



INTERVIEW WITH JAMES McHALE – October 5, 2012

Our State of Generosity, a project of the Dorothy A. Johnson Center for Philanthropy (JCP) at Grand Valley State University (GVSU), in partnership with the Council of Michigan Foundations (CMF), Michigan Nonprofit Association (MNA), Michigan Community Service Commission (MCSC), and GVSU Libraries' Special Collections & University Archives present:

An interview with James McHale on October 5, 2012. Conducted by Kathryn Agard, primary author and interviewer for *Our State of Generosity*. Recorded at the Johnson Center for Philanthropy in Grand Rapids, Michigan. This interview is part of a series in the project, *Our State of Generosity* (OSoG). OSoG is a partnership of scholars, practitioners, and funders from four institutions – the Johnson Center; CMF; MNA; and MCSC – that collectively form the backbone of the state's philanthropic, voluntary, and nonprofit infrastructure. OSoG's mission is to capture, preserve, analyze, and share the developments, achievements, and experience that, over a period of 40 years, made Michigan a State of Generosity.

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Abridged: The following interview has been edited to assist readability. Extraneous verbal pauses and informal personal conversation not related to the topic of Michigan philanthropy have been deleted. Footnotes to the transcript have been added clarifying any factual errors in the memory of the person interviewed.

Text of the interview questions are as asked. Individuals interviewed have had the opportunity to add or edit their answers in order to provide their most accurate answers to the questions. For these reasons, the edited transcript may not exactly reflect the recorded interview.

Kathy Agard (KA): It can't be organized here. Alright. So, Jim?

Jim McHale (JM): Yes?

(KA): You've had career experiences in all the major components of philanthropy. You've been a fundraiser for a major hospital and for a community hospital. You created the youth component

for MCFYP. You've been involved in CMF. You've been on the foundation side. You've been involved in the community, and on the community side as a board member. Can you just for a minute go over briefly the kinds of goals you've had so that we have that on tape? We'll talk more about your personal biography later, but right now, just kind of your career in philanthropy.

(JM): Okay. Sure. My first job in philanthropy is literally right out of college, working for the American Cancer Society. I was an area representative responsible for three counties, where I had three individual boards where I was responsible for working with them on their fundraising, their education issues, their public awareness issues. After two years, I had the opportunity then to go to a hospital in Grand Rapids called St. Mary's [00:01:00] Hospital, where I got into philanthropy there, which was, I would say, even more sophisticated philanthropy. I had the opportunity to work with really well-trained fundraisers. Then shortly after that (after about two years) I was recruited to Hackley Hospital, where I joined their marketing staff, and was actually asked to help develop a development program at Hackley Hospital, which has its own set of challenges, but opportunities also.

And then after that, I had this really unique opportunity to go work as a program associate at the Council of Michigan Foundations when they had just received a \$36-million grant from the Kellogg Foundation to make sure that every citizen of the state of Michigan had access to a community foundation, but equally important, to start introducing philanthropy in a meaningful way to young people. Because of some prior work I had done in my volunteer work of working with and empowering young people, they asked me to come onboard and assist somewhat with the creation of the community foundations, but most importantly in helping establish the Youth Advisory Councils.

Two years after [00:02:00] that (it sounds as if I can't keep a job) I got this wonderful phone call from this gentleman by the name of Dr. Mawby. Dr. Mawby was the chairman and CEO at the Kellogg Foundation at the time, and he asked me if I'd be willing to come on and serve as his executive assistant, and I jumped at the opportunity. I'll never forget, after my interview with him, I came home and I told my wife I had accepted a job at the Kellogg Foundation, and she said, "Perfect. What does it pay?" and I had no idea what it paid. I was just so excited to be working at Kellogg and to be able to sit at the side of Russ Mawby, who was just an icon in philanthropy. Then it's just been 19 years that I've had the privilege of increased responsibilities and leadership opportunities at the Kellogg Foundation that has just been a real blessing for me.

(KA): Okay, perfect. Would you tell us about your interview with Russ?



