12-1-2009

# Magnifying Success: Using the Lens of Positive Psychology/ Positive Organizational Scholarship to Examine Fundraising at Princeton Healthcare System Foundation During an Economic Recession

Beth A. Crutcher
*University of Pennsylvania*, bethanncrutcher@gmail.com



Submitted to the Program of Organizational Dynamics in the Graduate Division of the School of Arts and Sciences in Partial Fulfillment of the Requirements for the Degree of Master of Science in Organizational Dynamics at the University of Pennsylvania
Advisor: Ruth L. Orenstein

# Magnifying Success: Using the Lens of Positive Psychology/ Positive Organizational Scholarship to Examine Fundraising at Princeton Healthcare System Foundation During an Economic Recession

**Abstract**

In this thesis, I explore the fundraising success of Princeton HealthCare System (PHCS) Foundation during the worst economic conditions in the past forty years. The lens of Positive Psychology/Positive Organizational Scholarship is uniquely useful to better understand what worked. I provide a background on PP/POS and Appreciative Inquiry and briefly discuss their history, major tenants and areas of current research. Chapters three and four further examine the application of positivity by the organization's leadership, staff and/or volunteers and how it led to extraordinary results. A few examples of situations where Appreciative Inquiry was helpful in building consensus and shared enthusiasm are discussed. I review the implication of certain virtues such as transcendence and discuss the positive impact of its related character strengths on our stewardship program. The final chapter addresses some areas of organization weakness and related solutions garnered from my work at The Program in Organizational Dynamics. I also review and answer my thesis questions regarding the applicability of my courses to fundraising and take the liberty, in closing, to include a section of personal reflection.

**Comments**

Submitted to the Program of Organizational Dynamics in the Graduate Division of the School of Arts and Sciences in Partial Fulfillment of the Requirements for the Degree of Master of Science in Organizational Dynamics at the University of Pennsylvania

Advisor: Ruth L. Orenstein

MAGNIFYING SUCCESS: USING THE LENS OF POSITIVE PSYCHOLOGY/ POSITIVE ORGANIZATIONAL SCHOLARSHIP TO EXAMINE FUNDRAISING AT PRINCETON HEALTHCARE SYSTEM FOUNDATION DURING AN ECONOMIC RECESSION

by

Beth A. Crutcher

Submitted to the Program of Organizational Dynamics
in the Graduate Division of the School of Arts and Sciences
in Partial Fulfillment of the Requirements for the Degree of
Master of Science in Organizational Dynamics at the
University of Pennsylvania

Philadelphia, Pennsylvania

2009

MAGNIFYING SUCCESS: USING THE LENS OF POSITIVE PSYCHOLOGY/ POSITIVE ORGANIZATIONAL SCHOLARSHIP TO EXAMINE FUNDRAISING AT PRINCETON HEALTHCARE SYSTEM FOUNDATION DURING AN ECONOMIC RECESSION

Approved by: ______________________________________________

Ruth L. Orenstein, Psy.D., Advisor

______________________________________________

Rodney Napier, Ph.D., Reader

______________________________________________

Eileen Shanahan, MS., Reader

ABSTRACT

In this thesis, I explore the fundraising success of Princeton HealthCare System (PHCS) Foundation during the worst economic conditions in the past forty years. The lens of Positive Psychology/Positive Organizational Scholarship is uniquely useful to better understand what worked. I provide a background on PP/POS and Appreciative Inquiry and briefly discuss their history, major tenants and areas of current research. Chapters three and four further examine the application of positivity by the organization’s leadership, staff and/or volunteers and how it led to extraordinary results. A few examples of situations where Appreciative Inquiry was helpful in building consensus and shared enthusiasm are discussed. I review the implication of certain virtues such as transcendence and discuss the positive impact of its related character strengths on our stewardship program. The final chapter addresses some areas of organization weakness and related solutions garnered from my work at The Program in Organizational Dynamics. I also review and answer my thesis questions regarding the applicability of my courses to fundraising and take the liberty, in closing, to include a section of personal reflection.

ACKNOWLEDGEMENTS

"How do you do it all?" people ask.  I don't.  We do it: my professional colleagues, University community and family — and thank God (literally) for moments of grace, just when most urgently needed. Thank you to my former and current colleagues from the Princeton University and Princeton HealthCare System. To PHCS vice president Joe Stampe, I send special *Kudos*. Examples of your work run throughout this paper because your successful positivity is inspirational. I am indebted to the many scholars, professors and students who have showed me how to expand my intellectual curiosity and activism. Thank you, Eileen Shanahan for your consistent encouragement on this paper. Rod Napier, you have taught me more about sincerity than you'll ever know. Through your classes I gained insight into the way others perceive me and with your gentle guidance and wisdom am figuring out what to do about that! To my advisor Ruth Orenstein, your unflappable, outrageous optimism and breadth of knowledge taught me much and saved the day! I could not have done this without you – and didn't. Bill and Helen Stone—aka mom and dad—thank you for encouraging lifelong learning and demonstrating the importance of faith that works. Thank you Zack for taking care of Kira and your father while I was busy studying, and for always making me laugh. Kira, my heartfelt desire was to be a role model for you. Instead, *you* are teaching *me* about perspective and unconditional love. Good news: mommy's hands are free again instead of chained to the computer.  It's time to play! Lastly, sincere gratitude goes to my generous and brilliant husband.  John, my rock, this was possible because of your 150% participation. Thank you for the many years of encouragement, for buying me the GPS so I could find my way to class, and watching all those power point presentations, for being my biggest fan and best editor. You not only inspire the best in me, you give your all to help me obtain it.

LIST OF TABLES

LIST OF FIGURES

TABLE OF CONTENTS

# CHAPTER 1

# INTRODUCTION

This paper explores lessons from the field of Organizational Dynamics that are relevant to the challenges of fundraising. Princeton HealthCare System (PHCS) Foundation is an organization comprised of various stakeholders whose behaviors are impacted greatly by external and internal factors. New staff, the need to replace the 90 year-old facility, and the worst economy since the great depression have placed undue duress on the organization. When under stress, the organization relies on its staff and volunteers to give even more than usual of both time and money. My advanced education now faces a true challenge: Would I have learned more applicable lessons to guide my organization through this turmoil had I been earning an MBA? Or were there relevant lessons from my classes on topics such as ethics, culture change, and coaching that, when applied, could help me develop a resilient organization that can meet the literal demands of the bottom line? The Foundation has enjoyed tremendous success during a period of intense growth. If I better understood this success, could the lessons be replicated in the midst of a recession? We need volunteers and staff that are guided by the mission and who find the work rewarding enough to stay when multiple demands and opportunities present attractive alternatives. Decrease in funding could result in the demise of not only the Princeton HealthCare System Foundation, but of the regional hospital required for the care of tens of thousands of residents each year.

## Format

This paper describes the Princeton HealthCare System with emphasis on its fundraising arm ─ the Princeton HealthCare System Foundation. The first chapter documents the organization's history, how the case for a new hospital was determined and why the economy presents such a challenge. Chapter two provides a literature review on Positive Psychology and Positive Organizational Scholarship. Chapters three and four explore the organization's recent success when viewed from the perspective of PP/POS and Appreciative Inquiry (AI). This section of the paper more fully investigates specific examples of PP/POS research that illustrates some of the reasons that Princeton HealthCare System Foundation has attracted increasing volunteer support. I maintain that positivity has special application when working with non-profit organizations. During these most stressful times, we focused on maximizing high-quality relationships, while developing the most virtuous organization possible. This was a winning combination for our hard working volunteers and generous community. The final chapter addresses the limitations of this paper, identifies some of the areas that were not successful and includes a personal reflection on the experience of writing.

<u>The organizational challenge</u>

Princeton HealthCare System (PHCS) Foundation must raise at least $115 million to replace its aging acute care hospital − the University Medical Center at Princeton (UMCP). Some of the most pertinent obstacles to this goal include:

1. The hospital sits in the center of its wealthiest donor base and must relocate further away from the people with the most capacity to give.
2. When the campaign was launched, the fundraising arm of the System − the Foundation − was comprised of a staff of four people and did not have an individual major gifts program. Individual major giving traditionally comprises 80% of campaign income.

3. There is a limited culture of philanthropy within the System. Neither of the governing boards, nor the System staff were trained or expected to assist with regular major gifts fundraising, nor were System staff regularly solicited.
4. Fierce economic challenges include the recession, reduced government and insurance company reimbursement rates, and a growing non-insured/under-insured population.

UMCP is in an aging facility that is too small to accommodate the increased patient population and new technologies. After an 18-month exploration of options including failed attempts for re-zoning, a strategic planning process ultimately resulted in a unanimous approval by the System's board to purchase land and build a new hospital. Ground was broken for the new $447 million facility on October 3, 2008. During the same week, according to U.S. News and World Report, the Dow Jones Industrial Average suffered its worst one-day point loss ever. The new hospital funding plan requires $115 million in philanthropy. With construction cost inflation estimated at 9%, delaying the project would increase the budget over $1.2 million per month and therefore is not a viable option. Members of the boards and staff seek guidance on how best to proceed with fundraising in a climate where some indicators of consumer confidence are the lowest they've been in 16 years (Financial Times, 2008). This paper uses existing scholarship to document the viability of Positive Psychology/Positive Organizational Scholarship as an effective means for understanding and amplifying the success of the organization to date in order to maintain resilience. I argue that lessons from the broad field of organizational dynamics have been used to garner current success and can be further applied in a strategic manner to develop change management strategies that will result in the most effective fundraising organization possible during and following the current crisis.

The Organization

Princeton HealthCare System (PHCS) is a non profit organization serving the residents of central New Jersey. The System is comprised of an acute care hospital, behavioral healthcare facilities, acute rehabilitation, skilled nursing, home care, hospice care, ambulatory surgery, and fitness and wellness services. The primary affiliate is the University Medical Center at Princeton, (UMCP) a 280 bed teaching hospital founded in 1919. PHCS is managed by a board of trustees and employs just over 3,000 staff members, not including 900 affiliated physicians. The organization receives support from a 1,200 member volunteer core that provides nearly 70,000 hours of hospital service annually, the Princeton HealthCare System Foundation and the Auxiliary of University Medical Center at Princeton. The Foundation was founded in the 1970's to raise financial support for the System. The Auxiliary produces several special events throughout the year. All proceeds from the events are given to the Foundation, which in turn gives the funds, along with all of the Foundation's excess revenue, to the System. The two supporting organizations are not legally affiliated. Organizational growth has resulted in the need for a larger acute care hospital.

Relocation of the Campus

The decision to relocate UMCP emerged as the best choice for the hospital's future following extensive engineering and architectural analysis of the ability to renovate and expand the current facility. The benefits of relocating and the costs of both options, as well as the impact of both options on the ability to provide high quality care for decades to come, were also explored. There was a thorough dialogue with the community and public officials about the many complex factors involved. A summary of the options follows.

The Cost of Expansion

A comprehensive master facility analysis revealed a need to replace and expand key areas of the hospital over the next five to 10 years. In the first five years, it would be necessary to complete $50 million in renovations for interiors, equipment and information technology. Within the next 10 years, all the hospital's heating, ventilating, and air condition systems would need to be replaced. In addition, the hospital would need to make significant investments in expanding and replacing outdated and undersized facilities. Renovating the current nine-and-a-half acre campus would cost approximately $250 million based upon net present value calculations. Upon completion of the 10-year project, 60% of the facility would remain unchanged. The total cost would be less than building a new hospital on a new site, but renovation/construction costs would be approximately $100 per square foot more than the cost for new construction. Operational efficiencies would be lost due to design adjacency compromises that would adversely impact annual operating costs by 6%. (Kauffman Hall, 2006)

The Relocation Option

In comparison, relocating the hospital would require 50 acres of land, take five years to complete, 100% of the facility would be new construction and the cost was initially estimated at $350 million. Building on a larger site, not in the midst of residential neighborhoods, would allow the hospital to construct without disruption of service and also provide greater capabilities for additional future expansion. In addition, healthcare planning consultants estimated building new would enable the hospital to reduce its operating costs by as much as 20% (Kaufmann Hall, 2006).

The process to review and determine the best solution not only engaged members of the impacted communities, but also trustees of the Princeton HealthCare System, physicians, employees, volunteers, civic leaders, donors and municipal officials. The decision to relocate was reached in January 2005 following a two-and-a-half year strategic analysis and planning process. The hospital received the required approval from the state of New Jersey when it was granted a Certificate of Need in the spring, 2006.

Princeton HealthCare System Foundation

In his book, *The First Seventy-five Years: A History of Princeton Hospital,* author Harvey Rothberg (1995) describes the creation of the Princeton HealthCare System Foundation in practical terms.

> In 1977, the State Legislature considered making it mandatory that all gifts to hospitals be used to offset operating costs, including the provision of uncompensated care. The Medical Center needed to protect its capital funds, and so in 1978 it created a new entity, the Medical Center at Princeton Foundation. Initially, the Foundation's function was to provide funds for capital equipment; later it became the agency for all hospital fund raising, including major gifts, annual campaigns, and capital campaigns for major expansion (p.78).

The Foundation was not staffed for its first 11 years. In 1988, when the hospital needed expansion, the trustees hired Edward J. Gwazda as its first Executive Director. Gwazda, a chemist by education, had most recently served as the director of corporate and foundation relations at Princeton University. Gwazda managed the Foundation on a shoe-string for the next 17 years.

Changing Financial Picture

Through the 1990's, the Foundation raised between $1.2 and $4 million dollars annually, including interest income earned on its mounting savings. The costs to raise a dollar are unclear and the available balance sheets from the 1980's and 1990's lacked the specific details necessary to document the exact sources of income. The best estimates based on records from 2000-2006 show the Foundation vacillated between .35 and .49 cents to raise $1. During the same period the Princeton HealthCare System's financial picture was darkening. In 2003, after several years of operating in the red, PHCS trustees and medical leadership worked together to instigate several changes including ousting the former hospital president. Barry Rabner was hired in his place. As it became clear that a new hospital facility was needed, the pressure on the PHCS Foundation mounted.

Determining Campaign Readiness

Former President and CEO of Merrill Lynch William Schreyer encouraged the leadership to engage a campaign consulting firm to determine the readiness of the institution for a fundraising campaign. Schreyer had served as chair of both the Princeton HealthCare System Board of Trustees and the PHCS Foundation's Board of Directors. He had chaired his alma mater's campaign and offered to pay for the feasibility study if the System used the same firm. Rabner agreed and, in 2005, Grenzenbach, Glier & Associates (GG&A) was hired. After a six-month review of the organization which included 35 interviews with members of the community, staff and volunteers, GG&A concluded that the only way to achieve a successful campaign would be to radically change the Foundation' operational scope. If this was accomplished successfully and an effective campaign carried out, they estimated that the Foundation could raise approximately $52 million from the community.  The GG&A study included numerous qualifications for success.  Some of these included:

- strengthening the board,
- expanding the staff,
- obtaining new data management systems,
- identifying an appropriate location/drafting a compelling case, and
- soliciting adequate advance support.

Implementing the Plan: Foundation Growth and a Changing Culture

The executive director resigned from the organization in 2006 and new Foundation leadership was hired.  Joseph E. Stampe was named Vice President of Development. Between 2006 and 2009, Stampe implemented the vast majority of the GG&A recommendations including growing the Foundation staff from 4 members to 18 (see figures 1 and 2).

