

and architectural drawings of the new Bennet Pride in Existence Center.

"Really, this is kind of a pointless disagreement about what you wish other people would do with their money," said King. "Ultimately, some organizations will receive donations and others won't, and the ones that do get funded will be those that have figured out how to demonstrate the biggest bang for the buck in the right way."

"Yes, isn't that the question here?" asked Benegas. "The numbers tell us which programs work, and it's our moral responsibility to act accordingly."

"Lupe, you really may not be cut out for this," answered Bennet. "Yes, the participant data are important, and we always include some of your information, so your time has not been wasted."

I was beginning to understand the issue. Benegas opposed creating the new program to recruit 40- to 60-year-old corporate mid-levels to run non-profit organizations (the "Bravo Careers" program), an infectiously attractive idea to major donors and national foundations—including Mr. Bennet's network of business leaders. Benegas felt that PPE should devote its efforts to the existing youth employment program, since it had had proven success and community benefit. To Benegas the Bravo Careers venture had none, despite its rich ability to attract funds.

"We have to go where the momentum is, you know that," King explained. "Our funders want us to be change agents, and this is how they want us to do it. Outside people have plenty of influence and good ideas. What do you think was more important when the state tripled our job training contract, program numbers or having the Governor bring the Commissioner of Jobs and Training to PPE for a tour?" he challenged.

"No one is telling you to lie, Ms. Benegas. It's a matter of emphasis," said. Bennet.

I tried to stay neutral and supportive, but I'm afraid I cost Benegas her job when I raised the matter of an unusual footnote, 15b, I remembered reading this unusual footnote somewhere in the progress reports Lupe wrote to the Results Foundation. "Lupe, I definitely think you have been successful in making this case to PPE's funders; the Results Foundation specifically cites your 15b outcome calculator in their annual report."

Benegas took a deep breath. "Do you really want to know what that's about, Mr. Anthrop? Then I'll tell you."

"Lupe, I think this has gone far enough," spoke up Joe King in a much louder voice. "Why don't you take a break?"

"Oh no, we've started this, we might as well get everything out in the open," Benegas responded, looking flushed, but determined to tell a long story about exposing untruths. "They want to be seen as scientific investors, but this funding is just shopping cart philanthropy: they want to buy some of these and some of those without really learning anything. The guidelines? The outcome measures? Fake, fake, fake."

Over the next half hour Lupe Benegas confessed her frustrations about developing reams of statistics that she felt were never seriously examined. After five years of this she had begun inserting test phrases into grant reports, including 15b.

Footnote 15b, Benegas confessed, was described in early reports as an automated adjuster for average participating PPE job trainee's income, adding a share of that year's lottery winnings assuming all low-wage workers bought lottery tickets, effectively adding a 1/1,000,000th percentage point to their annual income.

There was silence in the room when she finished, and King quietly said "Lupe, you know I love you, and some day we may look back on this and laugh, but you had best clean out your things and move on."

I was assigned to smooth the waters with the Results Foundation, a task which I failed miserably. When I met with their board chair (and major client of Consolidated Mammon), Sarah Wingate, I thought we might have a quick chuckle and move on, agreeing to keep it quiet. In a rare verbal misstep for me, I said, "Sarah, in a way this will actually turn out to be quite helpful to the Results Foundation, since you've gained a new appreciation of how the foundation has been lax in reading reports and tracking grantees."

Not only were Wingate and the foundation deeply offended by the subterfuge, Wingate announced that the Association of Large Foundations was that same day making public the news that the Results Foundation was receiving its Golden Millionaire award for published annual reports. The press release lauded the foundation's transparency in reporting its complex evaluation criteria—specifically citing the 15b outcome calculator.

I had to call King to tell him that the Results Foundation wanted all their grants from the last nine years back, to be routed through the Scottsdale Community Foundation. And, yes, I'd be sending in my resignation letter to the board that afternoon.

