer at the W.K. Kellogg Foundation and now a professor at Grand Valley State University. In an op-ed for the *Chronicle of Philanthropy* last year, he wrote:

"The major social ills foundations seek to heal – racism, generational poverty, failing schools – are enormously complex, intricately interconnected, and deeply rooted in America's history and culture. Big foundations respond to these social ills with grantmaking programs that are too brief, too distractible and too ephemeral: in short, too ADD."

Luckily (or perhaps unluckily), it's a diagnosis I have some experience with. What follows is a crash course on Philanthropic ADD: what it is, what causes it and how you might treat it.<sup>2</sup>

#### WHAT IS PHILANTHROPIC ADD?

Everyone *gets* distracted, but people with ADD *are* distracted – in multiple settings over a long period of time with negative consequences. Likewise, Philanthropic ADD is characterized by pathological *inattention*, *hyperactivity* and *impulsivity*.

*Inattention.* People with ADD make simple, careless mistakes. They often cannot focus for long periods. They fail to finish projects. They lose things. They're distracted and forgetful. In fact,

you could be talking directly to a person with ADD standing right in front of you, and he or she (it's more likely to be a he) might not hear a single word.

Ask any nonprofit executive how unresponsive a foundation can be and you'll hear stories of missing paperwork, grant decisions that drag out over 18 months of phone tag and crossed wires, and out-of-the-blue rejections and exits.

"It's ironic," Orosz told me over the phone. "The easier it has become to reach people, the harder it has become to reach foundations."

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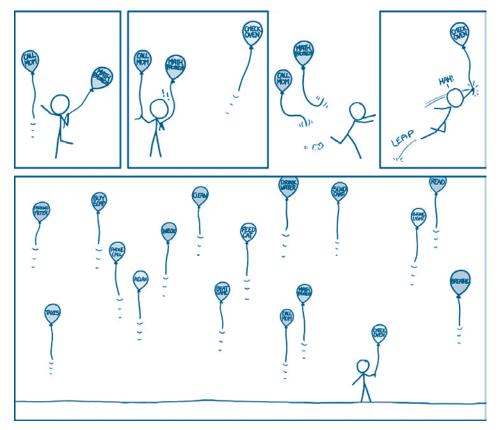
- Joel Orosz

Indeed, foundations as a group have been criticized for lack of communication in the recent recession. While some foundations are true partners to their grantees, nonprofits often wonder if anyone is really paying attention.

Hyperactivity and Impulsivity. Children with ADD often fidget, play, climb and leave their seats inappropriately beyond the age when such behaviors are typical. That's why the disorder is also called ADHD or attention deficit hyperactivity disorder. Adults with ADHD often "grow out" of these kinds of behaviors, but you can see something of it in the colleague who clicks retractable pens during office meetings.

The underlying difficulty with self-regulation remains the same, whether it presents as hyperactivity, impulsiveness or both. People with ADD will often act without regard for the consequences. They interrupt others. They begin and end projects with equal abandon. They make life and career decisions without consulting others.

Similarly, foundations with ADD, as Orosz wrote in his op-ed, "lack focus, patience and commitment." NCRP has documented philanthropy's distaste for long-term commitment. From 2004–2010, only one-tenth of sampled funders reported some multi-year grantmaking; fully 90 percent of sampled foundations either do not provide multi-year grants or do not report them.<sup>3</sup> In 2011, just 5 percent of grants and only 14 percent of grant dollars were reported as multi-year support.<sup>4</sup> If



Courtesy of http://xkcd.com/1106/.

foundations stick with a grantee, they do so one year at a time, setting off the hyperactive annual dance of reporting and applying for renewal.

Foundations with ADD cannot stick with their own programs, much less those of their grantees. In his article, Orosz lamented a new class of turnaround artist CEOs looking to make their mark by sacking staff, upending past practices and promises, and dragging the community along for the revolutionary ride. Working with foundations can be a constant guessing game: What will these organizations care about today? And who will be in charge? What are they thinking?

In an ADD-addled brain, every stimulus is given roughly equal importance and attention: nothing jumps out. The problem for people with ADD isn't that they cannot focus; they can. It's not that they're not paying attention; they are. The problem is that they're paying near-

ly equal attention to anything and everything. They do not – in a sense, they cannot - organize and prioritize. And that doesn't make for much success. The result, in the formulation given in the classic self-help book Driven to Distraction, is this: "You don't mean to do the things you do do, and you don't do things you mean to do."5

Does that sound like a foundation you know? Many foundations can too easily lose sight of what's important and grow disconnected from those they claim to serve (inattention). They react restlessly (hyperactivity), moving from project to project with little regard for how communities are affected (impulsivity).

The question is: Why?

### WHAT CAUSES PHILANTHROPIC ADD?

ADD tends to run in families and is thought to be genetic. This manifests itself physically in lower activity in the parts

of the brain responsible for prioritizing stimuli. In effect, everything comes at the ADD brain at once, making it difficult to attend to anything in particular.