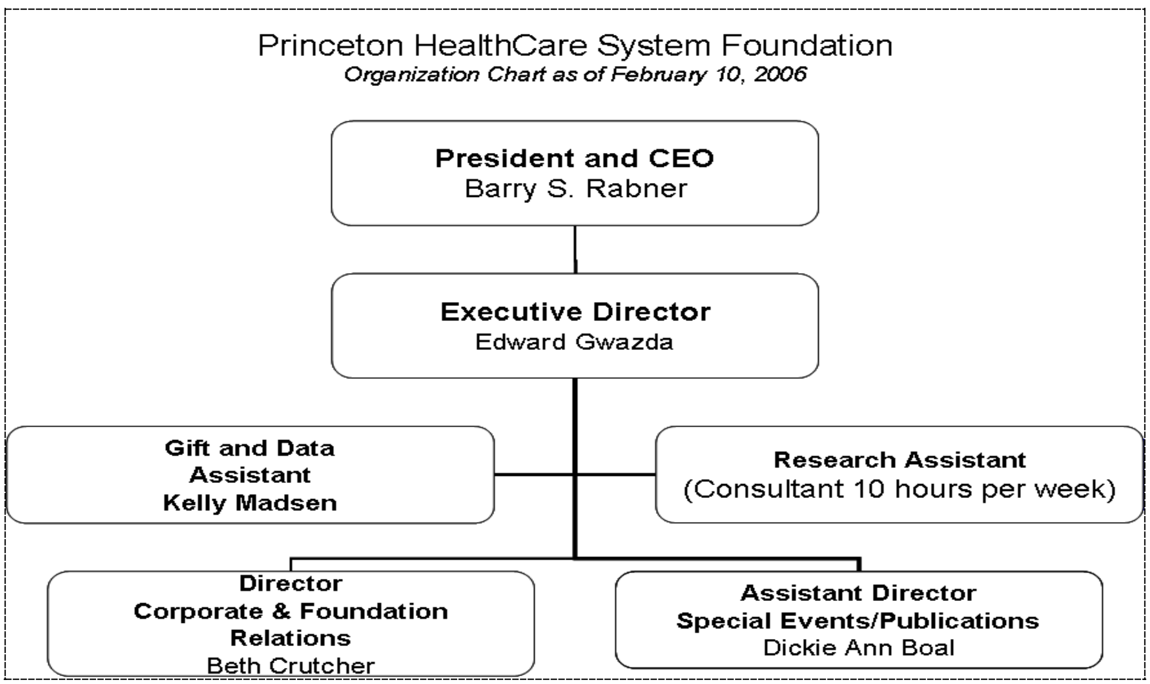


Figure 1. Princeton HealthCare System Foundation Organization Chart 2006

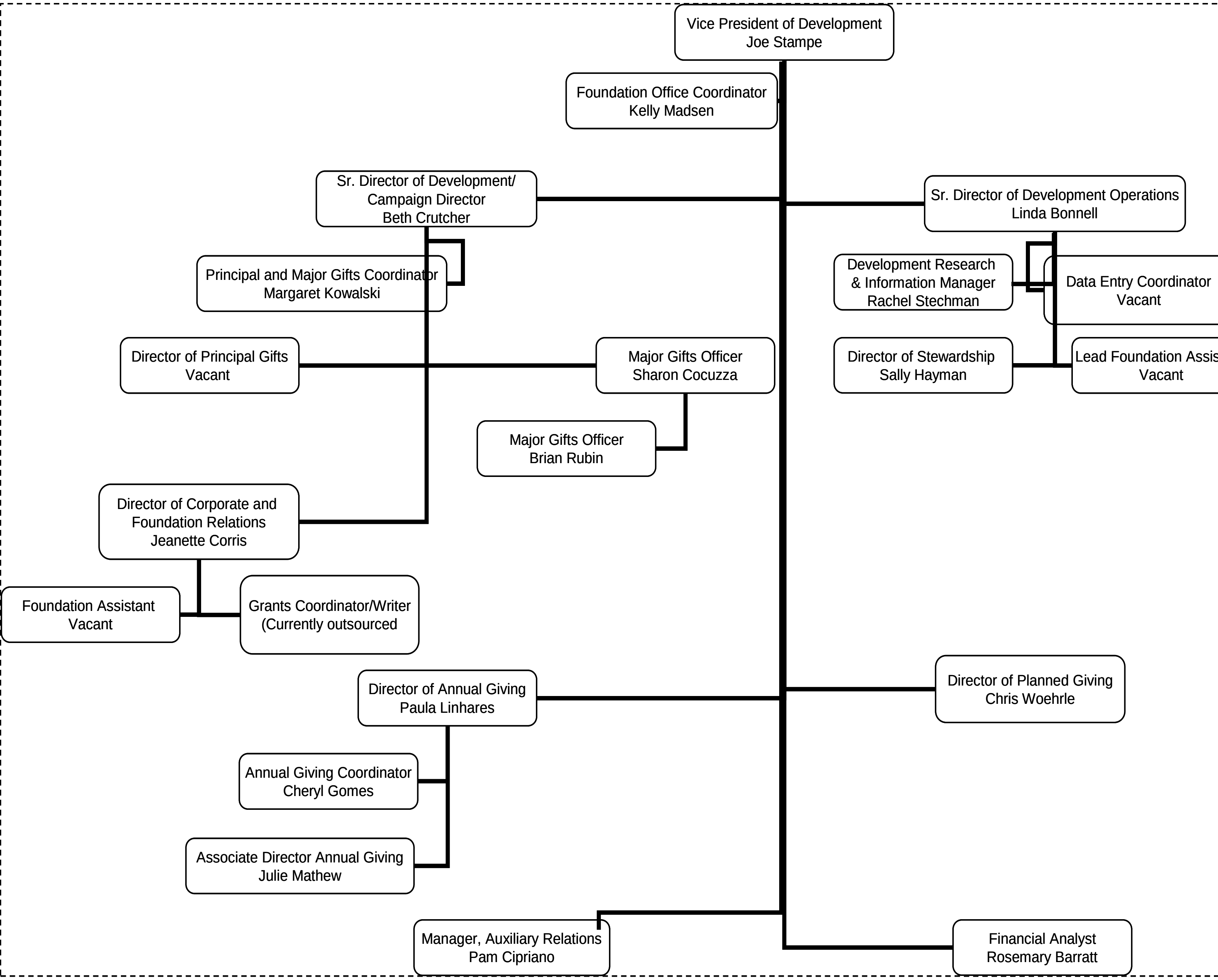


Figure 2. Princeton HealthCare System Foundation Organizational Chart 2006

Stampe's initial emphasis was two-fold: strengthen the infrastructure and raise big gifts. He succeeded on both fronts, from the mundane but critically important implementation of a new database conversion to dramatically increasing revenue.

Technology, Relationship Management and ROI

Managing relationships would be critically important as the staff grew and "corporate memory" was lost. Historian Dr. Rothberg (1995) described the evolution of the data management. "Early income data was logged by hand on accounting tablets. In the early 80's the former executive director began tracking gifts and donors on an excel spread sheet" (p137). From those days until just before the former director's departure in 2006, donor information was maintained on this innovative but limited system created from an Access database platform. It wasn't compatible with the hospital's accounting software and had no interface with the platforms used by Foundation employees, such as Windows or Outlook. In a lecture at the University of Pennsylvania, organizational theorist John Eldred (personal communication, February, 2007) describes a powerful person as one who is able to employ the use of an emerging technology. The Foundation's new staff understood that coordinating data would strengthen the Foundation now and in perpetuity. Stampe created new positions to manage the data and assist with timely gift entry and acknowledgement. He also went to work raising funds with the President and CEO, Barry Rabner. Stampe and Rabner quickly cultivated the largest potential donors. At the public launch of the campaign in 2008, over $62 million had been raised, including an individual gift of $25 million. At the time the gift was made it represented the largest single gift ever made to a New Jersey hospital and was featured on the Forbes list of Top Gifts (2008). Even excluding the $25 million gift, the cost to raise a dollar remained under .20 cents (see Figure 3).

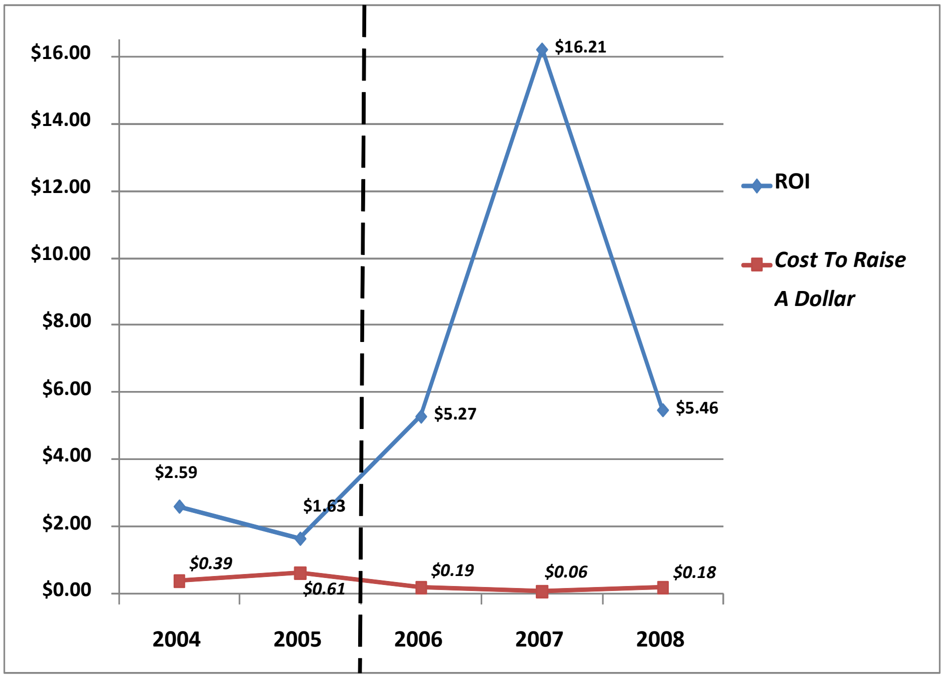


Figure 3: PHCS Foundation cost to raise a dollar 2004 – 2008.

It is worth noting that there were no systematic metrics in place prior to 2007 to measure levels of activity. As Stampe developed goals and began measuring them, activity increased substantially (see Table 1).

Table 1: 2006 / 2008 PHCS Foundation activity comparables

| | 2006 | 2008 |
|---|---|---|
| Total Gifts/Pledges: | $4,013,882 | $19,315,455 |
| Total Solicitations: | 13 | 140 |
| Total Prospect Visits: | 31 | 41 |
| Total Events: | 14 | 36 |
| Number of Event Attendees: | 710 | 3,250 |

The Foundation's early campaign success is impressive. However, it now faces the worst economy since the great depression. The "nearest and dearest" donors have given their campaign gift and the administration is discussing the need to raise the goal. What strengths can be drawn upon to remain resilient and maintain continued success? Are there lessons from the field of positive psychology that could be applied or used more strategically to specifically improve fundraising strategies?

# CHAPTER TWO

# POSITIVE PSYCHOLOGY/POSITIVE ORGANIZATIONAL SCHOLARSHIP AND THEIR IMPLICATIONS

## Defining Positive Psychology

Positive psychology is the study of what makes people and communities flourish. Martin E. P. Seligman, Professor of Psychology at the University of Pennsylvania, is referred to as the field's founder (Cameron, Dutton & Quinn, Eds., 2003). Establishing the discipline was an initiative he launched officially in 1998 while president of the American Psychology Association. Seligman emphasized the need to broaden the focus of psychology from minimizing mental illness to promoting full, rich lives (2000). Seligman and Csikszentmihalyi (2000) believe "the field of positive psychology is about valued subjective experiences which they identify as wellbeing, contentment, and satisfaction (in the past), hope and optimism (for the future) and flow and happiness (in the present)" (p. 5). Positive psychology assumes that happiness is an authentic state of being that can be analyzed and achieved (Seligman & Csikszentimihaly, 2000). Seligman (1998) described his hope for the new field as catalyzing a change of emphasis from a preoccupation with repairing the worst things in life to also focus on building positive qualities (as cited in Cameron et al., 2003, p.16).

## The Evolution of Positive Psychology

Seligman traces the development of psychology explaining that since World War II, most of psychology focused on what is wrong with individuals. While applauding the important progress of moving people from sickness to health, he maintained that the field had created a deficit bias (Cameron, et al., 2003). He outlined the history of psychology as having shifted in the 1940's primarily because of economic events. The founding of the Veterans Administration provided income for psychologists to treat soldiers who struggled with post-war trauma; and the National Institute for Mental Health was developed and awarded grants for research into pathology. Psychologists shifted their empirical work to assessing and curing individual suffering. Seligman co-authored an introduction to the field of positive psychology in a 2000 journal of *American Psychologist* with collaborator Mihaly Csikszentmihalyi. Csikszentmihalyi (2000) says that his interest in the study began as he lived through World War II in Europe. He was struck by the people who, despite losing their money and even family members, remained beacons of serenity and hope. “The experience set me thinking:” he said, “What sources of strength were these people drawing upon?” (p.6). The co-authors discuss the further evolution of psychology explaining that a new movement to embrace prevention of mental illness led to greater acceptance of positive psychology as a legitimate field; the major models that succeeded in prevention were based on systematically building competency as opposed to correcting weakness (Seligman & Csikszentmihalyi, 2000).

## Seligman’s Classification of Traits

Seligman examines positive outcomes through research into specific personality traits that have been consistently valued as adaptive in all humans regardless of culture (Cloninger, 2005). As Snyder and Lopez described (2004), competencies could be developed by nurturing virtuous traits, and those who demonstrated strength of character were generally found to be more competent (as cited in Cameron et al., 2003, p.54). In 2004, Peterson and Seligman published a handbook of 24 character traits based on six core virtues: temperance, justice, courage, practical wisdom, humanity, and transcendence. The personality traits are called "character strengths" because each is valuable in its own right, and also provides a path to wellbeing. The first category is wisdom and knowledge, which includes the strengths of open-mindedness, love of learning, and perspective.

Courage is the second virtue and its strengths are persistence, integrity, and vitality. The third category is humanity and includes the traits of kindness and social intelligence. Justice holds the fourth virtuous category and it is demonstrated through citizenship, fairness, and leadership. The fifth virtue in the Seligman/Peterson classification is temperance and includes humility and modesty. The sixth and final category is transcendence and includes the traits of appreciation of beauty and excellence, gratitude, hope, humor, and spirituality (Luthans & Youseff, 2007).

A growing body of research has been published in the last few years examining the positive affect of virtues and character strengths in organizations. A current focus of character traits scholars is to develop general consensus on the classification of traits in order to provide a working language that allows for researchers to use similar terms when writing about traits (Luthans & Youseff, 2007, Peterson & Seligman, 2008, Snyder & Lopez, 2002). These scholars build on the growing body of research that helps to legitimize positive psychology beyond popular culture. In the Seligman handbook of traits, each of the 24 are documented with psychometric evidence verifying its reliable measurement (Cloninger, 2005). From the earliest article introducing positive psychology, Seligman urged that strict scientific principles be as rigorously applied to areas of mental health as they had been to mental illness (1998).

