Lessons from Billionaire Philanthropists

As we look back over the past issues of OFR in the know, one topic that is consistently reported on is the Giving Pledge. We are increasingly hearing how the wealthiest individuals and families in America are committing themselves and their money to making a difference through philanthropy. There is much to be learned from these prominent individuals, and the BridgeSpan Group has offered us a rare opportunity to glean some advice from the experts with their new project, “Conversations with Remarkable Givers.” Bridgespan has conducted video interviews with more than 54 U.S. philanthropists and foundation leaders with an attempt to make philanthropy more effective through lessons and stories from some of the country’s most prominent billionaires.

During these 2-3 minute videos, individuals from some of the largest and most recognized foundations discuss their personal experiences on giving, and reflect on their philanthropic journeys, sharing wisdom and advice to other givers. There are some common themes that are present in many of the philanthropists’ videos, some of which have been featured in past digests. Not surprisingly, one of the frequent topics discussed in the videos is the desire to make an impact through giving, especially one that can be measured. Many of the billionaires view philanthropy as an investment, one that goes beyond just writing a check. In his video, Pierre Omidyar, founder of the Omidyar Network, spoke about his decision to move away from a traditional foundation and instead, create a network to invest in for-profit organizations as well as traditional grantmaking to further his impact.

Additionally, many of the billionaires that were interviewed advised new philanthropists to start giving immediately. Laura and John Arnold, co-founders of the Arnold Foundation, commented that they “enjoy the challenge of giving money away effectively,” and go on to say that they do not want their resources to be allocated after their death when it is beyond their control.

Click here to watch the videos.

Sources: "Lessons from Billionaire Philanthropists: The Short Version“ Forbes.com
11/27/2012
http://www.givesmart.org
Each month we strive to identify and report on new foundations; however, it is equally important to recognize those foundations that have significantly transformed. In 2012, the Goldhirsh Foundation re-launched in Los Angeles, CA, and is now led by Ben Goldhirsh, co-founder and CEO of GOOD, a media platform that promotes, connects, and reports on NGOs, individuals and non-profits who are doing work to "push the world forward." The Goldhirsh Foundation was originally established in 2000 by MIT alumnus Bernard Goldhirsh, and committed millions to brain cancer research. After Bernard's death in 2003, his son, Benjamin Goldhirsh, became director of the Foundation and began to steer it in a new direction.

The Foundation re-launched this year and now supports initiatives in three areas: opportunity, sustainability, and activation. They seek to deliver financial capital, social capital, and human capital to create a network of support for innovators. Many of the Foundation's initiatives center around the idea of fostering entrepreneurship in education, environment, and the economy. The overarching theme of the Foundation's grants thus far includes empowering communities, especially marginalized ones, to make positive changes to improve their own lives and the world. The Foundation's largest effort is LA2059, which seeks to rebuild and reshape the city of Los Angeles. For more information, visit the Goldhirsh Foundation's new website: http://www.goldhirshfoundation.org.

Sources: http://www.goldhirshfoundation.org  
"Do the Right Thing" Los Angeles Times 7/23/2006

Hot Topic

Multi-Year Grantmaking

We follow last month's piece on general operating support vs. program support with a look at another tension in the non-profit world: multi-year grantmaking. There has been attention for some time on the importance yet difficulty in obtaining multi-year support from foundations. In a 2006 report, the Center for Effective Philanthropy noted "it is not operating support alone that generates higher ratings of impact on the grantee organization, but rather operating support of sufficient size and duration." The tenor in the call for increased multi-year grantmaking (by non-profits and even some foundations) has reached a new high in the wake of the recession. While it is expected that multi-year funding (defined as a firm commitment to at least two years of funding, not merely a series of distinct grants provided to the same recipient on an annual basis) has declined significantly in the last few years, many are concerned that unless the decision makers of foundations take serious steps to re-establish multi-year giving as their assets start to rebound, nonprofit organizations and the communities they serve are in for years of increasing uncertainty and diminished impact. For the full story and many interesting supporting statistics, click here.

How the Internet will (one day) transform...philanthropy?

In this 2012 TED Talk, Clay Shirky, social media theorist, argues that democracies can take a lesson from the Internet to not only be transparent, but also to draw on the knowledge of all their citizens. Watch the video [here](#) (and perhaps some of his other interesting talks [here](#)). Then, we ask you to consider how these ideas may (or may not) relate to foundations, philanthropy, and/or higher ed.

New in the OFR Toolkit

Great new resources for content on issues and different perspectives on the field of philanthropy:

- Foundation Center’s [IssueLab](#)
- BBC News: [The Business of Giving](#)

About the OFR Digest

The OFR Digest is a monthly newsletter for students, faculty, staff, alumni, and friends of MIT published by Dana Schweitzer and Angela Frey of the Office of Foundation Relations. Click [here](#) to subscribe.