In the same way, the field's distraction is genetic. As long as a private foundation operates exclusively for charitable purposes, makes payouts, fills out its Form 990-PF properly and refrains from self-dealing, the law grants foundation board and staff enormous latitude in philanthropic goals and strategies.

Some people can flourish under such conditions while others will struggle. Discretion affords foundations the opportunity to pursue courses of action that businesses and government agencies might be unwilling or unable to undertake. On the other hand, a foundation that can do anything often does. Absent clarity of purpose, a foundation will fail to act on its most important concerns and over-react to others. A charismatic donor, a compelling programmatic vision, or one of Orosz's zealous CEOs might impose order and direction for a time, but what happens then?

The foundation follows the fads, fashions and whims of the moment. Board members and executives divide dollars by preferred program area, geography and strategy and dole them out annually to an ever-shifting portfolio of organizations, keeping up the appearance of action until the next crop of transformational leaders arrives to relieve them and on and on in perpetuity.

Beyond the law's meager dictates, there is little, if any, shared sense of how a foundation ought to operate. As a result, despite any flashes of brilliance, foundations with ADD will always have trouble delivering on their promises with any consistency or lasting impact.

## HOW DO WE TREAT PHILANTHROPIC ADD?

Treatment for ADD typically involves a combination of therapy, behavior modification and often medication to artificially provide the organizing principles the ADD brain naturally lacks.

Philanthropies typically focus with well-defined mission statements, program guidelines and various governance and management policies. All this, however, is largely subject to the changing preferences of board and staff.

If the problem with the ADD brain is that it thinks and rethinks just about everything, then part of the solution is the introduction of some principles and practices that go without saying: the setting of some standards. These standards are then shared with loved ones and colleagues who can hold an individual accountable.

Unfortunately, philanthropy as a sector has stubbornly – and hypocritically – opposed as a threat to its license anything even approaching professional standards. If philanthropy wants to overcome its ADD, that has to change.

"The suggestion that foundations should be held to some sort of professional standard is met with harsh cries," Orosz told me. "There are no standards in the foundation world. We're coming up on the fiftieth anniversary of the fundraisers' code [in 2014]. Foundations complain that a code of ethics would crimp their freedom to operate. That's the whole point of a code of ethics –to crimp your freedom to act badly."

Foundations should be encouraged to give an account of their fundamental purposes, principles and practices, both individually and collectively. And they should hold themselves and one another to that account.

What should people be able to expect from foundations generally and from your foundation especially? Beyond the law's prescriptions, how should a foundation behave – how will your foundation behave – regardless of what programs it pursues or who is in charge?

Without something of this account, it is difficult, if not impossible, to make sense of the competing demands for

philanthropic attention and resources to ourselves and to others.

#### THE TRAGEDY OF ADD

The tragedy for many people with ADD is the haunting contrast between the person they know themselves to be and the person their family and friends see every day, between the person they might have been and the person they've managed to become.

Foundations with ADD may think of themselves as innovative, strategic organizations funding groups and finding success where governments and business fear to tread, but is that what others see? Is that what grantees experience? Is that what the public sees? Is that what Congress sees? That potential contrast should trouble a field that sees no need for standards.

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"My biggest fear is that we enter a debate on taxes, the discussion spirals out of control, and an enterprising eminence will look for a scapegoat and point to foundations," Orosz told me. "He will ask, 'What have you accomplished lately?' and foundations will have no hard evidence to point to. What then?"

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# Notes

- Joel Orosz, "To Solve Society's Problems, Grant Makers Need Focus and Patience," Chronicle of Philanthropy, March 18, 2012, http://philanthropy. com/article/Foundation-Attention-Deficit/131185/.
- 2. I do not pretend to have, much less offer, a comprehensive theory of ADD, its true causes or appropriate treatments. I have only my experiences. I think viewing philanthropy's difficulties (and nonprofits' difficulties with philanthropy) as ADD might prove helpful. I hope the result is more of an exercise in perspective than it is in projection.
- 3. Niki Jagpal and Kevin Laskowski, *The State of Multi-Year Funding* (Washington, D.C.: National Committee for Responsive Philanthropy, 2012), http://www.ncrp.org/files/publications/PhilanthropicLandscape-StateofMultiYear-Funding-Revised.pdf.
- 4. Niki Jagpal and Kevin Laskowski, The State of Multi-Year Funding 2011 (Washington, D.C.: National Committee for Responsive Philanthropy, 2013), http://www.ncrp.org/files/publications/Philanthropiclandscape-StateofMultiYearFunding2011.pdf.
- Edward M. Hallowell and John J. Ratey, Driven to Distraction: Recognizing and Coping with Attention Deficit Disorder from Childhood Through Adulthood (New York: Random House, 2011), pp. 157–158.

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