Eight years later, Seligman is more bullish than ever on the importance of the field. His article in the *Journal of Applied Psychology* (2008) titled “Positive Health” cites numerous longitudinal studies demonstrating the startling results when comparing the better health and wellness of individuals who were more optimistic to the poorer health of those who were not.

Seligman uses the article to explain that bringing about wellbeing through positive relationships and engagements. He quotes a study that he co-authored with Rashid and Parks (2006) that documents their argument that positivity is the best defense against mental illness as well as physical challenges of aging and disease (as cited in Seligman, 2008). He cites numerous studies by scholars such as Frederickson, (2001), Isen, (2005), Hoekstra, Schouten, Zitman, Geleijnse & Giltay, (2004) that illustrate his claim that even when major risk factors are controlled for, happier people have less stroke and cardiovascular disease, an easier time with aging, and better prognosis following illness (as cited in Seligman, 2008).

Seligman has also explored the application of positivity at the group level, including research into traits such as responsibility, moderation, encouragement, tolerance and work choice (Seligman & Csikszentmihalyi, 2000). Given the growing media and scholarly attention on positive psychology's potential for preventing illness and increasing productivity, it is no wonder organizational scholars are adapting positive psychology to the field of organizational study.

<u>Positive Organizational Scholarship</u>

Positive Organizational Scholarship (POS) focuses on dynamics that result in especially positive outcomes, attributes of organizations and their members (Cameron et al., 2003). In the 2003 book, *Positive Organizational Scholarship: Foundations of a New Discipline,* authors Cameron, Dutton & Quinn acknowledge the tremendous influence of positive psychology and founder Martin Seligman. Like Seligman, they recognize the importance of addressing dysfunction, but suggest that it is time to balance the body of scholarship by focusing attention on positive states such as resilience (Sutcliffe & Vogus, 2003) and meaningfulness in work (Pratt, Rock & Kaufmann, 2001). POS advocates that the desire to improve is a shared human trait and as claimed by Lee, Edmondson, Thomke and Worline (2000) that by unlocking

capacities for elements such as relationship transformation and high-quality connections, organizations will flourish and thrive (as cited in Cameron, et al. p.194, 2003).
Similar to Seligman, they emphasize the importance of rigorous scientific evidence to document the research findings.

A 2003 journal article written by Positive Organizational Scholarship text co-author Kim Cameron and colleagues cites several studies documenting the effectiveness of organizations that practice virtues in buffering against stressors such as rapid pace of technological change and growing competition (Caza & Cameron, et al., 2004). The authors also extol the amplifying effect of virtues while admitting that these effects have been difficult to study, in part because of the improving performance as opposed to the study of excellence. Caza (2004) quotes a 1999 analysis by Walsh reviewing 17 years of Wall Street Journal articles in which Walsh documents an increasing use of aggressive language in reference to business (e.g., compete, battle, defeat), and almost no link made between business and ethos, that is, virtue, compassion, and integrity. In the same article Caza (2004) also quotes Bird and Waters who describe “modern business language as morally mute” (1989, p.174). This is unfortunate, because as the authors go on to say, positivity is contagious. Positivity is helpful to the development of resilience through its buffering effect and the way in which it perpetuates itself in others. POS scholars document these claims in a variety of studies, referring to the ‘amplifying effect’ (Caza & Cameron, et al., 2004).

Virtue in organizations

In discussing positive emotions and the upward spirals they create in organizations, Frederickson cites numerous findings that document her claim, such as: Weiner (1993) and Ryff and Singer’s work (1998) linking in a virtuous environment to better health (1998); Staw and

Barsade's study showing that employers who demonstrate virtue encourage workers who make better decisions (1993); and research by George (1998) linking innovation and flexibility to virtuous organizations, (all cited in Cameron, et al.., 2003). At the level of relationships, Haidt (2000) has done research documenting the strong organizational affiliations and elevated wellness achieved through virtuousness (as cited in Cameron, et. al., 2003). Understanding and building on organizational virtues is helpful for organizations that wish to continue to improve.

Improvement however, requires change. Due to factors such as the explosion of technology and globalization, and the time and attention required to implement effective organizational change, scholars such as Bennis (1963), Chin & Benne (2000) have focused on organizational development since the 1960's (as cited in Cameron, et. al., 2003, p. 226). As Cooperrider and Sekerka state (2003), most change efforts are based on the traditional problem-solving methods. One process that can be used to employ a more positive inquiry for the purpose of organizational development is Appreciative Inquiry.

## Appreciative Inquiry

Cooperrider and Sekerka define Appreciative Inquiry as the cooperative search for the best in people and their organizations (as cited in Cameron et al., 2003, p.225). Appreciative Inquiry (AI) involves a systematic discovery of what gives a system 'life' when it is most effective and capable. Asking questions using a specific design to strengthen a system's capacity for positive potential is at the heart of the AI practice (Cameron et al.,2003).

## History of AI

Appreciative Inquiry (AI) was cofounded by David Cooperrider and Suresh Srivasta in 1980 in the doctoral program in Organizational Behavior at Case Western Reserve University. Cooperrider was impressed by the level of positive cooperation and innovation he witnessed in the Cleveland Clinic. Suresh Srivastva was advising Cooperrider and suggested making these attributes — the life-giving factors — the focus of his study. The term "Appreciative Inquiry" (AI) was first used in an analytic footnote in the feedback report of "emergent themes" by David Cooperrider and Suresh Srivastva for the Board of Governors of the Cleveland Clinic.

Application of Appreciative Inquiry

AI has gained broad use and references to it can be found in publications since the early 1990's. Some of the many organizations that have used AI include the US Navy, GTE, United States Agency for International Development, New Jersey Department of Health and Human Services, the government of Romania, Associations Communautés en Action, The United Nations and Save the Children. According to Whitney and Cooperrider (2000), groups of 100 to 2,000 people have gathered to advance AI programs in medical centers, universities, corporations and among representatives of the world's religions (as cited in Cameron, et al.., 2003, p.230). Engaging the members of such diverse organizations in a conversation about their collective goals has proven to be a unifying process. In times of economic stress, this type of positive inquiry can protect the organization by creating a collective vision that is stronger than the pressures that threaten it.

AI generates dialog through crafting an unconditional positive question (Cooperrider & Sekerka, 2003). It is a holistic means of generating a vision for the organization based on people's values. Cooperrider and Whitney (1999) explain that Appreciative Inquiry (AI) is based on the notion that "human systems grow in the direction of what they persistently ask questions about" (as cited in Cameron, Dutton & Quinn, Eds., 2003, p 231). There are four key steps: discover, dream, design and deliver. In the discovery phase, people discuss the organization at its best. Dreaming asks the participants to consider what it would look like if the organization were always at its best. In design, a team that is smaller than the original group involved with discovery and dreaming are tasked with action planning. Participants implement the recommended changes in the deliver phase (see Figure 4).

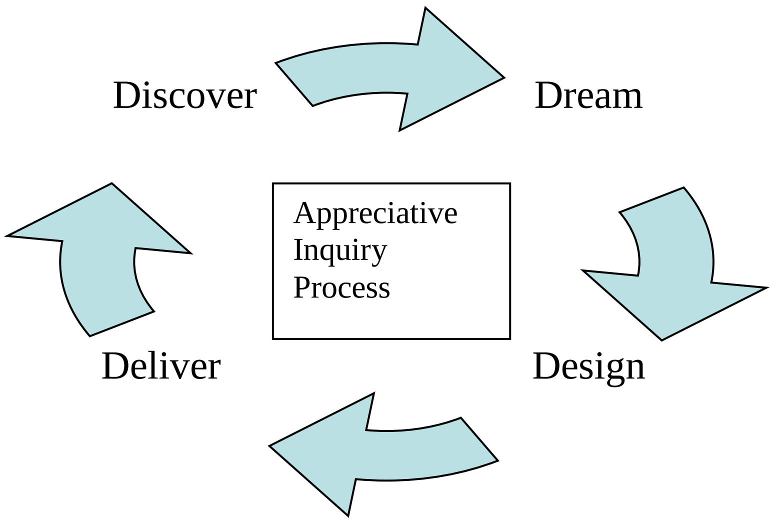


Figure 4: The 4D Model of Cooperrider and Srivastva (from Watkins and Mohr, 2001).

AI connects what is positive with the people who produce it to heighten energy and perpetuate a vision for change. As Cooperrider and Sekerka explain, the outcome of an AI initiative should be long-term positive change in the organization (as cited in Cameron, Dutton & Quinn, Eds., 2003, p 226). When used to envision change, AI allows the stakeholders to be personally involved in the development of the organization's future (van Vuuren & Crous, 2005). This differs from asking participants to develop rules or determine how ethics might be applied to a problem. Sharp-Paine (1994) points out that a rules-based approach tends to disempower employees, reducing the likelihood that they will use their own discretion in making ethical decisions, as it requires almost blind adherence to the rules of conduct.

The rest of this paper will use the framework of AI and Positive Psychology/Positive Organizational Scholarship to understand developments at the PHCS Foundation in the past few years.

# CHAPTER 3

## CAMPAIGN INVOLVEMENT STRATEGY AND THE ECONOMIC DOWNTURN

The success of the PHCS Foundation to date was only possible through tremendous support from the donors and extraordinary work of the volunteers and the staff. Positive Organizational Psychology themes such as empowerment and compassion emerge when the situation is reviewed. PHCS president and CEO, Barry Rabner has turned the tide of public opinion regarding the hospital by re-invigorating the organization with new leadership and soliciting the input and the involvement of the broader community. Armed with a compelling mission − to save their community hospital − the leadership was able to engage public support and strengthen its Foundation through increased contributions and new staff. Six years of campaigning however, is beginning to wear down the staff and volunteers. How does a manager gear up to face this ongoing pressure and achieve success?

Emphasis must remain steadfast on the largest donors. Harold J. ("Si") Seymour wrote the classic *Designs for Fund-Raising* in 1960 and generations of fundraisers based their campaign plans upon his “Rule of Thirds.” The premise was that in a capital campaign you will receive about a third of the money from the top ten gifts, another third from the next 100 largest gifts, and the last third from all other donors. Many fundraisers see a growing shift in the Rule of Thirds. In more and more campaigns, the top ten to fifteen gifts are called on to provide much more than one-third of the goal - perhaps one-half or more (see Table 2). Many organizations have found that the broad base of donors who once provided the final third of the campaign goal are being called on instead to provide unrestricted revenue as opposed to contributing to a capital project. Rarely can the more modest donors be counted on for both annual and capital gifts. As a result, the process of identifying, cultivating, and soliciting the largest gifts has become an even more important part of any significant fund-raising success.

| No. of Gifts | Amount of Gift | Total this giving level | Cumulative total | Percent of goal |
|---|---|---|---|---|
| 1 | $2,000,000 | $2,000,000 | $2,000,000 | 20.00% |
| 1 | $1,000,000 | $1,000,000 | $3,000,000 | 30.00% |
| 1 | $750,000 | $750,000 | $3,750,000 | 37.50% |
| 3 | $500,000 | $1,500,000 | $5,250,000 | 52.50% |
| 4 | $250,000 | $1,000,000 | $6,250,000 | 62.50% |
| Top ten gifts exceed one-half of campaign goal | | | | |
| 8 | $100,000 | $800,000 | $7,050,000 | 70.50% |
| 12 | $75,000 | $900,000>$7,950,000 | 79.50% | |
| 15 | $50,000 | $750,000 | $8,700,000 | 87.00% |
| 15 | $25,000 | $375,000 | $9,075,000 | 90.07% |
| Next 50 gifts bring campaign to 90% of goal | | | | |
| 25 | $15,000 | $375,000 | $9,450,000 | 94.50% |
| 35 | $10,000 | $350,000 | $9,800,000 | 98.00% |
| 40 | $5,000 | $200,000 | $10,000,000 | 100.00% |
| Campaign goal reached with more than 150 gifts | | | | |

Table 2: Contemporary table of gifts required to attain $10 million. Advisory Board Company benchmarking standards report (2005).

As this table documents, the growing disparity between the rich and poor in America has direct impact on fundraising strategy: importance of the wealthiest donors just continues to increase. Motivating, monitoring, measuring and rewarding the staff and volunteer's focus on individual gifts fundraising at the highest level is, therefore, more essential than ever. That does not mean that one can ignore the donors at the bottom of the traditional campaign pyramid − they are also required to meet the goal. The numerous contributions of more modest amounts come from donors who are important for many reasons. Not all of these are related to making the goal. In a local or regional campaign, these donors often represent the average organizational constituent − the audience, the patients, the congregation. Their support reinforces the importance of the mission of the organization in the minds of the community. Their enthusiasm helps produce and maintain excitement. Tremendous word-of-mouth can be accomplished by successful solicitation and acknowledgement of the hundreds of donors who give the $50 and $100 gifts. But what happens when the average person becomes fearful of their financial future and the very wealthy see their portfolio diminishing quickly?

According to Roger Altman of the Kiplinger Business Resource Center, 18% of the net worth of the country was erased during 2008. Between 2007 and 2009, the US unemployment rate went from 4.8% - 8.5% (Schmidt & Rhoa, 2009). One donor told PHCS staff, "I used to be fabulously rich; now I'm just well-off" (Anonymous, personal communication, 2009). The Washington Post reported the annual Giving USA survey showed a drop in giving in 2008 for the first time in 21 years (Shaver, 2009). A 2008 Foundation Center survey revealed one-third of corporate foundations planned to cut contributions in 2009 (Boston Globe, 2008). This is not surprising considering that between 2007 and 2008, there was a 22% decline in the value of Foundation endowments from $682 billion in 2007, to $533 billion in 2008 (Roug, 2009). In addition, competition for gifts has increased dramatically as each year the number of not-for-profit organizations continues to grow.

Numerous organizations have reduced their revenue projections from charitable giving for 2009 and 2010 (Hrywna, 2009), but health care has additional pressures to raise more money. According to a report by the Association of Health Care Philanthropy, the capital crunch is making it difficult and expensive for hospitals to finance facility and technology needs (Renzetti, 2008). Renzetti report authored for the AHP says that more 45% of charitable giving was put to use to upgrade hospital infrastructure. Philanthropy pre-recession was 33% of the operating margin of the average hospital; it is now between 39-50% (Renzetti, 2008). Can borrowing reduce the reliance on philanthropy? In short, the answer is no. As the chief executive of the Healthcare Financial Management Association, Richard L. Clarke told New York Times reporter Reed Abelson, “Hospitals rely on credit for building projects and to maintain overall liquidity. Tight credit is adding to a financial challenge that some hospitals are already facing, as greater numbers of patients are unable to afford the rising out-of-pocket portions of their medical bills, or lack insurance altogether”(Abelson, 2004, p. A2). Given such trends and data, how has PHCS Foundation met and exceeded its goals in this challenging environment? Much of its success can be found in the lessons of Positive Organizational Psychology.

Current Success Viewed through Positive Organizational Psychology

Some might view the lessons of Positive Organizational Psychology (POS) as common sense, but it is the rare organizational leader that takes the time to apply them consistently. Much of the success of the Princeton HealthCare System initiative to build a new campus can be traced to the application of POS principles that are now known to help people and organizations thrive, such as:

- Communicating and reinforcing a compelling mission;
- Allowing stakeholders to share in powerful outcomes;

- Developing meaningful roles for volunteers and staff;
- Valuing compassion;
- Encouraging feedback and,
- Recognizing and celebrating success.