Three years later we've all moved on. I'm back to consulting. Lupe is now at the Arizona Department of Jobs and Training, investigating the Governor's tax-break job creation claims. PPE launched its "Bravo Careers" program to remarkable fanfare and discreetly un-quantified results—a winning fundraising formula. And transparency in evaluation criteria? Mum's the word.

**PHIL ANTHROP** is a consultant to foundations in G-8 countries.

Reprints of this article may be ordered from [store.nonprofitquarterly.org](http://store.nonprofitquarterly.org), using code 140115.

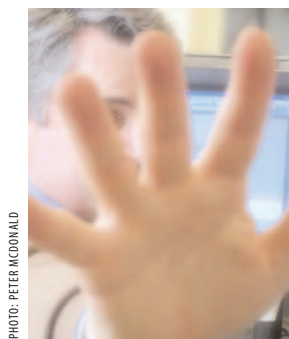


PHOTO: PETER MC DONALD

# Emotional Returns Sometimes the Most Measurable

by Phil Anthrop

**I**HAD NO IDEA WHEN I JOINED THE PPE board that an epic battle had been raging for years.

The Project for Pride in Existence was the most highly acclaimed job training organization in Phoenix, so I was thrilled to join the board shortly after I relocated to Arizona to head up Consolidated Mammon's Charitable Gift Fund. They wanted me on the development committee, and I was happy to help.

PPE (as everyone calls it in Phoenix) is one of those organizations that the community just knew was excellent, and it seemed to be everywhere—with corporate sponsors, an appropriately pitched, glitzy-but-gritty annual fundraiser, state and county contracts, and a growing portfolio of local and national foundation grants and major donors.

What could go wrong in an organization lauded for moving long-term underemployed men into \$17/hour jobs with benefits? I was headed for my Jeep after the PPE board orientation lunch at the Ritz-Carlton when Lupe Benegas caught up with me.

"I saw you agreed to be on the Development Committee. I think you should know what's actually going on," said PPE's young Deputy Advancement Director. Just then Joe King, PPE's longtime President (a former priest and a

community institution in his own right) came up to thank me for joining the board and ask about a mutual acquaintance, so Lupe Benegas shook my hand, gave me a knowing look, and left.

This small interaction was a tip-off—but not about the nature of the issue. That was made painfully clear two weeks later at my first Development Committee meeting, in a screaming match over fundraising strategy between Benegas, Joe King, and Dorrance Bennet, chair of the committee, one of the wealthiest people in Phoenix, and a self-described "business realist."

As I listened to the argument in the PPE President's office, memories of grad school battles between the "quants" and the "pols" filled my head.

The Quantitative side was taken by Benegas. "This is not a rational process! The entire field of philanthropy has spent years discussing outcome measures, but the truth is they get superficial attention. What the hell is going on here?" Benegas wanted PPE to base its public communications and foundation proposals on the organization's carefully documented outcome measures, not on PPE's traditional anecdotes and emotional tugs.

It was refreshing, and actually a little bewildering, to see "business realist" Bennet take the opposite tack:

"Foundations and corporations will

never base their decisions on a numerical equivalent of college entrance calculations—a simplistic two-axis grid of GPA and SAT scores. This is why engineers tend to be poor fundraisers: they expect a result based on reason alone! These are humans, for God's sake! With emotions! You have to engage them!

"Do you think \$10-million donors considering Yale and Stanford would make this decision based on graduation rates and GPAs?" continued Bennet. "No, they made their pile, and now they're going to enjoy it."

Joe King didn't call himself a "charity realist," but he just as well could have. "Lupe, I know you have a master's degree that was all about measuring results, but what's going on here is different. Ultimately, it's about creating an emotional return on investment," King said. "What is of greatest consequence is how the contributor feels after a donation—and this is true of mega-donors and large foundations as well as for \$5 donors."

I could see that Bennet and King were scoring no points with Benegas, who had invested thousands of hours in outcome measures with voluminous documentation, only to be shoved aside by compelling stories of heroic single fathers, DVDs of tearful, employed men,

*Continued on page 79* ↪