



# PAYING ATTENTION

## *Ethics and Philanthropic Fundraising*

AFP – Greater Arizona Chapter  
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# OBJECTIVES FOR SESSION

- ◆ Conversation about ethics and ethical decision-making
- ◆ A quick overview of the purpose and role of the AFP Ethics Committee
- ◆ Explore an ethical decision-making model
- ◆ Applying the model and the AFP Code to ethical issues you face in your work

# ETHICS IN UNCERTAIN TIMES

- ◆ What are our guiding principles in turbulent times? Personal, professional, organizational and public values.
- ◆ Some would say we are in this mess because of a lack of principled behavior.
- ◆ So, what is our role as leaders in our profession and organizations? Moral teachers and guides.

# BETWEEN THE REAL AND IDEAL

- ◆ The professional adventure...between expertise and social compact
- ◆ Philanthropy as a public practice
- ◆ Philanthropic fundraising as a calling
- ◆ Ethics as reflective practice – dialogic and educational

# ETHICS AND PAYING ATTENTION

- ◆ How I learned to pay attention...
- ◆ Attending to the most important values, relationships, issues in our lives
- ◆ Paying attention as leadership
- ◆ Paying attention in a democracy – the genius of the intersection of individual and common values

# LIVING AND WORKING MORALLY

- ◆ Reflective practice – the meaning of ethics
- ◆ Common vs. individual values – the tension and balance that define American culture
- ◆ Where do we learn this stuff?

# ETHICS AND VALUES IN ORGANIZATIONAL LIFE

- ◆ The integrity of mission and daily work
- ◆ The leadership and management structures and practices that create healthy, democratic organizations
- ◆ The ethical discernment and decision-making process



# ORGANIZATIONAL INTEGRITY

- ◆ Stephen Carter's definition: reflect, act, and be accountable
- ◆ The links between the values we claim and the ways we lead our lives
- ◆ The challenges to be agile and pursue accountability
- ◆ Encouraging common work

# VICE AND VIRTUE IN ORGANIZATIONAL LIFE

- ◆ The seven deadly sins: pride, lust, gluttony, sloth, anger, covetousness and envy
- ◆ The virtues: prudence, justice, fortitude, temperance, faith, hope and charity
- ◆ Where do we see examples of vice and virtue in our experiences of organizational life?

# AN ORGANIZATIONAL ETHICS STATEMENT

- ◆ Independent Sector model  
([www.independentsector.org](http://www.independentsector.org))
- ◆ Donor Bill of Rights
- ◆ Process and substance – inviting our staffs and trustees into the dialogue

# ETHICS AND PHILANTHROPY

- ◆ Fund raising and baseball—not just about dilemmas, hot issues...
- ◆ Professional ethics and the ethos of professions - defining public character
- ◆ My moral stories and yours: an aspect of reflective practice
- ◆ The various contexts of moral activity: personal, organizational, professional, public

# PERSONAL ETHICS

- ◆ What is ethics? Why should we care?
- ◆ Finding a vocabulary and the skills to negotiate a moral life
- ◆ Living with the messiness of human life: learning to be morally reflective—making a list and checking it twice
- ◆ Moral autobiography

# PROFESSIONAL ETHICS

- ◆ What are the virtues and principles we value as professionals in the philanthropic community?
- ◆ Let's look at the AFP code
- ◆ What does it mean to be a professional?
- ◆ Philanthropy as an ethical act and fundraisers as moral teachers

# A QUICK EXERCISE

- ◆ Let's take the ethics quick quiz
- ◆ How do you decide the “right” answer?
- ◆ Codes, intuition, relationships, laws...

# THREE STRANDS OF ETHICAL THEORY

- ◆ Deontology – rules-based
- ◆ Utilitarianism – consequences
- ◆ Character – vice and virtue



# AFP ETHICS COMMITTEE

◆ A group of your colleagues who meet twice a year to attend to several aspects of the work of AFP as relates to professional ethics

- Education is our top priority
- Continuing review of the AFP Code of Ethics and Professional Standards
- Enforcement of ethics violations

# ETHICS EDUCATION

- ◆ Resources for your study and practice of ethical fundraising – on the AFP website
- ◆ Programs at the International and other conferences
- ◆ Tools and resources for chapter programming

# ETHICS REVIEW

- ◆ The AFP Code of Ethics and Professional Standards is a living document, always under study and review, ensuring that it is setting ethical parameters that are clear and relevant to our work as fundraisers
- ◆ Dialogue between theory and practice, between the real and ideal

# ETHICS ENFORCEMENT

- ◆ Standardized process for receiving ethics complaints (to the CEO of AFP)
- ◆ Most are handled at that level
- ◆ Certain cases come to the Committee for a judicial process that involves the gathering of evidence, court hearings and final judgments and sanctions as appropriate

# ETHICAL DECISION- MAKING

- ◆ Four central perspectives that influence and inform ethical decision making for professionals in philanthropy
  - Public trust/values
  - Organizational mission
  - Professional relationships
  - Personal integrity

# THE BASIC COMMITMENTS OF PHILANTHROPIC PROFESSIONALS

PUBLIC TRUST/VALUES

ORGANIZATIONAL MISSION

PROFESSIONAL RELATIONSHIPS

PERSONAL INTEGRITY

# PUBLIC TRUST/VALUES

- ◆ Channeling moral energies—the expressive dimension of our lives
- ◆ Social reform
- ◆ Gift-giving: charity, compassion, generosity
- ◆ Gift-receiving: gratitude, mutuality, stewardship
- ✓ What are the public values we uphold?