There was a limited culture of philanthropy and community involvement prior to 2003 at PHCS. A new facility was needed, but staff alone cannot build a new hospital. Wisely, the CEO and trustees knew that community involvement and support would be critical to all phases of the building program including the planning and decision making. The details about each scenario – relocating or remaining at the current site -- were reviewed at a series of town meetings with members of the community and during numerous discussions with the Princeton HealthCare Task Force. The Take Force committee was composed of Princeton Township and Princeton Borough officials, members of the medical staff, hospital leadership and residents of the current hospital campus. In addition to the Task Force, leadership met regularly with another two separate Community Advisory Committees that consisted of concerned community leaders and neighborhood representatives. All in all, PHCS officials participated in or organized 840 meetings during 2005-2006.

The PHCS senior management team also worked closely with the Princeton HealthCare Task Force during this time to convene focus groups of patients and staff to identify the issues of greatest concern. At the formal hearing granting the state document required to build a new hospital − the Certificate of Need − the chair of the committee reviewing the application from the New Jersey Department of Health of Human Services said she “would like to applaud PHCS for employing the most inclusive process the committee had ever seen in working with community and all the stakeholders to determine the future of its hospital” (personal communication, 2007). Various scholars such as Argyris (1957), Feldman and Khademian (2002) and Seligman (1998) have claimed that organizations are strengthened by including employees in deciding issues that will have impact on their lives (as cited in Cameron, et al.,2003). Employee and community involvement is viewed as essential to positive change management (Seligman, 1998). What happened during the Princeton meetings illustrates a newer way of looking at empowerment.

Expanding Power – Increasing Gift Income

The new information gained through the dialogue between government, community and health care employees led to an increased capacity for fundraising. Having a clearer understanding of the needs of the community and the donors interests allowed PHCS to hone its priorities and its message regarding these priorities. Perhaps even more interestingly, involvement provided the donors with the time and knowledge necessary to make major philanthropic decisions. The importance of participation is common sense for fundraising professionals: “Enagement + involvement = investment,” says PHCS vice president Joe Stampe (personal communication, 2007). Entire organizations exist to explore and perpetuate the benefits of inclusiveness. The International Association for Public Participation (IAP2) exists to facilitate collective understanding and motivate related action. However, the specific effects of involvement and participation *in fundraising* are only recently being studied empirically (Advisory Board Company, 2007). A new model of scholarship can accurately be transferred from an existing model of public engagement and applied to philanthropy.

Positive Organizational scholars Martha Feldman and Anne Khademian claim to have explored participation in a more holistic manner than ever before (as cited in Cameron, et al., 2003). They explain that past scholarship on inclusion and empowerment emphasizes the benefits to the organization in achieving its goals, without seeing the broader, wide-range effects. Feldman and Khademian's review of empowerment explores the trickle-down effect of "cascading vitality" that provides benefits to the organization, the participants and the broader community. They say with simple eloquence, "Power expands when shared," (as cited in Cameron, et al., 2003, p. 348). The following (see figure 5) has been adapted from the Feldman & Khademian Cascading Vitality Model (2003) to frame the issue from the viewpoint of philanthropy.

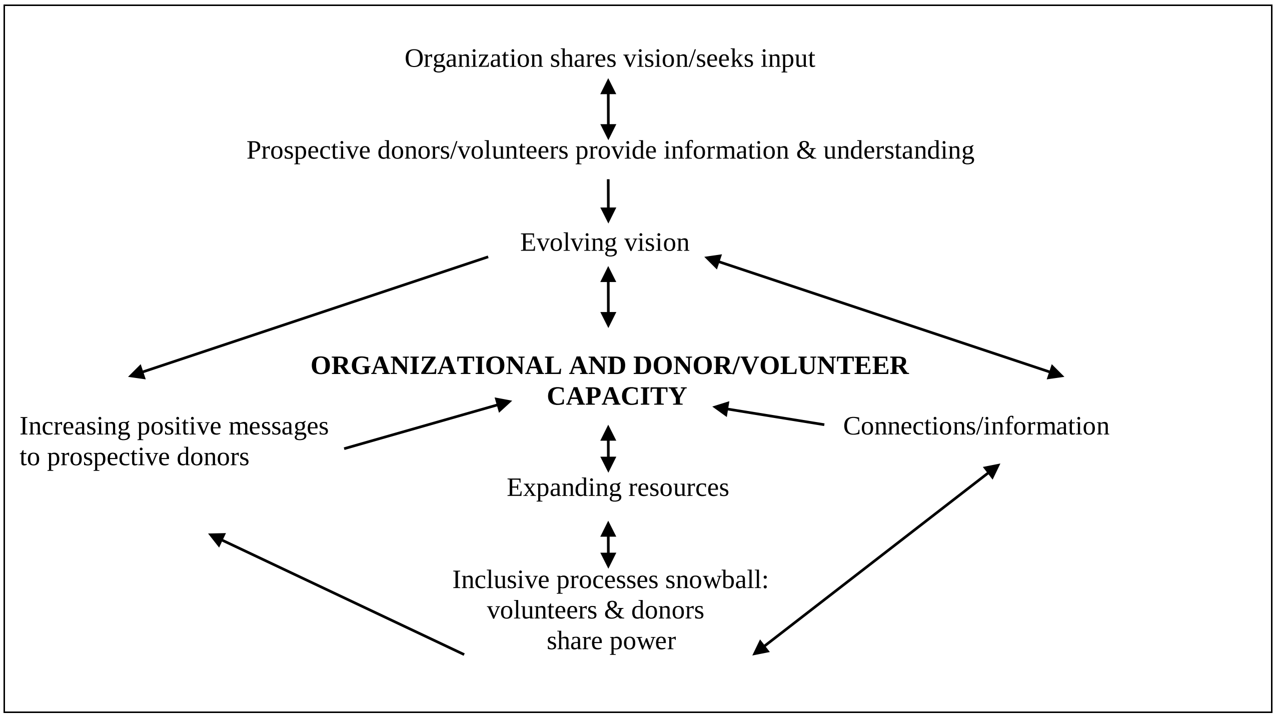


Figure 5: Cascading philanthropic empowerment through involvement

<u>Inclusion Payback: The Johnson Case</u>

Their model and the approach in general are applicable to relationship-based fundraising. It is not without challenges. One of the obstacles to inclusion is time. The series of meetings to explore the hospital relocation took hundreds of hours of staff and volunteer time ─ over and above the grueling work of running the organization during routine times − but the payback is ongoing and immeasurable. Consider the actual case of Mr. and Mrs. Johnson (not the actual names).

The Johnsons were outspoken critics of the hospital moving or expanding. They lived in the neighborhood surrounding the hospital and became increasingly concerned about whether or not their neighbors would be able to travel to the new hospital for care. The following results happened as a result of Mrs. Johnson's participation on the Task Force:

- Mr. Johnson learned that remaining in the current location was not a viable option.
- He was quoted in the local media, becoming a successful change-agent, armed with informed opinions and new information that was then communicated back to the residents of his neighborhood .
- He gained an enhanced relationship with Princeton HealthCare that benefited his community--whether or not they themselves participated on the Task Force. When a neighbor needed health care and had no money to pay, they contacted Mr. Johnson who was able to provide information on the hospital's charity care clinic. Knowing several of the charity care clinic's staff members, he also felt free to check up on the care provided.
- A local philanthropist who had long respected Mr. Johnson's community involvement made a seven-figure gift in his honor to support the clinic in the current and future hospitals. The hospital celebrated this gift with a luncheon which was attended by the media and led to positive publicity on the current and future charity care provided by the organization's clinic.
- A teacher read the story and encouraged the parents of a boy in her class to seek much needed health care at the clinic.

- A fundraiser shared the story about the teacher and the clinic with the chair of a local corporate Employee Giving program and was encouraged to apply for clinic funds. Not only did the corporation make a subsequent gift to the organization, but also one of the employees of the company increased his annual support of the organization dramatically and is now considering involvement on the hospital's board of directors.

Information sharing to refine the mission can have the welcome bi-product of helping to "sell" the organization and its product or services. It also makes the organization more resilient. As Freeman and Rothenberg cited in a survey of the "leaders and laggards" of the printing industry: "Resilient firms are in close contact with customers…The most successful firms work actively with customers to help them define their needs and explain how new technologies and capabilities can (or cannot) meet them" (Freeman & Rothenberg, 2006, p.12).

<u>Learning and Positive Relationships</u>

Communicating the vision and working with prospective donors, community members, and staff to refine the mission requires the sharing of information and reciprocal learning by all parties. As most fundraisers will attest, quality relationships are conducive to giving, and learning more about the organization strengthens the bond between the prospect or donor and the organization − also increasing the odds of giving and the magnitude of the gift. The process of learning is a behavior that is easier when the participants trust each other (Carmeli, Brueller and Dutton, 2008). Providing opportunities for donors and volunteers to learn more about health care is a natural way to strengthen the level of involvement with these key constituents.

Nearby Princeton University has a great impact on the Princeton HealthCare System (PHCS) community. So perhaps here, even more so than in a non-University community, donors place a high value on knowledge and access to "thought-leaders." In the five years since

PHCS began its Community Outreach and Education series, it has grown to over 1,200 programs and 30,000 participants annually. People in this region want to keep abreast of new developments and seek means to acquire knowledge. As fundraisers, providing education to the donor community meets this need, while empowering the donors to be better volunteers in service to the organization. The very process of learning enhances the volunteer's relationship with the organization because learning requires a relationship of trust between the teacher and the student. Learning is a social process through which the sharing of knowledge and exchanging critical information, new ideas and insights are fostered (Kozlowski & Bell, 2007). Theoretical reasoning and empirical scholarship now exists to document the increased capacity to learn and solve organizational problems within the confines of healthy relationships, including the required atmosphere of trust (Carmeli et al., 2008). Employees also learn better when training and education occur within the framework of healthy workplace relationships (Carmeli, et al., 2008). Quality relationships provide a structure that helps foster learning behaviors in work settings (Carmeli, et al. 2008). People are able to grasp others'
Point of view and increase their cognitive capacities regarding how to approach activities. PHCS Foundation leadership is developing a cross-training program for its employees. The goal is not just to ensure that tasks can be accomplished during periodic absences of fellow-employees, but also to enhance compassion and empathy − helping employees better understand each other's role.

This paper maintains that the combination of the learning process itself, combined with solid relationships between organizational representatives and prospective donors increases the probability and magnitude of giving. It enhances the staff member's ability to present a compelling case, and deepens the prospect's understanding of the institution. Furthermore, these empowered employees and donors are necessary to uphold the organization during times of stress –stress such as the current economic crisis and changing culture of the PHCS Foundation.

The Role of Good Relationships in Major Gifts Fundraising

It has long been said that in fundraising, "People give to people." Major gifts (defined at PHCSF as gifts of $25,000 or more) occur most frequently as a meaningful exchange taking place within a valued relationship. In his book, *Designs for Fundraising: A Donor Based Approach to the Business of Fundraising,* Ken Burnett encourages fundraisers to think beyond the formulas found within the standard donor database and employ quality values through a strong relationship between the institution and the prospective donors (1992). He stresses the importance of common courtesy, providing information to the donor in a timely manner, employing thoughtfulness and expressing appreciation ─ all basic traits of healthy relationships. In their chapter on high quality connections, Dutton and Heaphy explore the effects of high-quality relationships featuring positive regard and mutuality (as cited in Cameron, et al., 2003, p. 265). These quality relationships enhance the learning process and increase the quality and quantity of gifts. Development of very large gifts is primarily a long-term strategy, with success hinging on the ability to foster and sustain deep attachment from a small group of high-capacity prospects. A 2007 study released by the Advisory Board Company shows that most six- and seven-figure gifts are rooted in relationships dating back many years (see figure 6).

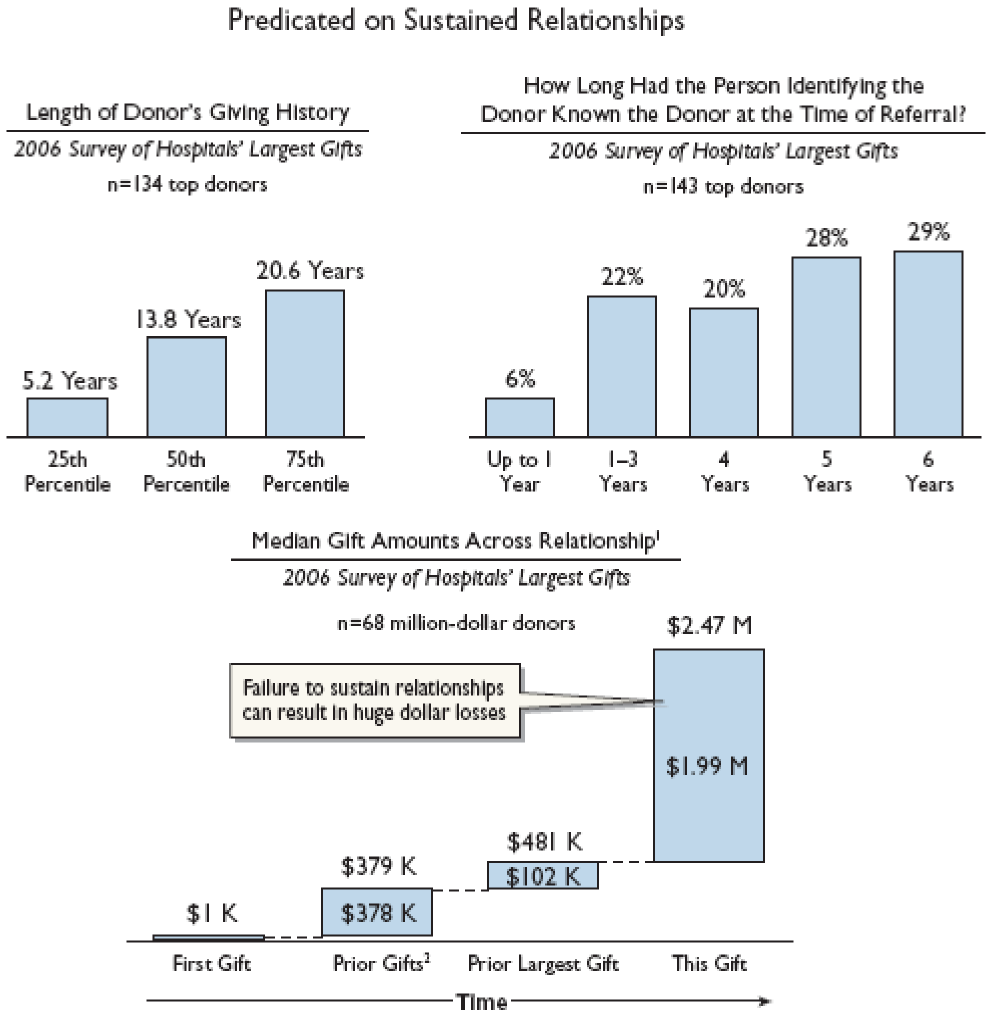


Figure 6: Increasing gifts and time of involvement (Advisory Board 2006).