(JM): So, you get this phone call (this was before we all had cell phones) and I was in Indiana for a meeting, and I called back to my office and my secretary said, “Dr. Mawby called.” I thought, “Oh my goodness, I must have [00:03:00] really screwed up something if the chairman of the Kellogg Foundation has called me,” (who I didn’t even think he knew who I was) and she said, “And by the way, before you call Dr. Mawby back, you need to talk to Dottie Johnson,” who was my boss at the Council of Michigan Foundations.

So, I called Dottie and she said “Look, Russ has been observing you and he called to see if I would give him permission to talk to you about being his executive assistant.” I was flattered. I called Dr. Mawby that evening and he said, “Look, could you come out on Thursday after work? Come out to the farm and you could help me do chores and we could have supper and we could talk about the opportunity,” and I said, “Well, I’d be honored to, Dr. Mawby.” I went to Dottie the next day and I said, “Dottie, what does one wear to a job interview with the chairman of the Kellogg Foundation while doing chores at his farm?” I said, “Do I wear barn boots and jeans, or do I just unbutton my top button and loosen my tie?” I found something in between, and literally when I got to Russ’s, he was in his casual shirt and blue jeans, and we went out to the barn and we started moving bales of hay and we walked down to [00:04:00] the pasture and started bringing horses up to the barn. We got in his golf cart and started riding around the back forty. One minute, we’re talking about wildflowers in the past year; the next minute, we’re talking about the artificial boundaries between Mexico and the United States. We then went into this small, little diner in Hickory Corners with he and his wife, (Ruth, at the time) and his daughter and granddaughter just happened to show up.

Well, I finally asked him several months later, after he offered me this job. I said, “So, can you explain this interview with me?” He said, “You need to understand, as my executive assistant, there are times when you’re going to be sitting at the table with the head of state, and there is going to be a time when you’re going to be in a barrio outside of Mexico City, and I just needed to see how you could operate in each of those settings.” It was a really unique interview for me, and I’ve taken parts of that and have tried to use some of that myself when I interviewed potential program officers to really see – it’s one thing to prepare for an interview, but it’s [00:05:00] another thing to see someone – how they behave in communities, how they interact with grantees, how they interact with people who the foundation and grantees are trying to serve. It was a real wonderful lesson.

(KA): Okay, thanks. It’s perfect. So, putting on your foundation hat, (out of the many hats you wear) from your experience, could you talk a little bit about each of the (I’m going to give you the one you listed and we’ll go through them one at a time) of the organizations – sort of your



impression of how they came to Michigan and if they're important or not important to the infrastructure? So, let's start with Campus Compact.

(JM): Yeah.

(KA): Were you engaged with that when John was involved with that?

(JM): I was. I think it's difficult to talk about just individual organizations and individual programs because I think it's important to realize kind of this incredible wave that we had the opportunity to catch, that was going on throughout the United States but also in Michigan. If you go back to George Bush, Sr., who talked about his [00:06:00] "10,000 points of light" that led to the creation of the Points of Light Foundation that then, I think, started creating some energy around the whole youth service movement and the national community service movement. Then you had leadership and visionaries in the state of Michigan such as Russ Mawby at the Kellogg Foundation, who created this crazy area at the Kellogg Foundation called philanthropy and volunteers. The first major foundation in the world, I think, to actually have a program area that was focused specifically on that. This was a man who saw the need of bringing foundations together just to talk, originally around their own common interests and needs, and then the need to do that similarly for the rest of the nonprofit sector.

We had the opportunity at the national level to catch that wave and start talking about service, philanthropy, volunteerism in the state of Michigan, particularly as it related to young people. You had an extremely dynamic Council of Michigan Foundations with an extraordinary leader who was very focused [00:07:00] on members' needs. Her members, being the community foundations, came to her and said, "Dottie, we need to find ways that we can increase our unrestricted and field of interest assets." Dottie then took that to the Kellogg Foundation with some of these community foundation leaders, and Russ Mawby at the time, and Joel Orosz was a program officer (along with, I believe, Pete Ellis was involved) said, "You know, that's a great idea, but Kellogg's interests are with kids, so if you can come back to us with an interest of how you can meet your needs, but also meet the needs of young people and maybe start introducing young people to this thing we call philanthropy, it'd be terrific."

