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To my dad, Robert, known as Bob to his friends; he was a welder, big game hunter, fisherman, taxidermist, and the consummate entrepreneur. He taught me to dream!

And to my mom, Shirley, who gave me wings to fly!

Finally, to my nephews and nieces: Michael, Anna, Benjamin, Nathaniel, Caitlin, and Robert . . . may you find the courage to explore the entrepreneurial and philanthropic worlds. May you dream big dreams and have the wings to fly!



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# Foreword

It is a pleasure to write the foreword to Lisa Dietlin's book, *Transformational Philanthropy: Entrepreneurs and Nonprofits*. I have known Lisa for a number of years going back to when I was a visiting professor at University of Illinois at Chicago (UIC), teaching my Nine-Step Success Process™ to business students. She was the Assistant Dean of Development for the College of Business Administration at UIC. She was dynamic then and is dynamic now—especially after writing this wonderful research document that provides so much detail and valuable information. Having worked in the non-profit area for a large part of my life, I have found that it takes years to learn what Lisa has given us in this work of art. She covers every angle and provides us with a road map for success. Her insights into the entrepreneurs' world cannot come at a better time while we are going through this transformation in the twenty-first century.

Our future generation may not have Social Security, a pension, or other means of taking care of themselves long term. Entrepreneurship is a viable option that needs serious consideration in this age of reinvention and recreation. As we live longer and our world becomes smaller, we need many ways to look at diversifying our opportunities. This book gives great insight regarding the importance of giving back, the importance of charity, and the true meaning of philanthropy. It defines major gift giving back, and puts this subject in perspective where each of us can be encouraged to be a productive member of the community. The weaving of entrepreneur and philanthropic giver teaches us how to be more productive on the business side and enhances our spirit of giving. It is remarkable how this book will create a deeper meaning of how to be a better human being.

Congratulations, Lisa for going to the next level and taking the risk to make it happen for so many people. You make us better!

Stedman Graham  
Author  
Entrepreneur

# Acknowledgments

I recently realized by inadvertently opening the wrong Word document that the dream for this book began in November 2005. Six years after finishing my master's thesis, I put a pen to paper to continue documenting my research on entrepreneurs and why they give their money to philanthropic organizations and endeavors. It has been a wonderful journey to discover why successful entrepreneurs decide to give back and to share that knowledge.

In writing this book, I also realized it truly takes many people to make it happen. First, the work of Hank Rosso's *Achieving Excellence in Fundraising* was instrumental in my developing the thoughts and ideas shared in this book. In particular Eugene R. Tempel's work in defining the multiple roles of philanthropy was the basis for developing the "Individual Philanthropic Audit" found in this book as an appendix. I was also introduced to the idea of transformational philanthropy by reading James M. Hodges's chapter titled, "Gifts of Significance." I am indebted to Mr. Temple and Mr. Hodge for sharing their thoughts on philanthropy and allowing me to stand on their shoulders to move philanthropy forward. Second, my personal thanks and appreciation go out to everyone who listened to me share the story about this book and its importance. Many hours were spent talking to friends and family about this dream. In particular, I would like to thank my best friend, Mary Ann Beckwith, for her unconditional support in this and all my life's endeavors as well as friends Renee Torina, Margaret Soffin, Karen Hynes, John Jones, Valerie Ingram, Aimee Daniels, Caroline Coppola, Suzanne LeMignot, Esequiel Sanchez, Julia Koch, Charles Katzenmeyer, Suzanne Jurva, Hope Ross, Erin Minné, Kristyn Hartman, Yasmin Bates, Emilia DiMenco, Wim Wiewel, Margol Pritzker, Denny Cummings, Stedman Graham, Kathryn Tack, and many others. It has been a long road, but well worth it!

Thanks to my clients and those in the nonprofit world as well as the entrepreneurial world who were willing to share their stories. I appreciate all of your support to see me through this project especially Jan Pruitt, Sherry Hooper, Jaynee Day, Rob Acton, Christine Bork, Ann Alvarez, Lanetta Haynes, Melanie Nowacki, Art Taylor, Julie Rizzo, Cathy Brod, Katherine Sawyer, Christel Kedzie, Cindy Zimmer, and Melissa Schmitz.

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I also thank the entrepreneurs who sat for interviews. I was humbled and amazed by their willingness to share their thoughts and feelings about the philanthropic world and why they give away their hard earned money. I am indebted to Julie Azuma, Suzy Bogguss, John and Rita Canning, Richard Driehaus, Garth Fundis, Carolyn Gable, Deborah Gibson, Leticia Herrera, Bill Imada, Al Johnson, Suzanne Jurva, Janet Katowitz, Marsha McVicker, Alfredo Molina, Carole Mundy, Stephan Pyles, John W. Rogers, Jr., Cibeline Sariano, Peter Thomas, Art Velasquez, David Weinberg, and Chad Willis for their candor and willingness to participate in this project.

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Finally, to my family, my mom, Shirley, my sister, Linda, my brother, Jeff, my sister-in-law, Danielle, and Aunt Phyllis who heard numerous times about this process and still are willing to talk to me about it! It truly does take a village.