Top donors are typically introduced to the development office by a friend or associate of five years or more and are likely to be in their second or third decade of giving to the institution at the time their largest gift is made.  While these relationships provide desirable financial return throughout this timeframe, their full value is realized only after many years, and losing the donor's support prior to full maturation represents a huge opportunity cost (Advisory Board Company, 2006).  Sustaining relationships at both staff and volunteer levels help enrich the productivity at all levels of involvement and benefit the individual as well as the organization.

Some of the methods of enhancing the volunteer relationship utilized by PHCS includes day-long orientation programs for board members; thoughtfully developed job descriptions that outline roles and responsibilities-helping create a level of safety for the new volunteer who better understands what is expected of them; periodic training sessions exploring the ‘how-to’s of fundraising and regular education sessions at board meetings featuring medical staff. Regular communication is necessary to healthy relationships and routine correspondence from Foundation staff and PHCS leadership fosters involvement as well. Sending the volunteers and donors news from the hospital just ahead of release in the public media is an easy but meaningful way of telling the volunteer that they are important to the organization.

Recognition and celebration of success provide additional timely opportunities. A quick email message from the president and CEO to thank volunteers for their involvement in raising a significant gift seems like a small gesture but is appreciated by the volunteer. Recognition and celebration is meaningful to staff members as well as volunteers. An important tradition that enhances the PHCS Foundation workplace relationships is the routine celebration of personal and professional accomplishments. Individual birthdays, weddings and other special days are celebrated with a card signed by all, and employees are encouraged to break from the work-day and gather to allow for well-wishes. Professional accomplishments are also recognized. During staff meetings the Vice President hands out *$100,000 Bars* for every new gift raised – literally giving ten of these popular candy bars if the employee, for example, successfully solicited a new $1 million gift. *Kudos Bars* are given for any employee who has gone above and beyond the average job requirements. These simple gestures are popular with the staff and add a lighthearted touch to staff meetings. Barbara Fredrickson delves into the importance of this type of “play” in her studies on *upward spirals* in organizations: “Social play," she says, "with its shared amusement, excitement, and smiles, builds lasting social bonds and attachments which can become the locus of subsequent social support in the workplace," (as cited in Cameron, et al., 2003, p.165). She goes on to describe how the personal resources accrued during states of positive emotion carries indirect and long-term adaptive benefits. The work of fundraising carries many disappointments. Industry benchmarking shows that on the average, only one out of every four solicitations will result in a gift (Greenfield, 1999). Having a work environment that includes humor and play helps the staff adapt when the outcomes are so consistently negative.

Another successful approach has been the environment of flexibility established at the level of the professional staff. With advance permission, front-line fundraisers, exempt from over-time, are permitted to work from home and utilize flex time as appropriate, as long as the leadership sees that the arrangement is productive. Johnson refers to a 1995 survey by Northwestern National Life documenting her claim that companies with supportive work and family policies had exactly half the rate of burnout and stress-related illnesses as companies with no such policies (Johnson, 1995). Identifying means of compensation that aren't costly is increasingly important to cash-strapped businesses and not-for-profit organizations. A survey by Mellon Financial shows that 71% of the businesses surveyed use flextime, up from 32% in 1006 (Mellon, 2004).

PHCS Foundation has achieved tremendous success under economic adversity and a time of vast organizational change in size and culture. Inclusion and empowerment were key approaches in this success. What other techniques have allowed it to withstand the numerous external and internal stressors? Few empirical studies have explored organizational success under adversity (Freeman & Rothenberg, 2006). As I evaluated the Foundation's success over the last three years and the current research on positive psychology, it is clear that we must understand, maintain and enhance the strength of the organization in order to reach the goal. The next chapter celebrates the existing resources that will help us build resilience and explores the application of virtues such as courage and transcendence to fundraising.

# CHAPTER FOUR

# STAYING STRONG: APPLIYING THE LESSONS OF RESILIENCE AND GRATITUDE TO A FUNDRAISING ORGANIZATION

Various positive attributes are notable in the extraordinary fundraising results of Princeton HealthCare System (PHCS) Foundation over the last three years. This chapter reviews the organization's resilience: our success in building and maintaining the relationships and resources necessary for high productivity. I maintain that providing the stakeholders with more opportunity to establish networks and exert their leadership has enhanced their capacity to meet future challenges. Next, an examination of the stewardship program and the habits of gratitude established among the staff and volunteers reveal increasing empowerment for those involved with the organization. I then propose that the use a process very similar to appreciative inquiry has increased the wellbeing of our organization.

## Resilience

Resilience emerges from adaptive processes that encourage growth and promote competence (Sutcliffe and Vogus, 2003). Dynamics that create or retain resources in a form that is storable and flexible allow for resilience and enable organizations to better cope with stress and strife. In the process of responding positively, an organization strengthens is capacity to make the appropriate future changes (Sutcliffe, 2003). What has kept PHCSF resilient during the current recession? How has the Foundation protected its current cadre of human resources during this stressful clime? Can the skills and loyalty that have been demonstrated be retained so that we remain resilient into the future?

From a developmental perspective, resilience is established over time by adjusting positively and using resources appropriately to manage risks, stress and strain to meet the challenges successfully (Cameron, et al., 2003). Just like non-profit organizations themselves, the capacity for resilience is not fixed, capacity changes constantly based on many factors, and as Staudinger, Marsiske and Baltes (1993) claim, the capacity can be lost if the dynamics producing it are not protected (as cited in Cameron, et al. 2003). As Egeland, Carlson and Srouge (1993) explain having the necessary factors to be resilient during one set of challenges helps predict the ability to be competent, and thus more resilient for the next period of challenges (as cited in Cameron, et al., 2003, p.96). As Sutcliffe and Vogus state, one of the primary building blocks of resilience is adequate resources (2003).

Resources and Resilience

If an organization does not have the right human resources in place it is extremely difficult to succeed in a capital campaign. According to Wruck and Jensen (1994), it is also difficult to develop a resilient organization that will thrive under future adversity (as cited in Cameron, et al., 2003). From 2006 – 2009, numerous personnel changes were made at both the board and staff level of PHCS. This was essential to develop an organization that could weather the blows of economic recession and the extensive structural and cultural changes described earlier in this paper. As Wruck and Jensen state, individuals who have the capacity to apply specific knowledge and resolve a problem must be in place and given decision-making authority to engender a resilient organization (as cited in Cameron, et al., 2003).

Board leadership realized that the status quo was not working effectively so they began a change process in 2003 beginning with recruiting a new CEO. With his assistance, board leadership continued to enhance the quality and diversity of their board of trustees and personnel changes were also implemented. The changes began with a high-level efficiency audit that revealed areas where there was staff redundancy. Before eliminating personnel, every effort was made to move staff to other positions that fit their skill set. The changes were made publically and with involvement from a broad range of System staff. In a 2008 round of lay-offs, for example, 41 positions were eliminated but 39 were relocated to other jobs within the System. One person chose to retire and the remaining individual was asked to leave. Re-training was offered to all employees at no cost. While these changes were difficult, the related communications were well managed and a general sense of compassion prevailed. The CEO and hospital president encouraged staff to take the necessary time to make the changes with sensitivity. They demonstrated the virtue of compassion.

Resilience and Resources Enhanced by Virtue

As scholars such as Dienstbier and Zellig (2002), and Masten and Reed (2002) have said, when virtuousness is legitimized by leadership it becomes self-reinforcing (as cited in Cameron, Dutton & Quinn, Eds., 2003, p.59). Hatch (1999), Seligman, DeRubeis and Hollon (1999) show virtuousness fosters resiliency against negative obstacles (as cited in Cameron, Dutton & Quinn, Eds., 2003, p. 59). While negative deviance is common in downsized organizations (Cameron, 1998), the negative outcomes are often associated with a variety of internal problems in existence in the organizations prior to the lay-offs, such as poor interpersonal relationships, rigidity and deterioration in teamwork according to Cole (1993), Cameron and Whetten (1987), (as cited in Cameron, et al., 2003, p. 56). I maintain that virtuous qualities are of special importance in non-profit organizations where volunteer donors seek to elevate the public good and have less tolerance for questionable behavior. The positive effect of the CEO’s energy, enthusiasm and virtuous behavior of the staff during times of downsizing and other stress energized the board. The PHCS CEO's actions would not have been applauded had they not resulted in improvements, but they did, and within 18 months, the changes dramatically improved the effectiveness and the efficiency of the System. Both financial health and patient satisfaction grew. As PHCS developed, the focus was increased on improving the Foundation's capacity for growth.

Cascading Vitality Builds Resilience

Having witnessed and in some instances, been involved with the improvements made by the System, Foundation board members were more open to change. This example loosely demonstrates the principal of cascading vitality. The organization itself was becoming more vital. As Vicenzi and Adkins (2000), and Boje and Rosile (2001) point out, vital organizations exude positive energy that nurtures and supports the growth and development of people within the organization (as cited in Cameron, et al., 2003, p. 356). The PHCS improvements enlivened the volunteers and staff whose job it was to identify and recruit more volunteers and staff. A new Foundation board chair was recruited from within the board. The chair had the specific steady qualities that perfectly matched the current challenges of the organization. A formal process was developed and adopted by the board members to evaluate the current board members on a regular basis in order to provide them with the motivation, education and skills to govern the organization. This process was not meant to be punitive but instead, served a match-making function.

Once again, the critical human resource was being honed and based on research by Luthar, Cicchetti and Becker (2000), as well as Masten (2001), would result in a group of diverse individuals with the skills to adapt to challenges and guide the organization − building the human resources to ensure resilience (as cited in Cameron, et al., 2003, p.102). The evaluation process allowed the nominating committee to ensure that the board represents the community it serves, and assists the existing leadership with assigning individual board members to committees that utilized their strengths and interest areas.  It was important to the chair that the board members were stimulated by their assignments and he held personal conversations with each director to review their opportunities and interests.  This benefits not only the organization, but the wellbeing of the volunteers themselves.  A growing pool of research documents the positive effects that productivity fosters in the individual.

Meaningful Work Nurtures Volunteers

Alexander Thompson (1993) writes, "Most of us have jobs that are too small for our spirit. Jobs are not big enough for people . . . most of us are looking for a calling" (p.374).  Many studies over the last two decades measure the positive effects of meaningful work.  Two longitudinal studies performed in 1993 and 2000 show that finding meaning in a volunteer role slowed the most common physical and mental decline in the oldest of Americans (Hinterlong & Morrell-Howell, 2007).  No matter the age, meaningful work enhances all six generally accepted aspects of personal wellbeing: happiness, sense of control over one's life, self-esteem, life satisfaction, physical health and depression (Thoits & Hewitt, 2001).

Building Human Resources at PHCS

Foundation Vice President Joe Stampe also practiced matching talents with opportunities. During his first two years at the Foundation, Stampe promoted or changed the positions of four staff members to maximize their strengths.  This practice required additional training in the beginning, but saved time and money in the long run.  As O'Brien sites (1992), employees' perceptions of their organization impacts the way people relate to their job and see their future in the organization, ultimately impacting their work adjustment, health and well-being (as cited in

Cameron, et al., 2003). Although research and common sense support the importance of staff-role placement, it can be a difficult practice for non-profit organizations. Often, they are run with minimal staff who are already multi-functional. Little time and funding exist for the training and adaptation required when relocating staff within the organization. It has worked well at PHCS. The staff have excelled in their new positions and are dedicated to the organization. The benefits to the individual and organization can be framed in a unique manner using the lens of Positive Organizational Scholarship (POS).

O'Brien (1992), Roberson (1990) and others document the link between the extent to which employees find their roles meaningful is directly linked to performance and retention (as cited in Cameron, et al.,2003). Clinton and Harter (2002) refer to this process of investing in strengths, as one of many "virtuous" processes that positive organizational scholarship is studying in an effort to better understand how organizations thrive. The issue of positivity seems to be contagious; when one approaches something seeking best practices, others rise to the occasion. For example, scholars can document predictive validities between managers who evaluate performance against weaknesses to those who evaluate performance based on an employee's strengths. According to a 2002 Gallup Organization study, managers who utilize the approach of evaluating based on strengths have a probability of success (above median performance) of 86% greater than managers who apply a "strength versus non-strengths" approach. In addition to maximizing human resources, establishing a successful, resilient organization requires adequate financial resources.

Financial Resources and Resilience

The new VP quickly developed a vision for the Foundation as a thriving organization that would raise support well beyond what was required for the new hospital. Enthused by this vision, management and board leadership supported the increased operating budget required to develop it. The funds paid for additional staff, an enhanced infrastructure, and the development of new programs. Having adequate fundraising staff is the single greatest criteria for predicting an effective development operation (Advisory Board, 2007). This can only be accomplished through an adequate budget. Financial security is essential for resilience of a non-profit organization. The old saying, “you have to spend money to make money” presents a challenging yet accurate paradigm, especially for new organizations. An adequate operating budget allows for the appropriate number of staff and an infrastructure that supports the necessary fundraising. A well-run organization engenders the support of the donors. As was discussed in the prior chapter, the vast amount of campaign income is given by a small percentage of donors and these large contributions are given to organizations that are run effectively enough to engender the trust of the donors (Petrick & Scherer, 1999; List & Reily, 2003). The leader’s reputation has also been found to be critical to those donors with the greatest capacity to give.

<u>Leadership Motivated Philanthropy Promotes Financial Resilience</u>

The two greatest factors a donor uses in determining which organization to support include trust in the CEO and confidence that the organization is well run (Bradham, 2008). At one time, reputation was thought to be an intangible asset, but scholarship over the past decade deems it tangible indeed (Radbourne, 2003). Research shows a direct link between the reputation of those managing the organization and the bottom line (Romano & Yildirim, 2001). Adequate resources, including a supportive budget and visionary CEO and Vice President, accomplished more than just allowing for the creation of a solid infrastructure at PHCS Foundation. It allowed the staff and volunteers to find meaning and connections in our work and fulfilled fundraisers will raise more money, thus maintaining another area of cascading vitality.

Confer and Kanungo (1996) discuss membership and vision, showing that visionary leadership makes membership with an organization special (as cited in Cameron, et al., 2003). Knowing that we were being supported with adequate resources reinforced the sense of value of both staff and volunteers. This tangible reinforcement can perpetuate a sense of caring and "oneness" between the organization and its members (Shamir, House & Arthur, 1993) which leads to further resilience. Though time-consuming and sometimes difficult, securing and retaining the proper staff, volunteers and budget has provided an important platform for the resilience of the PHCS Foundation.