Hence from that was the creation of the Michigan Community Foundation Youth Project that involved young people under the age of 21 in philanthropy, and in a sense, it was a pipeline. It was a pipeline for kids who were then going on to college and wanted to continue that service. We had the opportunity as a state to then create the Michigan Campus Compact that was in some other parts of the country and bring it in here. John Marshall from the Kresge Foundation [00:08:00] was very instrumental in that. And then we had the pleasure and the luxury of having a



former governor, George Romney, who felt everybody should have an opportunity to volunteer. He was our cheerleader in making sure that everybody in the state of Michigan had access to volunteer centers. Then you had an enlightened governor, who felt we needed to have a Michigan Community Service Commission to really start looking at the importance of community service. We brought in some Points of Light Foundation ambassadors into the state of Michigan.

It was just really quite remarkable to see how this incredible vision (I'm sometimes known to say there's a fine line between a vision and a hallucination) and if somebody would have described that to some of us a few years ago, we'd have told them they were nuts, "There's no way you're going to make that happen." It's really quite remarkable what can happen when a few visionary people can take advantage of some momentum and really catch that wave to create service opportunities, philanthropic opportunities, for everybody throughout the state.

(KA): Since you were in the middle of all of that, [00:09:00] as you reflect on it, can you pinpoint what they did? What did those leaders – I mean, they had a position of authority.

(JM): Yes.

(KA): But they couldn't have done it from a position of authority. How did they make all of these pieces happen? For example, did they sit in a room and say, "Okay, 20 years from now, we're going to have this grand design for Michigan?" As you observed it, what kinds of things did they do?

(JM): I think everything comes down to relationships and trust. They had some extraordinary leaders, running each of those institutions at the time. All of them had something in common, they all were receiving money from the Kellogg Foundation who had this broader vision. I don't think Kellogg could quite articulate exactly where it was going to end up, but they know that at the end of the day, you invest your money in the right people, who have the right values and the right type of vision, and exciting things are going to take place if you can get out of their way and not be too prescriptive. Each of these leaders were very interested in making sure that there were opportunities [00:10:00] for young people, and didn't care necessarily about who was getting the credit. It was really about how at the end of the day, we want to create an ethic of service in the state of Michigan, and we know that this is an ethic that is learned behavior. The sooner we can involve young people in this, the more likely they're going to be willing to volunteer on that United Way board or that community hospital board or NAACP board, and eventually be on university boards and become corporate CEOs and understand the importance of having their staff involved in corporate giving and the like.



I think it was really around the right people at the right time with a funder who had confidence in them, who was not afraid to put significant resources into them, and a real culture of collaboration, cooperation, and trust of one another.

(KA): Do you know what helped to build that culture of trust? Did Kellogg think strategically to build it? Was it in the [00:11:00] nature of the people? Did they do some things – you know, did they go play volleyball together? [Laughter]

(JM): I think it was a little bit of both. You had a program officer, Joel Orosz, who everybody loved, first of all, so they had great respect for their program officer. Secondly, Joel really encouraged all of us to talk to one another, to spend time with one another, to collaborate with one another. At first you do that, because of course, your foundation is telling you to do so, but then you sit down with these people and you first – A) I really like them; B) they have the same values and interests that I have. We were meeting on a regular basis. They were on your speed dial on your phone. There was just a unique relationship chemistry, as well as expectations that were established by your funder that we knew we could be stronger collectively than just individually.

(KA): Certainly, a pivotal moment for me in this particular part of the history was the very first youth camp, [00:12:00] and I didn't put that on the list here, but I know you remember [Laughter] because you were responsible for it. Can you talk a little bit about what you were trying to accomplish and why that particular experience, I think, was very magical?

(JM): Yeah. When I was hired by Kathy Agard at the Council of Michigan Foundations, she told me that one of my responsibilities was to create a youth leadership conference. I think a lot of people were envisioning that this conference would take place (like many conferences) in a ballroom of a hotel or something, but I had an experience in my prior life around camping. What I learned from camping is that it pretty much puts everybody on an even playing field. Everybody is a little awkward and uncomfortable at being in an environment that they're usually not accustomed to. We were really trying to reach out from kids who were urban areas, inner city, rural kids – we thought what kind of environment can we bring to these kids to, to put them all on an even [00:13:00] playing field, as well as to develop some unique programming? We knew we didn't want to sit them in ballrooms and lecture to them and have PowerPoints; we really wanted to look at how could this be an experiential learning opportunity, because that's what MCFYP was all about; not lecturing about philanthropy, but giving them an opportunity to do philanthropy. And so we rented a camp about an hour and a half north of Grand Rapids and brought together 250 kids from throughout the state of Michigan.