# Introduction

*en-tre-pre-neur—noun, translated from its French roots, means “one who undertakes.” The term entrepreneur is used to refer to anyone who undertakes the organization and management of an enterprise involving independence and risk as well as the opportunity for profit.*

In 1985, there were 13 billionaires in the United States. A little more than 24 years later, there are more than 1,000 billionaires. Their wealth comes from all areas of the business world, and they are generally very generous individuals.

Today, we find more and more information in the news media about the philanthropic sector, sometimes called the independent sector. There are articles in newspapers on a daily basis, and almost weekly you can learn from a television news program of some charitable endeavor done either by everyday Americans or celebrities. There are Internet Web sites wholly dedicated to providing information as well as blogs and podcasts.

The nonprofit sector accounts for nine percent of all those employed, and the numbers are still going up. However, the philanthropic sector is still not thought of as an automatic or sometimes even a viable career choice. Just think back to when you were growing up. My guess is that you were told you could be a doctor, a lawyer, a businessperson, an engineer, a scientist—even an astronaut or the president of the United States. However, my guess is you were not told about the careers that could be found in the philanthropic world. Working in the nonprofit world is not something that career counselors advocate, let alone raise as a possibility. However, there are many jobs available in the nonprofit sector beyond those involving fundraising, including working as a doctor, social worker, information technology staff, engineer, or chief financial officer for a nonprofit organization; even security personnel, chefs, teachers, and others are needed. But here’s a piece of advice for those looking for new careers: if you can raise funds, meaning that you can ask someone for a charitable donation in such a way that they are left with a good feeling that they have made a difference in someone’s life or in their community, you will always have plenty of job opportunities. I nodded knowingly this year when *US News and World Report* listed fundraiser as one of the best careers for 2009.

Many entrepreneurs, after having built a successful business and selling it, are looking for an “encore” career. This situation is a prime opportunity for entrepreneurs to explore the nonprofit world as an encore career choice or activity and for the leadership of nonprofit organizations to seriously work to engage these very talented individuals.

I am often asked when I decided to become involved in the philanthropic world primarily as an active fundraiser. My immediate response is that I have always been involved in raising money for a worthwhile cause and have been willing to ask others to support a cause, a candidate (for a while I did political fundraising), or a nonprofit organization. I fondly recall that while taking a step aerobics class at a university for which I worked, a colleague of mine commented, “Your workout t-shirts always have a cause on them; you are a walking advertisement for the causes you care about or those you are involved in.” I thought about this statement and realized it was true. My entire life has been dedicated in one way or another to supporting causes I care about and asking others to consider being supportive, too.

I am, therefore, very excited to share this book about entrepreneurs and nonprofit organizations. My actual research in this area began over 10 years ago while I was working on my master’s degree, but my work with entrepreneurs has been ongoing since I began fundraising. Entrepreneurs, better known as small business owners in many communities, were the ones I found always willing to consider new ideas, new candidates, new projects, or new nonprofit organizations. What I found amazing is that most of my colleagues overlooked this part of the business sector when seeking charitable donations. And, according to an article published in 2008 in *The Chronicle of Philanthropy*, a study revealed that most charities do not seek out donations from small businesses.

Entrepreneurs are the individuals most likely to make a transformational donation. By *transformational*, I mean a philanthropic donation that changes the course of or has a tremendous impact on a nonprofit organization. However, most entrepreneurs do not have a plan of action or strategy for their philanthropic activities. They tend to choose charities and charitable activities because of their own personal interests or those of their employees. For example, if an employee is diagnosed with a particular disease, the nonprofit organization associated with that disease might be the company’s charity of choice.

Additionally, entrepreneurs, especially young entrepreneurs, are beginning to incorporate philanthropy into the plans of their company from the beginning. They see a value in combining their business strategy with their

philanthropic strategy. The interviews with Suzy Bogguss, Cibeline Sariano, and Chad Willis highlight how they incorporate their charitable efforts into their businesses. Business owners are also working to include their employees in the decision making regarding the company's philanthropic endeavors. The interviews with Alfredo J. Molina, Carolyn Gable, Bill Imada, and John W. Rogers, Jr. (see the section "Entrepreneurial Stories") detail some of the ways they include and encourage their employees to become involved in philanthropic activities. At the beginning of each entrepreneur's story is their personal bio. My interview with them follows their bio. I think you will read that the key to success in engaging entrepreneurs is for the leadership of nonprofit organizations to be patient as the company grows.

In these tough economic times, I am often asked if Americans will continue to be generous. The answer is yes. Research has shown that during every recessionary period the United States has gone through since 1967, giving has only decreased on average by 1.3%, whereas in good economic times, giving increases by 3% to 4% annually. These are pretty good odds. Through reading this book and the interviews I conducted with entrepreneurs, you will come to realize that it is individuals, especially entrepreneurs, who will help the nonprofit sector survive these tough economic times and thrive!

It is my hope that in the following pages entrepreneurs as well as the leadership and staffs of nonprofit organizations will discover a means for creating a win-win situation for everyone involved in the philanthropic world. It is a wonderful and amazing place in which to work and become involved. It is the place where dreams *do* come true.