Gratitude and Positive Psychology

Noted constitutional scholar and director of Princeton University's James Madison Program in American Ideals and Institutions, Robert P. George once told me a story. An alumnus sent him a generous and unexpected contribution for the Madison Program. Professor George was so surprised and pleased that he immediately picked up the phone and called the donor to thank him. One week later, the same donor sent an even larger contribution to be used at the discretion of Professor George to benefit the Program. The extraordinary check came along with a note that said something like:

> *Dear Robby,*
>
> *I was so touched by your phone call today. In my many years of giving to charitable organizations, I have never received such an immediate and heartfelt gesture of gratitude. I am sending this contribution today in recognition of that acknowledgement. Mrs. (name withheld) and I hope it will allow you to provide even greater programming to your students and the broader community.*
>
> *Sincerely,*
>
> *(Name withheld)*
>
> *P.S. Please do not call to thank me for this gift.*

This wonderful story upholds the old fundraising axiom: “The next gift begins with the last thank you.” The importance of thanking donors has spawned entire offices of stewardship in larger non-profit organizations. Smaller development shops can choose from numerous publications and web sites filled with sample acknowledgment letters and donor gifts. Entire seminars and workshops provide training on establishing systems to help ensure timely and effective recognition programs. Gratitude strengthens our bonds and connections with others (Emmons, 2003). PHCS Foundation practices gratitude at various levels. The expansion of the PHCS Foundation staff beginning in 2006, and purchase of a state-of-the-art donor database, enabled PHCS Foundation to enhance its stewardship of donors and volunteers. Foundation leadership believe that implementing a systematic program of stewardship helped account for some of the increase in gift revenue since that time. The true bottom line is difficult to measure but given the increasing number of donors, and feelings of goodwill surrounding the organization, attention to gratitude will continue to be a priority.

## The Benefits of Gratitude

Writers such as Kant (1963), Hume (1968) and Smith (1976) have portrayed gratitude as a vital civic virtue (as cited in Cameron, et al. 2003). In fact, scholars have described an attitude of appreciation as integral to health and well-being (Emmons & Crumpler, 2000). Though the effects of gratitude were not specifically measured at PHCS, it is obvious that appreciating our donors, volunteers and colleagues have numerous benefits. Gratitude results in pro-social behavior (Emmons & Crumpler, 2000). At the Foundation, small and frequent expressions of gratitude begin with the VP and generate outward from staff to volunteers to donors to patients and vendors. We have launched a virtuous cycle that is attracting positive, generous people who enhance the environment of the organization. An atmosphere of gratitude makes it a better place to work and will help the organization continue to attract and retain donors, staff and volunteers (Adler, 2005).

Communicating Gratitude

Stewardship includes the practice of regularly letting donor knows how their gifts were used. In what the authors claim is the first empirical model of the perceptions of donors and the resulting impact on their giving, Sargeant, Ford and West (2006) show how donors develop a relationship of trust with the recipient organization, not based on the direct benefits that accrue to donors as a consequence of their gift, but rather on the perceived benefits supplied to beneficiaries (patients, in the case of the hospital) *and the manner in which the impact of these benefits are communicated back to donors*. Several aspects of the PHCS stewardship program are designed to accomplish just this. Publications such as the annual report, the expanded website and Foundation newsletter, launched in 2008, and bi-annual letters from the CEO to the donors feature in-depth stories about the patients and programs that have benefitted from gift revenue.

The Cost of Gratitude

Increased transparency in the budgeting and financial reporting has also been helpful in showing donors how their funds are being used. Adjustments to the reporting process and thorough communication of the financial status are necessary for the board and general public. In the average campaign, board member gifts can account for 30% of the total revenue, and yet with the growing professionalism of staff to manage accounting, it is not unusual for the average board member to remain unclear about the details of their organization’s finances. Increased financial transparency shows appropriate gratitude and respect to those who govern the organization and the other donors. Unfortunately, a return on investment for the time and expense of a stewardship program is hard to measure. There is no benchmarking to assist us. In a digest of scholarly articles exploring the field of Positive Organizational Scholarship, author Robert Emmons says, “There is virtually no hard research on gratitude in organizations” (2003, p.84). The Sargeant study (2006), cited above, was the nearest I could locate. One reason might be that few gestures of appreciation are reciprocated as promptly, or are as quantifiable as the one described by Professor George, yet clearly, these gestures are important and productive.

Virtues are often positively deviant. That is, they are not average behavior but atypical. They are pursued despite constraints that make the related behaviors difficult to accomplish (Cameron, et al., 2003). Time, for example, is at a premium, but often required to demonstrate virtuous behavior. Specific, effective stewardship initiatives are time-consuming, but based on our anecdotal evidence, they are worth the required time. Professor George could have allowed his very capable staff to prepare the standard thank-you letter that would be mailed within the acceptable industry standard of 48 hours. He could have provided edits, even added a short hand-written note on the letter and sent it to the donor. This would have been standard performance and totally acceptable. But one doubts if the donor’s next gift would have been so extraordinary. Professor George understood what worked best for his organization and for his donor. If best practices such as this are not well known, the process of Appreciative Inquiry can be utilized to identify what works best and build positive consensus around organizational goals.

## Appreciative Inquiry Informs Fundraising Success

Recent research in areas as diverse as psychology, athletics and neuroscience affirms that there are literal physical pathways in the brain that are created and can be re-directed by thought (Wright, Yamamoto & Harding, 2008). Thought and action are not necessarily distinct physical processes but in fact, positive thinking can result in the ability to identify and implement positive actions. Engaging a group in the positive deliberation of what works has been found to be an effective tool for change (Cooperrider & Sekerka, 2003). The process of Appreciative Inquiry (AI) is being used by a growing variety of practitioners, from rugby coaches (Broughton, 2008) to the United Nations to WalMart (Cooperidder, 2006). As discussed in chapter two, AI employs a process of discovery, dreaming and designing to address the possibilities of an organizational situation. Prior to using the tool myself, I contacted a practitioner, James M. Davy, former director of New Jersey Department of Health and Human Services (NJHHS). He described his experience with AI to me as "powerful." Davy was hired to oversee the department of health and human services during the lowest period in its history. He told me that the agency was composed of twelve divisions, 25,000 employees and a budget of nearly $10 billion. The complexity of its structure matched the enormous importance of its mission. NJHHS had oversight of a myriad of departments that provided care to the most vulnerable and those who often fell through the cracks including poor children. In the year before Davy took over, there were several deaths of children who were in the custody of departments within NJHHS, including two infants who were systematically starved to death. These abuses received wide spread coverage by national media. The department was demoralized. Davy recounted:

> I stumbled across the concept of AI when I was first hired for the department (of Health and Human Services). I knew I needed a powerful change management tool and I wondered if AI might engage and uplift people to help people focus on what they do well and find ways to leverage more of that within the department. I quickly found that just the fact of engaging them – asking them what they do and what their hopes and wishes are − that alone was a tool for change. I went from office to office and said, "Tell me about a case you or a co-worker had where it went especially well, where you handled the case beautifully, from beginning to end where you saved children." After 2 or 3 of these stories I would say, "What was it about these cases that made it work so well?" We began to re-build and revamp the case practice model. We brought 70-75 people together from the departments – people trained on appreciative

> inquiry. We used it throughout the place in different areas – like over in Medicaid to resolve internal strife issues between medical staff and workers. (Davy, personal communication, 2009)

Davy said that the staff told him the process changed their lives. He said it has been several years and he still hears from people who tell him they use the technique even now to cast a more positive direction when a discussion seems to have come to a stale-mate. A similar story was shared by the director of a vastly different program in the Burkina Faso region of West Africa. Volunteers with the Association of Communities in Action used AI to interrupt a decades-long cycle of dependency on international aid and a general negative self-image of the villagers and their community in the Burkina Faso region (Goudrrian, 2004). Although there is some dissent regarding the effectiveness of AI in Africa as it relates to permanently changing agriculture practices (deGrassi, 2007), even the critics agree there were many benefits to the application of AI. Benefits reported on by those who wrote the project's final report include the speed with which participants come to agreement about the need for change, the ability to turn dissatisfaction into discussion, tapping into knowledge and collective analysis, and initiating dialog (Goudrrian, 2004).

Appreciative Inquiry at PHCS

During the last six years, many of the positive changes made at PHCS began with an exploration and magnification of what worked. Although the organization did not use a formal AI process, a technique of shared discovery was frequently employed that resulted in generating enthusiasm and consensus. This was especially helpful with building volunteer and general community support for the many changes that were needed at PHCS and the PHCS Foundation.

Most non-profit organizations cannot fully accomplish their mission without donors and volunteers. During stressful periods, such as an economic recession, organizations tend to see a decrease in contributions and may even need to reduce their work force or employ other cost-saving measures. Traditional change methods are problem-focused or deficit based (Cooperrider & Sekerka, 2003). Instead, AI provides another approach that can be much more fulfilling to all participants: focus on the affirmative achievements of the organization − build on the positive.

James Gregory and colleagues have established a program he calls “The Philanthropic Quest” which utilizes AI in philanthropic settings (2005). According to Gregory’s website, the goal of “The Quest” is to change the relationship between the donor and the fundraiser from one of solicitation management to an adventurous partnership to improve humanity together. As fundraising becomes more professionalized, benchmarking standards and language is adopted that risks reducing the philanthropic relationship to calculated metrics. Solicitation management, sometimes called “moves management” describes the way in which a “prospect manager” (the fundraiser) coordinates the activities required to steer a “suspect” (non-qualified prospect) to the level of engagement necessary to become a donor. Major gifts fundraisers typically oversee a portfolio of 150 prospective donors. On more than one occasion, a volunteer has told me they find this language distasteful. They resent the concept of being “managed.” Using Gregory’s philosophy, the fundraiser is asked to shift his or her thinking and join with the donor in determining the strategy for giving. Gregory authors a subscription series which documents the use of AI to enable a joint exploration of the mission as it relates to each solicitation (Gregory, 2005). “Within each person,” says Gregory on his website, thephilanthropicquest.com, “is a desire to help others and this is expressed in our culture, through acts of philanthropy. Appreciative Inquiry gives us a way to tap into the type of energy and optimism that transforms people’s lives” (Gregory, 2005). Gregory claims that inviting donors to explore what works best for them and the organization can result in true stretch philanthropy − that is ‘stretching’ to make a gift beyond one’s usual range (Gregory, 2005).

Shared Understanding Benefits Donor and Organization

Donors are increasingly interested in having more control of their gifts (Barman, 2007), so working together with the fundraiser to identify how a gift can achieve the organization’s mission enables the fundraiser to better clarify and realize the original intent of the donor. Research is also showing that donors are greatly influenced by the organizational messages coordinated through their solicitors – the organization’s fundraisers (Barman, 2007). Understanding the donor’s motivation through a process such as AI becomes a means of performing due diligence by the recipient organization. Donors give within the framework of a relationship with nonprofits and, consequently, their charitable choices are fundamentally structured by the fundraisers’ solicitation strategy.

In an effort to enhance the involvement of the Foundation’s board and donors with the campaign, we used processes very similar to AI over the past few years. During the strategic planning process and later, in the design process for the new hospital, various groups of stakeholders were convened to help craft the future of the System and the Foundation. During the 850 meetings described earlier. PHCS leadership, local and state government representatives, architects, financial planners, medical staff, donors and futurists were asked questions and prompted to consider issues as:

- What is currently working at University Medical Center at Princeton?
- What does optimal health care look like five years from now?
- Describe a time when you and the staff were at your best and felt empowered to deliver the best possible care.

The answers were not always intuitive to the questioner, but according to PHCS CEO Barry Rabner, the answers resulted in identifying new ways of approaching the opportunities that were nearly always better than what the internal staff and expert consultants might have decided without this AI approach. The new hospital Site Search Committee exemplified this appreciative mindset.

The committee was invited to begin by dreaming about the future, without regard to financial constraints or limitations. The resulting vision was part of the reason that the board approved purchase of the current site. This 160-acre parcel is three times as much land as is needed for the current and future projected growth of the hospital over the next twenty years. But during the process of dreaming, the administration, board and medical leadership developed a vision that became more compelling than the fear represented by the financial risk of purchasing the site. This decision has resulted in the development of a healthcare "campus" with synergistic opportunities that will provide tremendous benefits to the community and the organization. The current plans include developments such as:

- Enhanced pediatric services enabled by the Children's Hospital of Philadelphia;
- Transforming a former chemical company and its nineteen mostly-abandoned buildings into a 32-acre public park that reclaims the Stonybrook Millstone Watershed as a nature preserve
- A co-generation facility that will save PHCS approximately 20% per year in energy costs (after initial expenditures are completed), that will allow for sustainable design programming education, provide added redundancy to withstand electric outages without negative impact to the patients, and reduce the carbon footprint; and
- A skilled nursing facility for which the hospital will provide medical services.

Had the Site Committee utilized the traditional mindset of simply solving the problem of needing extra space, none of these partnerships would have been possible.  The extra land would have been dismissed out of hand as a liability, especially during the recent depressed real estate market.  From the positivity of imagination came the opportunity to diversify the organization's revenue streams while providing central New Jersey with a convenient continuum of health care.

Additional Applications

Two additional applications of a process similar to AI have recently contributed to the fundraising success of PHCS Foundation.  A strategic assessment of the campaign progress to date was carried out by the staff and their fundraising consulting firm, Graham Pelton.  The assessment's goal was to better understand donors' and prospective donors' interest in and perception of the plans to relocate the hospital, and our fundraising success at this mid-point of the capital campaign.  Individuals were asked during one-on-one conversations and group meetings to "Describe your most rewarding philanthropic contribution − a time when the experience of giving was especially meaningful."  The conversation frequently energized the meeting.  The answers helped us better understand our donors' priorities.

Positive Inquiry Enhanced Staff-Donor Engagement

Some PHCS assessment participants talked about the responsibility to give back to society, others were motivated by recognition.  Some described a rewarding experience involving specific people or programs at the recipient institution.  The information gathered verified the tremendous differences in the motivational factors, capacity and availability of each person.  The application of that lesson to PHCS Foundation and this campaign is widespread. One application is the importance of having an adequate number of major gifts staff. Only through this type of personal conversation can we spend time getting to know our donors and tailor their involvement to best match their interests with the needs of the organization. A partnership of volunteers with staff, allow the optimal chances for the appropriate steps to be taken. Very few volunteers have the time it takes to cultivate and steward the ongoing relationships required to have those conversations, schedule the meetings, prepare the search, follow-up, create the appropriate documentation, design and implement next steps and steward the ongoing relationship. A team building exercise resulted in a similar opportunity to develop an AI conversation with Foundation staff.

An AI-like process was used to help identify the Foundation staff's core values. The staff was invited to share a story about a time when being part of a well-functioning team was particularly rewarding. This exercise helped us to channel some divisive energy into a shared, positive conversation. Asking the staff member to describe a time when they had excelled, magnified the special abilities and motivations of these valued employees. Research by scholars such as Deci and Ryan (1985), and Sandage and Hill (2001) illustrate how such questions can reveal intrinsic motivation and that when people are motivated intrinsically, they have a greater tendency to seek out new challenges and to extend beyond their usual capabilities (as cited in Cameron, et al., 2003). The first person to share a story at this meeting was the PHCS financial analyst − someone who was not content with all of the changes that had been made, but who had significant talent, many years with PHCS and was an important member of the team. Such dialog, exploring what is possible and good, instead of on "fixing problems" has enabled PHCS to better utilize the tremendous dedication of our staff, knowledge of members of the System and Foundation boards and the community.

# CHAPTER FIVE

## REFLECTIONS AND FUTURE OPPORTUNITIES

Although this was a paper that used the lens of Positive Psychology/Positive Organizational Scholarship to explore areas of success at the Foundation, it is important to point out that there are many areas that need improvement. In this final chapter, I would like to outline two specific challenges and the way in which the Program in Organizational Dynamics has helped me address them. Then, I take the liberty to reflect on the choice of this topic and the experience of writing this paper. Finally, I attempt to answer the questions posed at the beginning of this paper.