I'll be honest with you, some of the community foundation CEOs were very concerned (I might even submit "upset") about this whole thing because of liability issues and such. We went in there taking a big risk, taking some heat. Fortunately, I had Kathy and Dottie's support in doing this – little sweat beading on their brow, but they were supporting me in doing this. We brought in the expertise of the National Youth Leadership Council, who had great experience in service learning. We identified some great college students through Michigan Campus Compact to serve as our kind of counselors, [00:14:00] if you will, and trainers. It was really quite remarkable. We had kids from the ages of 13 to 18 years of age, where we had some sessions dealing with the issues of understanding poverty and resources, to some things dealing with philanthropy.

We had some real flare-ups at one point around what we thought was an innocent dance that evening, and all of a sudden, I realized that the white kids were huddled over here and the kids of color were huddled over there, and so we started convening them to find out what is the issue. Well, the white kids didn't like the music that was being played and the black kids didn't like the music that was being played, and they found out they all had something in common – none of them liked this music that was being played. But it was a real teachable moment for us to talk about differences and how we need to deal with these differences, understand and accept the differences, and that was one of the few sessions at that entire conference that really wasn't planned out, but probably ended up being one of the most powerful sessions [00:15:00] because we had experts there who really knew how to turn that into a teachable moment. Of that entire 72-hour experience, that's the one moment in particular that really stands out for me, of getting young people who are different from one another to sit down, talk about these differences but more importantly, their similarities.

(KA): Sure, thanks. Now it's been 20 years – 30? It's been a lot, right? [Laughter] Longer than either one of us want to admit. How are you feeling about MCFYP and the youth projects and youth grant-making? You came into it sort of like, "Okay, what is this?" It was totally unformed. You really formed it. What's your sort of reflection on that?

(JM): Kathy, I have been in organized philanthropy (I guess if you start with the American Cancer Society and such) for 30 years. Particularly with the Kellogg Foundation, I've just had some extraordinary experiences, you know, with the people I have met and the places I have traveled and the projects I have seen that we've had the privilege of funding. [00:16:00] But I can honestly say of my entire career, there has been nothing that has been more fun and more rewarding than my direct involvement with the Michigan Community Foundations' Youth Project. When we were establishing these funds and these youth committees, I think the community foundations at first thought, "Well, we'll put these communities together, and in three or five years, they'll go away, and Kellogg will forget all about this." Well, Kellogg didn't forget about it. The Council of Michigan



Foundations didn't forget about it. We really emphasized the importance that these committees need to be in place, kind of in perpetuity, much like the funds are. And as the community foundations started experiencing it, they realized, "Well, of course, we want to have these committees into perpetuity." It was because of that extraordinary experience, that through CMF, we were able to start passing some legislation that allows young people to start serving on corporate boards, because they started realizing the importance of having the voices at the table of the people that these organizations are so often trying to serve.

In one of my favorite stories; [00:17:00] Rob Collier tells it best. Several years ago, he was at an international chocolate fair in New York, and there was this one booth – this boutique chocolate shop in Grand Haven, Michigan, which was startling for Rob because he works in Grand Haven, Michigan. This woman was selling chocolate and her sign said something like, "Five percent of all proceeds go to charity." He was intrigued by that, asked her about it, and she said, "Well, the reason I did that is because when I was young, I was on the Youth Advisory Committee for the Grand Haven Community Foundation, and I understood the importance of giving back." And so here we had a story – almost 20 years later, two decades – of a person who had this experience as a 16-year-old, and now remembered that experience that was so powerful for her that she learned she had a responsibility and an opportunity to start giving back. Much like Dr. Mawby said in his speech at the launch of this effort, "It's much like throwing a pebble in a pond, and where the ripples end, we'll never know." [00:18:00] I think the experiences that are going to come as a result of this. Oh, we've seen some of them, but I don't think we've begun to see the real impact that this effort is going to have for this state and, I would ultimately say, for the country.