# ORGANIZATIONAL MISSION

- ◆ Why we exist as a philanthropic organization.
- ◆ Clarity of mission and values
- ◆ Consistency with mission and values
- ◆ Efficiency/effectiveness of mission-based activities
- ✓ What are the values of your organization and how do we live them out?



# PROFESSIONAL RELATIONSHIPS

- ◆ The critical role of trust: agency, systems, interpersonal trust
- ◆ Respect and fundamental moral worth
- ◆ Particularity—personalization
- ◆ Honesty; Fairness; and Cooperation
- ✓ Are your professional values adequately included in various codes of ethics?

# PERSONAL INTEGRITY

- ◆ Harmony with soul
- ◆ Fidelity to ideals
- ◆ Accountability
- ◆ Judgment, responsibility, and moral courage
- ◆ Finding our balance—virtues and vices—  
living in a messy world
- ✓ What's on your list?

# THE ETHICAL DECISION- MAKING MODEL

Alternatives	1	2	3	4
Public Trust/ Values				
Organizational mission				
Relationships				
Personal Integrity				

# APPLYING THE MODEL

- ◆ Public trust: How does this alternative promote or detract from public philanthropic values?
- ◆ Organizational mission: How does this alternative promote or detract from organizational mission?
- ◆ Professional relationships: How does this alternative affect long-term relationships with colleagues, donors, volunteers, and the public?
- ◆ Personal integrity: In what ways does this alternative help or not help you develop into the sort of person you want to be?

# ETHICAL DECISION-MAKING STEPS

- ◆ What are the critical facts?
- ◆ What are the key, perhaps competing, values and ethics at stake?
- ◆ Who are the players and stakeholders in the decision?
- ◆ What are the driving forces?
- ◆ What is the worst-case scenario?

# WHAT ARE THE ETHICAL DILEMMAS WE FACE ?

- ◆ Relationship issues – e.g., donor intent, making the ask
- ◆ Economic issues – e.g., tainted money
- ◆ Personal vs. organizational issues – e.g., impropriety, compensation
- ◆ Cultural diversity issues
- ◆ Technology issues

# YOUR ETHICAL ISSUES AS FUNDRAISERS

- ◆ Loyalty vs. honesty
- ◆ Transactional vs. transformative relationships
- ◆ Who does what? – the issue of expertise
- ◆ What else?



# APPLYING THE AFP CODE

- ◆ A set of case studies to get the conversation started...
- ◆ Ethics as dialogical
- ◆ Ethical deliberation as social
- ◆ Discussion leading to a decision about what to do
- ◆ What to do and why...



# Lists for the taking

Your small college has decided to put the alumni directory on your website (allowing access to all alumni). You are worried that some alumni may misuse the privilege of access to the list and begin to contact others for commercial purposes or political fundraising. What might you propose to ensure that lists are not used inappropriately?

# Cozy Business

A member of the faculty of a two-year community college phones the advancement officer with an idea for supporting the college's annual fund. This faculty member has a print and frame shop that she runs "on the side." (Many other faculty members also have businesses.) She suggests that she bring a selection of inexpensive prints to her office for a couple of days, and through the college's e-mail system, invite faculty and staff to come to her office to look at what she has for sale. She says her e-mail message will state that 10 percent of all sales will go to the college's annual fund. Do you see ethical problems with this arrangement?

# The Mask of Prejudice

You're chief development officer at the City Community College Foundation. Your most promising prospect, a prominent businessman, has begun hinting about a seven-figure endowment gift. The prospect has also made little secret of his contempt for a certain minority group. Your most promising deputy (and probable successor), Bill Bell, is a member of that minority group. Under normal circumstances, you'd introduce Bell to the prospect and have him help with the solicitation. But is this big chance "normal circumstances?"

# Freelance Commission

Money is tight at your agency and you do not have the time to write a specific grant proposal. Your chief executive officer (CEO) asks you to contact a highly-skilled, freelance grant writer in town. She only charges if a grant is funded, but then she asks for a percentage of the grant as her fee. How do you respond to the CEO?

# Double Agent

Amy Ames, director of development at West End School, has been cultivating a donor who's approaching a decision on leaving her estate to West End, her grandson's school. Ames accepts an offer to become chief fundraiser for East End School; in the meantime, she learns that her prospect has a granddaughter at East End. The elderly donor has become quite fond of Ames, who would start this new job with a bang if she could deliver a \$400,000 bequest. Should she continue to court the donor--for her new school?

# Recognition Categories

You are director of development for a retirement community that is sponsored by several churches in town. The Mennonite Church, with its tradition of quiet giving, has been a strong supporter. However, support is increasing from another denomination, whose members feel strongly that big donors deserve public, hearty thanks. You are worried that you cannot simply cater to each group, but that a clash is brewing. What do you do?



# SUMMING UP

- ◆ Practice, practice, practice...your list
- ◆ Resources: [www.afpnet.org](http://www.afpnet.org),  
[www.ephilanthropy.org](http://www.ephilanthropy.org), Anderson, Fischer,  
and Rion texts
- ◆ Professional peers: keep talking about the  
issues you face, write your own cases
- ◆ Organizational peers: write an ethics code,  
keep the conversation alive, case studies

# WHAT SHALL WE DO?

- ◆ Be a force for good
- ◆ Be informed advocates for philanthropy—  
moral teachers
- ◆ See leadership as stewardship
- ◆ Be full of hope
- ◆ Keep the faith



# PLEASE JOIN ME IN CONVERSATION

- ◆ *Notes for the Reflective Practitioner*; musings, references, ideas, practices
- ◆ An e-mail newsletter published every two months
- ◆ Helping to form a community of reflective practitioners
- ◆ Send me an email ([augpres@augsborg.edu](mailto:augpres@augsborg.edu)) to subscribe