### Managing Conflict and Encouraging Feedback

Some of the very assets contributing to our effectiveness, when used at the wrong time or to excess have proven to be liabilities. For example, I am a really nice person. "Likability" can make it hard for people to confront me. To complicate matters, there is no systematic process for routine feedback from hourly/support staff to management. In addition, the recent personnel downsizing has had negative effects on the staff. Combine the typical effects of downsizing — reduction in morale, trust and productivity documented by researchers such as Cameron (1998), Freeman and Mishra (1993) and Cascio, Young & Morris (1997), (as cited in Cameron et al., 2003)— with no acceptable opportunity to question or control the situation, and you have deterioration. Since conflict management is important and feedback is essential to support effective group process (O'Reilly & Roberts, 1979), the organization was growing dysfunctional. I was anxious to integrate my work in Organizational Dynamics in addressing these challenges. We selected the consulting firm of one of my former instructors to facilitate a staff retreat. The consultant recommended the use of a survey tool that would identify strengths and weaknesses of the team, called a Group Management Questionnaire (GMQ). The GMQ provided a method of feedback for those on the staff who felt disenfranchised. Freeman and Rothenberg describe one factor leading to resilience as the skill of being able to detect small problems and stop them before they spin out of control (2006). This was one benefit of using such a survey.

The GMQ was administered at a staff meeting in advance of the retreat and returned directly and anonymously to the facilitator. This very effective survey explored the staff's perception of the Foundation's use of best practices in several areas proven to affect teams. The GMQ invited the staff to share openly about what worked and what did not. The result documented a clear difference in perception between professional and supports staff members. At the subsequent retreat, the facilitator used various designs to assist us in addressing some of the issues of greatest concern. Facing the rift among the staff was not a comfortable exercise for many of us. As proponents of Appreciative Inquiry (AI) claim, simply asking the questions changes the situation (Cooperrider & Whitney, 1999). The act of soliciting staff input and the effectiveness of the designs used by the facilitator demonstrated the management's interest in the opinion and involvement of all staff. The work continues as we now begin the process of identifying our core values and methods of providing feedback and accountability to these values.

Coaching Volunteers

Volunteers govern but do not manage the staff of the PHCS Foundation. Only through open, honest feedback with the volunteer leadership can we understand how to accomplish their vision for the organization while meeting the needs they have as volunteers. Over the last few years, I have applied some of the Coaching techniques garnered through my work in Organizational Dynamics to enhance my relationship with volunteers. I have worked hard to prevent always needing to provide the answers, but instead, through active listening, help the volunteer identify and articulate the issues. Clarifying and responding appropriately to the concerns of all parties, has been a challenge for me. In his forthcoming book on the seduction of leadership, Rod Napier talks about how difficult it is to identify and respond rationally to objections, especially when one is in the leadership role, "To not be reactive or to personalize the frustrations that come our way is a hugely demanding skill predicated on a deep desire for the truth" (Napier, 2009). Seeking the truth from colleagues and volunteer board members is of utmost importance and yet I can find myself being defensive of all we have accomplished and of how hard we work. Coaching practices teach the practitioner how to listen more objectively (Argyris, 2004).

Board members and staff are not cut-throat business competitors − the vast majority of these stakeholders want what is best for the organization and deserve to be clearly heard. Hearing differing points of view can be beneficial to both parties. Carl Rogers is widely known as saying that all facts are friendly. This type of receptivity is a nourishing response to those who have concerns. Being open to diverse opinions is more effective than attempting to always be the expert with an opinion to offer on every subject. Goldsmith & Lyons describe how this approach can conquer obstacles hindering business results (2006). A coaching approach is very suitable for guiding volunteers to help us in our shared objective: achieving the organization's mission. Coaching focuses on obtaining goals rather than analyzing problems (Smith, 2007).

<u>Defining and Addressing the Needs of the Board</u>

Does the skill set of the professional staff negate the need for volunteer support? The Foundation is governed by 55 boards members with nearly as many opinions about the performance and priorities of the Foundation. As director of development, I am both a servant and a leader, with management oversight of staff, as well responsibility to the 55 individuals who serve on both boards. Staff need to be able to share their extensive experience, in essence leading the volunteer board members when appropriate, while honoring the hierarchy of the board member's position and the board member's own unique set of skills and knowledge (Bradham, 2007). The talent of both parties − board and staff − must be maximized.

Each board member brings unique knowledge and talents to the organization. Board members and other volunteers are often recruited for their knowledge needed to manage the organization and for their contacts to potential donors. These and other volunteers are often able to gain access to potential donors. Board members have tremendous knowledge of the community that is typically deeper than that of the staff. They also have expertise in other areas outside of fundraising that can be brought to bear on the development of relationships with prospects and the management of the organization.

When one views the situation from a humanistic perspective of personality behavioral development, it is safe to assume that both board and staff are striving toward self-actualization (Rogers, 1951 & 1959; Mazlow, 1970). Staff and volunteers are moving forward, attempting to reach their full capacity within their roles. The symbiotic relationship of volunteers and staff requires an interdependence that can result in awkward, one-way condescension or conversely, a graceful pas de deux, of benefit to both parties. Unfortunately, a typical response to interdependence is conflict (Pondy, 1967) as well as blaming and avoidance (Gittell, 2000). Jody Gittell explores the paradox of coordination and control, "Effective coordination of interdependent work requires that participants engage in problem-solving communication," she says (2000). Before the proliferation of a downward spiral of blaming develops, the PHCS staff must continue the development of communication techniques and programs to enhance their understanding of the volunteers' concerns, provide increased opportunities for engagement, and seek feedback on the measurable results. One example of a successful process to better understand and meet the concerns of the board follows here.

Gathering Feedback

"Frontline" staff ─ those who worked directly with volunteers and prospects ─ spoke to their volunteers about their specific concerns, while management discussed the situation with board leadership and the campaign consultants. Safe opportunities for honest dialog are important to volunteer satisfaction, just as they are for employee satisfaction (Jones, Hall & Meyer, 2003). The feedback helped board and staff develop a plan to address these concerns. An initial step was a survey to better evaluate the situation.

The board undertook an independently administered self-evaluation to analyze their perceptions about the efficacy of the organization including their own and their fellow board members level of engagement. The survey was designed to improve the effectiveness of operations - and ultimate success - of the PHCS Foundation as a whole in achieving its mission and goals, and to increase the personal satisfaction and personal success of directors related to their work with the Foundation. Clear and immediate feedback is helpful in better understanding how to meet the demands being faced (Stober & Grant, 2006). Regular, consistent self-evaluation is an integral tool to becoming and remaining a first rate board. The responses collected in the survey supported the need to develop new practices, and to better communicate what was already happening with regards to monitoring success and fundraising (see Appendix A). For example:

- 66% said they were unsure or neutral when asked if the board regularly monitored its progress toward its mission.

- 40% answered that they were unsure if PHCS implemented appropriate strategies for optimizing fundraising from its various prospect pools.
- 48% indicated lack of clarity or were not confident of the Foundation's cultivation and stewardship practices in general. In the open-ended comments related to this question one director responded, "The board does none of this. It's all about the staff."
- 67% didn't feel there was adequate orientation for new board members and volunteers

Some of the concerns illustrated the need for better, more frequent communication. Other data helped staff and board leadership prioritize the tasks before them.

Implementing Change for Leadership Development

Certain issues could be immediately addressed and others would be managed over a long period of time. A sampling of action steps taken include:

- A comprehensive orientation for new board members and staff was developed and held within 3 months of the survey results.
- Development and distribution of a prospect strategy document that includes a simple list of possible "next steps" to move the prospect closer to a gift. This provided common ground for the volunteer's discussions with staff, while eliminating the assumption that volunteers knew appropriate methods to engage the prospect ─ helping removing blame and eliminating the possibility of embarrassment of the volunteers at this lack of knowledge (see Appendix B).
- Seeking meaningful volunteer input and providing additional fundraising training in a Example of implementing this included the production of 3 sessions of board screening and solicitation techniques review.

Personal Reflections

Sometimes when I begin to describe my research in Positive Psychology and Positive Organizational Scholarship (PP/POS) the response I receive conveys an attitude of amused condescension. The uninformed assume this is a touchy-feely, new-age field that deals only with easy issues, as opposed to rigorous science. But rigorous science *is* being used to better understand how we succeed as individuals, and the path to positivity is far from easy. Using Positive Psychology/Positive Organizational Scholarship (PP/POS) as a lens to magnify what works does not eliminate difficult situations or people. I have found however, that its application can diffuse the stressful negativity that often dominates when dealing with these challenges. I was drawn to the field because it seems especially appropriate for fundraisers.

People who want to volunteer or work for a non-profit practically self identify as agents of optimism. We are drawn to this field because we want to maintain what is good or work to make it better. I was thrilled to think I could learn to help strengthen the organization using a process that would celebrate and magnify that spirit of positivity. On a personal level, the research itself was a nurturing experience in the midst of tumultuous times.

The wars in Afghanistan and Iraq rage on. The politicians seem nowhere near agreeing on health care reform although 40 million residents are uninsured (US Census, 2008). Unemployment has reached 10.2% — the highest level in 26 years (US Bureau of Labor Statistics, 2009). Against this dismal backdrop I would find myself smiling, literally full of wonder, as I read the latest findings documenting the impressive effects of optimism, the positive impact of humor or the lasting physical benefits for those who dared to hope.

Answers to the questions posed in the introduction

At the very beginning of this paper three questions were posed. I am now in a position to answer these questions.

Q: Would I have learned more applicable lessons to guide my organization through this turmoil had I earned an MBA instead of studying The Program in Organizational Dynamics?

A: For business acumen, I can turn to one of my brilliant board members or our CFO. I do not see where a better understanding of business practices or the specifics leading to the current recession would help me be a better fundraiser. Understanding the philanthropic motivation of those who are guiding and funding my organization through and out of this recession? Priceless.

Q: Were there relevant lessons from my classes on topics such as ethics, culture change, and coaching that, when applied, could help me develop a resilient organization that can meet the literal demands of the bottom line?

A: As this paper demonstrates, being an ethical leader, managing swift and extensive change and providing the supportive skills learned through my coaching classes have enabled me manage and serve an organization that has quadrupled its annual revenue in the last three years.

Q: If I better understood this success, could the lessons be replicated in the midst of a recession?

A: Not only can the lessons be replicated, I believe this paper makes a compelling case for the necessity of understanding the implications and applications of Positive Psychology to retain our volunteer donors and staff. The resilience of the Foundation and other non profits will be increased if we magnify the positive experience of our stakeholders and buffer against the stressors.

<u>Conclusion</u>

Saving lives and ushering new ones into the world are feats worthy of tremendous support. Over the last few years, Princeton HealthCare System Foundation has succeeded in its mission to undergird and uplift the people who strive to accomplish these feats. How this has happened can be more clearly understood through the lens of Positive Psychology/Positive Organizational Scholarship. Empowering our stakeholders, investing in strengths, deep inquiry into best practices, and continuous gratitude have all helped the Foundation to thrive. Although I was unable to discover any specific PP/POS research applied directly to a fundraising organization, the general discipline has been helpful to growing numbers of non-profit organizations. This is a logical and exciting direction for future study. It would be helpful to see empirical research into areas such as the effectiveness of stewardship programs on major gifts or using Appreciative Inquiry to develop consensus on the evolving roles of board and staff.

Fundraising organizations are comprised of people who believe in the positive power of upholding what is good and every effort should be made to integrate positive scholarship into the lives of those responsible for their success.

# REFERENCES

Abelson, R. (2004, June, 15). Hospitals, eager to build, may find funds scarcer. *The New York Times:* A2.

Andreoni, J. (1998, December). Giving with impure altruism: Applications to charity and Ricardian equivalence. *Journal of Political Economy. 106, 1186–1213*. Chicago: University of Chicago Press.

Advisory Board Company. (2007). Rising to the occasion: leveraging the power of philanthropy to meet increased needs. Washington, D.C. Retrieved from: http://www.advisory.com/members/default.asp.program.

Advisory Board Company. (2005). Toward a higher standard: Initial findings from the performance benchmarking standards. Washington, D.C. Retrieved from: http://www.advisory.com/members/default.asp.program.

Argyris, C. (1957). *Personality and organization: The conflict between system and the individual.* New York: Harper & Row.

Barman, E. (2007). An institutional approach to donor control: From dyadic ties to a field-level analysis. *American Journal of Sociology, Volume 112 Number 5*, 1416–57. Retrieved from www.Journals.UChicago. DOI: 10.1086/511802

Bishop, M. (2008). *Philanthrocapitalism: How the rich can save the world.* New York: Bloomsbury Press.

Bradham, J. (2009). *The truth about what nonprofit boards want.* New York: Wiley and Sons.

Bradach, J., Stone, N., & Tierney, T. (2009, January 26). Four questions for charities to answer as they seek to thrive in hard times. *Chronicle of Philanthropy*. p.B12.

Brookfield, S. (1986). *Understanding and facilitating adult learning.* Buckingham, England: Open University Press.

Cameron, K. (2003). Organizational virtuousness and performance. In Cameron, Dutton & Quinn (Eds.), *Positive organizational scholarship: Foundations of a new discipline* (pp.225-258). San Francisco: Berrett-Koehler.

Cameron, K. (1998). Strategic organizational downsizing: An extreme case. *Research in Organizational Behavior,* 20, 185-229. In Cameron, Dutton & Quinn (Eds.), *Positive organizational scholarship: Foundations of a new discipline* (p.54). San Francisco: Berrett-Koehler.

Cameron, K., Dutton, J., & Quinn, R. (Eds.). (2003). *Positive organizational scholarship: Foundations of a new discipline.* San Francisco: Berrett-Koehler.

Cavanaugh, M. (2005). Mental health issues and challenging clients in executive coaching. In Cavanagh, M., Grant, A. and Kemp, T. (Eds.). *Evidence-based coaching: Vol. 1. Theory, research and practice from the behavioral sciences* (pp. 21-36). Brisbane, Australia: Australian Academic Press.

Cassell, E. J. (2002) Compassion. In Synder, C.R., & Lopez, S.J. (Eds.), *Handbook of positive psychology* (pp. 434-445). In Cameron, Dutton & Quinn (Eds.), *Positive organizational scholarship: Foundations of a new discipline* pp.225-258. San Francisco: Berrett Koehler.

Burnett, K. (1992). *Relationship fundraising: A donor based approach to the business of raising money.* San Francisco: Jossey-Bass.

Carmeli, Brueller & Dutton (2008, November 25). Learning behaviors in the workplace: the role of high quality interpersonal relationships and psychological safety. *Systems Research and Behavioral Science, 26,* 81-98. Retrieved from: (www.interscience.wiley.com) DOI:10.1002/sres.932

Caza, A., Barker, B., Cameron, K. (2009). Ethics and ethos: the buffering and amplifying effects of ethical behavior and virtuousness. *Journal of Business Ethics*, *Vol. 52*, *No. 2*.

Caza, A., Barker, B., Cameron, K. (June, 2004). *Ethical issues in business: perspectives from the business academic community.* pp. 169-178. Stable URL: http://www.jstor.org/stable/25123244. Accessed: November 1, 2009.

Chance, K. S. (2008). *Positive psychology: A scholar-practitioner approach to evidence-based coaching.* (Master of Science in Organizational Dynamics Theses, University of Pennsylvania). Philadelphia. Retrieved from Scholarly Commons: http://repository.upenn.edu/organizational_dynamics/

Cloninger, C. R. (2005). [Review of the book: *Character strengths and virtues: a handbook and classification*]. *American Journal of Psychiatry, 162,* pp. 820-821.

Cooperrider, L. & Sekerka, L.E. (2003). Toward a theory of positive organizational change. In Cameron, Dutton & Quinn (Eds.), *Positive organizational scholarship: Foundations of a new discipline* pp.225-258. San Francisco: Berrett Koehler.

Cooperrider, D.L. & Whitney, D., Appreciative Inquiry: A positive revolution in change. In P. Holman & T. Devane (Eds.), *The Change Handbook,* pp. 245-263. San Francisco: Berrett-Koehler.

Cooperrider, L. & Sekerka, L.E. (2003). Toward a theory of positive organizational change. In Cameron, Dutton & Quinn (Eds.), *Positive organizational scholarship: Foundations of a new discipline* pp.225-258. San Francisco: Berrett Koehler.

Conger, J.A. & Kanungo, R. N. (1987). Toward a behavioral theory of charistmatic leadership in organizational settings. *Academy of Management Review,* 12:637-647.

deGrassi, A. (2007). Envisioning futures of African agriculture. *Progress in Development Studies, Vol. 7, No. 2,* 79-98. Retrieved from JSTOR: DOI: 10.1177/146499340600700201

Duckworth, A., Steen, T.,Seligman, M.E.P. (2005). Positive psychology in clinical practice. *Annual Review of Clinical Psychology, Vol.1*, 629-651.

Donnellon, A. Team work: Linguistic models of negotiations. In Sheppard, B., Lewicki, R. & Bies, R. (Eds.), *Research in negotiations in organizations.* Greenwich, CT: JAI Press.

Emmons, R.A. & Crumpler, C.A. (2000). Gratitude as human strength: Appraising the evidence. *Journal of Social and Clinical Psychology,* 19:56-69.

Feldman, M.S. ADD Khademian (2003). *Resources in emerging structures and processes of change.* International Journal of Public Management, 3(2) 149-168 as referenced in *Positive Organizational Scholarship*, Cameron, Dutton and Quinn; Berrett-Koehler, San Francisco, CA.***

Freeman, Steven, F., & Rothenberg, Sandra. (2006). *Success Under Adversity: Differentiating Leaders From Laggards During Hard Times in The Printing Industry;* RIT Printing Industry Center, Rochester, NY.

Fredrickson, B.L., & Joiner, T. (2002). Positive emotions trigger upward spirals toward emotional well-being. *Psychological Science, 13,* 172-175.

Fredrickson, B.L., & Levenson, R.W. (1996). Positive emotions speed recovery from the cardiovascular sequelae of negative emotions. *Cognition and Emotion, 12,* 191-220.

Fredrickson, B.L., & Losada, M. (2005). Positive affect and the complex dynamics of human flourishing. American Psychologist, 60, 678-686.

Gable, S.L. & Haidt, J. (2005). What (and why) is positive psychology? *The Review of General Psychology, 9,* (2), 103.

George, Jennifer, M. (2004). A review of Positive Organizational Scholarship: Foundations of a New Discipline, Cameron, Dutton & Quinn, found in *Administrative Science Quarterly, Vol. 49, No. 2* (Jun., 2004), pp. 325-330 Published by: Johnson Graduate School of Management, Cornell University Stable URL: http://www.jstor.org/stable/4131485

Gittell, J.H. (2000). Paradox of coordination and control. *California Management Review,* 423: 1-17.

Goudrrian, G. (2004). AI in villages in Burkina Fasso. Retrieved from: appreciativeinquiry.case.edu/practice/organizationDetail.cfm?coid=5160&sector=23

Greenfield, J., M. (1999). *Fundraising: Evaluating and Managing the Fundraising Process*; Wiley & Sons: New York.

Harker, P. & Xue,M. (2002). *Customer Efficiency: Concept and its Impact on E-Marketing;* Journal of Service Research, Vol. 4, No. 4, 253-267.

Hinterlong, J. & Morrow-Howell, N. (2007). Productive health and late life physical and mental engagement, *Journal on Aging*, Vol. 29: Issue 4, 348-370.

Hoekstra,F.G., Schouten,E.G., Zitman,J., Geleijnse, J., & Giltay, E.J. (2004) Dispositional optimism and all cause and cardiovascular mortality in a prospective cohort elderly Dutch men and women. *Archives of General Psychiatry, 61: 126-135.*

Hrywna, M.. (June 11, 2009). Giving dropped $6.4 billion-largest decline on record. *The NonProfit Times.* Retrieved from: http://www.nptimes.com/09Jun/bnews-givingusa-090610.html

Johnson, A. (1995). The business case for work life family programs. *The Journal of Accountancy, v 180.* Retrieved from www.Questia.com

Kaminer,W. (1984). *Women Volunteering*. Garden City, NY: Anchor

Kauffman Hall. (2006). Financial feasibility and future constituency analysis. Skokie, IL.

Kessler, R. C., Heeringa, R. & Lakoma, M. (2008). Individual and societal effects on mental disorders and earnings in the United States. *American Journal of Psychiatry* 165:703-711

Kelly, K.S. (1998). *Effective Fundraising Management;* Lawrence Erhlbaum Associates, Mahwah, NJ.

Kozlowski, S.W.J., Bell B.S. (2007). *Work group learning: Understanding, improving and assessing how groups learn in organizations,* Sessa VI London, Mahwah, NJ; 15-44, 2007.

Luthans, F. & Youssef, C. M. (June, 2007) Emerging positive organizational behavior *Journal of Management, Vol. 33 No. 3,* 321-349. doi: 10.1177/0149206307300814

Melchior, M., Caspi, A., Milne, B., Danese, A. (2007). Work stress precipitates depression and anxiety in working women and men. *Psychological Medicine,* 37:1119 – 1129. Cambridge University Press. doi:10.1017/S0033291707000414

Mellon Financial (2004, February 10). Human resources management guide: Mellon Financial Corporation’s human resources and financial investors’ solutions study. Retrieved from: http://www.hrmguide.com/worklife/work-life-programs.htm

Mixer, Joseph R. (1993). Principles of successful fundraising: Useful foundations for successful practice. San Francisco. Jossey-Bass.

Napier, Rodney. (2009). *The seduction of the leader* (working title). Unpublished manuscript.

New Jersey Hospital Association. (March, 2009). *What's happened to my hospital?* http://www.njha.com/Press/Pdf/ClosureList0309.pdf.

Paine, L.S. (March-April, 1994). Managing for organizational integrity. *Harvard Business Review.* Retrieved from: http://organizacionysistemas.com/ARTICULOS/oi.pdf

Pecorino, Paul, & Temimi, Akram. (2001, July). A note on the theory of charitable fund- raising: The role of refunds. *Journal of Public Economic Theory* 3, 341–45.

Peterson, C. & Seligman, M.E. (2004). *Character strengths and virtues: A handbook and classification.* Oxford, UK and New York: Oxford University Press.

Piliavin, J., & Chen, H.W. (1990). Altruism: A Review of Recent Theory and Research. *Annual Review of Sociology, Vol. 16 (1990),* 27-65. Stable URL http://www.jstor.org/stable/2083262

Pimlot, D. (2008, February 16). Consumer confidence lowest in 16 years. *Financial Times.* Retrieved from: http://www.ft.com/cms/s/0/8838fc1e-dc32-11dc-bc82-0000779fd2ac.html

Pratt, M. G., Rock, K.W. & Kaufmann, J. (2001). Making sense of socialization: How multiple social identities shape members' experiences of work. *Academy of Management Proceedings:* A1 – A6.

Radbourne, J. (2003). The link between governance and corporate non-profit boards. *Corporate Reputation Review,* Volume 6, Number 3, 1 October, pp. 212-222.

Renzetti, K. (2009, March 4). Association on health care philanthropy opposes limits on charitable tax deductions. Retrieved from: www.ahp.org/publicationandtools/News/Releases/2009_News/Pages/NR_03-04-09.aspx

Roberts, K. & O'Reilly, C. (1979, March). Some correlates of communication roles in organizations. *The Academy of Management Journal, 22: 1*.p. 42 – 59. Retrieved from JSTOR.

Roug, L. (2008, May 2). Charities feeling the effects of economic slowdown. *Globe Newspaper Company.* Retrieved from: http://www.boston.com/news/nation/articles/2008/05/02

Rothberg, H. (1995). *The first seventy-five years: A history of the Princeton Medical Center.* Princeton, NJ.: The Medical Center at Princeton Foundation.

Sargeant, A., Ford, J. & West, D. (2006). Perceptual determinants of nonprofit donors giving behavior. *Journal of Business Research, 59,*155-165. Retrieved from sciencedirect.com.

Seligman, M.E.P. (2003). Positive organizational studies: Lessons from positive psychology. In Cameron, Dutton & Quinn (Eds.), *Positive organizational scholarship: Foundations of a new discipline* pp.14-27. San Francisco: Berrett-Koehler.

Seligman, M. E. P. (2008). Positive health. *International Journal of Applied Psychology. 57, 3-18.* doi: 10.1111/j.1464-0597.2008.00351.x

Seligman, Martin E.P. & Csikszentimihaly, Mihalyi. (2000). Positive psychology: An introduction, *American Psychologist*, 55:5-14.

Seymour, H. J. (1992). *Designs for fund-raising: Principles, patterns, techniques*. Taft Group.

Schmidt, J. & Rhoa, J.H. (2009). *U.S. unemployment now as high as Europe;* Issue Brief: May 2009. Washington, D.C.: Center for Economic Policy Research.

Shamir, B., House, R. J., & Arthur, M.B. (1993). The motivational effects of charismatic leadership: A self-concept based theory. *Organizational Science*, 4:577 – 594.

Shaver, K. (2009, June 8). Charitable donations fell in 2008, report finds. *Washington Post. Retrieved from: www.washingtonpost.com/wp-dyn/content/article/2009*

Sheldon, K.M., & King, L. (2001). Why positive psychology is necessary. *American Psychologist*, *56*, 216-217.

Spector, Marke and Banjo, Shelly. (November 25, 2008) *Big Players Scale Back Charitable Donations*; The Wall Street Journal.

Smith, J.V. (2007). *Therapist into Coach*. New York: McGraw-Hill.

Sutcliff, K.M. & Vogus, T. J. (2003). Organizing for resilience. In Cameron, Dutton & Quinn (Eds.), *Positive organizational scholarship: Foundations of a new discipline* (pp.94-110). San Francisco: Berrett Koehler.

Thompson, A. & Bono, B. (1993, July). Work without wages: The motivation for volunteer firefighters. *American Journal of Economics and Sociology, 52, No. 3,* 323-343, retrieved from: Stable URL: http://www.jstor.org/stable/3487155

Thoits, P., & Hewitt, L. (2001, June). Volunteer work and well-being. *Journal of Health and Social* Behavior, *Vol. 42, No. 2*, pp. 115-131.

US Department of Labor Bureau of Labor Statistics. www.bls.gov\CPS. Accessed November 10, 2009.

van Vuuren, J.L. & F. Crous. (2005). Utilizing appreciative inquiry (AI) in creating a shared meaning of ethics in organizations. [Abstract.] *Journal of Business Ethics*, *57, (4).* doi:10.1007/s10551-004-7307-3

Watkins, J.M. & Mohr, B. (2001). Appreciative Inquiry: Change at the Speed of Imagination, San Francisco: Jossey-Bass. Retrieved from: http://www.change-management toolbook.com/mod/book/view.php?id=74&chapterid=40

Wilson, M. G., Dejoy, D. M, Vanderberg, R. J., Richardson, A. L. (2004). Work characteristics and employee health and well-being: Test of a model of healthy work organization. *Journal of Occupational and Organizational Psychology*: Vol. 77, Number 4, pp. 565-588.

Wright, J. W. & Yamamoto, J. H. (2008, February). Angiotensen receptors and subtype mediated physiologies and behaviors-new discoveries. *Progress in Neurobiology*; *volume 84, Issue 2*, Pages 157-181

Vicenzi, R., & Adkins, G. (2000). A tool for assessing organizational vitality in an era of complexity. *Technological Forecasting and Social Change*, 64:101-113.

APPENDIX A

Sample questions and summarized responses from confidential board self-assessment.

## Fundraising

| How confident are you that: | 1 Not Very | 2 Somewhat | 3 Neutral | 4 Confident | 5 Very Conf. | Not Sure |
|---|---|---|---|---|---|---|
| PHCS Foundation has a fundraising plan that will grow the dollars raised each year? | 5% | 10% | 14% | 52% | 19% | 0% |
| PHCS Foundation has clear fundraising priorities (projects/iniatatives for which gifts are sought? | 0% | 5% | 14% | 43% | 38% | 0% |
| PHCS Foundation seeks philanthropic support from the proper pools of prospective donors? | 0% | 0% | 24% | 43% | 14% | 19% |
| PHCS Foundation implements appropriate fundraising strategies with its various pools of prospective donors? | 0% | 0% | 29% | 62% | 5% | 5% |
| A system exists within the PHCS Foundation for cultivation of prospects identified by Board members, at events, or by other means? | 10% | 5% | 14% | 38% | 24% | 10% |

Sample recommendations developed in response to board self-assessment.

## Short-Term Recommendations

### 2. Communication

- Unfortunately, a characteristic of a busy, successful organization can often be its strong focus on tasks-at-hand and achieving results. The rapidly expanding operations of the Foundation, in addition to the $115 million campaign goal, have required this type of focus from staff. As a result, communication with Directors has been a secondary priority from time to time.
- As more time and resources are dedicated to communication with Directors, they will be empowered to fulfill their roles and responsibilities at higher levels of productivity and effectiveness. Also, with greater understanding and information, Directors become more accountable for the results achieved by the Foundation.
- Send regular (monthly or bi-monthly) updates/reports to Board members on the status of the campaign, annual fund, stewardship, cultivation, recognition, etc. Include “human interest” as well as statistical information on progress.

# APPENDIX B

Solicitation training documents: next step list.

Design for healing The Campaign for the University Medical Center of Princeton

## Ideas for Next Steps for Prospects

### Meetings
New health campus site tour
Meeting with Barry Rabner
Meeting with Board member or other volunteer
Meeting with physician or institutional representative/Foundation staff
Shadow a physician

### Events
Rabner dinner
Tour of the hospital or the new site
Community education event such as physician lecture / dinner before or after
Invitation to Auxiliary event

### Service
Screening prospect list for us
Serving on ad hoc committee or focus group
Serving on a standing committee
Service on Board of Directors or Board of Trustees
Host or co-host an event
Serve as Honorary Chair, such as for A November Night
Seek advice on issue

### Communications
Thank you phone call to them from trustee, physician or other leader
“First to know” - send news items via email prior to publications in press
Mail or hand-deliver the campaign DVD

### Stewardship/Recognition
Feature prospect/donor in newsletter or annual report story
Naming opportunity in new building
Invite as guest speaker for event
Design for Healing related-gift