(KA): Thanks. And I'll go back to our list here, but you also had decided on who would be the evaluator, and at the time, you had a choice between somebody who would do surveys and scratch numbers, and other approaches? Can you talk a little bit about (we're going to talk with Karin at the conference on Monday) why you selected Karin and FERA [Formative Evaluation Research Associates]?

(JM): Evaluation can be all about numbers: how many kids were served, how much money did they grant out, how much money did they raise, and you know, those are interesting. But we really wanted to take kind of an anthropological approach, and so we identified this wonderful woman, who had an anthropology background and was a real [00:19:00] storyteller as well, and really felt it was a need to not just look at the data, but to really sit down and talk to the kids and talk to the adults who were involved in those programs and hear their stories. Then, while we certainly didn't have the resources to do a long longitudinal study, we had enough resources to at least follow some of these kids for several years. It's because of that that we'd really learned how this experience has truly changed the lives of some of these kids. Karin Tice, 20 years later, when



I ran into her, is still telling me stories about some of these kids that she met 20 years ago and the amazing impact that they're having in their communities and within their organizations. I think it just gave a much richer story that also allowed us to tell the story more globally as we're seeing this type of effort now being replicated not just in the United States but literally throughout Europe and around the world.

(KA): Good. Okay, thanks. [00:20:00] Let me go there because it's on my list. One of the things that we're interested is a theme that I've been writing about, is how the Michigan projects have grown like Topsy. Some of them have gone international. So, I don't know, have you had some experiences running into them or with its replication in other places?

(JM): Just reading about it, yeah.

(KA): Okay. From Karin's reports?

(JM): Yeah, yeah. Yes. Yeah.

(KA): Okay, yeah. So, maybe I'll just leave it with that.

(JM): Yeah, but I do think the important thing, Kathy, is sometimes I think foundations, organizations feel that you can just pick up a model and drop it in another community or another part of the world and it's going to be run just like it is where it was originated. I think we have to understand, what you take are the values and the principles, but then you let the people in the local community or in that particular country put it in their own context within their culture, and make it something that's probably going to even be better and stronger there than had they just taken [00:21:00] our instruction manual on how to start a Youth Advisory Council or how to start a community foundation. If you put it in their context, in their culture, let them own it, then it's going to be much stronger. But if you can at least share some of the values and the principles, I think that's a much better way of having that type of replication take place.

(KA): Yeah, that's a really good point, and one of the things that maybe I'll ask you to talk a little bit more, is that I remember people who were really frustrated with us because we didn't come with a rule book for MCFYP.

(JM): Right.



(KA): And that you didn't come in and say, "Here's exactly how your youth committee has to run." Can you talk a little bit about working with the community foundations in the formation and how they took different directions?

(JM): I think our role wasn't as much of going in and telling them how to do it or what to do. It was really much more of a coaching role. We said, "Look, these are the three requirements that have to be completed to meet our requirements and the Kellogg Foundation's requirement. You need to create a permanent fund of youth funds [00:22:00] from Kellogg, you then need to involve young people in helping raise a meaningful portion to match, and then you need to form a Youth Advisory Council for young people, advising the community foundation board on what organizations would receive grants." We gave them no other instructions. They then would start bringing some kids together, and in most cases, they played it safe. They brought together the usual suspects of National Honor Society kids and student council kids. Then as I was sitting down with the young people, or some of the boards, we started asking questions. "Who else is missing from around this table? If you think of some of the issues and challenges you've identified in the community, are those kids who were involved in some of those issues? Should they have a voice? And if so, how do we lift up that voice? Do we sit down with them and have a focus group, or do we bring them to the table?"

It really started getting people to start thinking about different ways they could form these youth committees. Some of them started bringing in some younger kids. Some wanted to start bringing [00:23:00] in some college-aged kids to mentor some of the high school students. Others, particularly in our rural communities, I think, where we had probably some of the most dynamic Youth Advisory Councils because they brought kids from all walks of life, if you will; some of the kids who had been in trouble academically, even with the law, sitting side by side with those National Honor Society kids. These children would tell you that this was the first time they had ever had an opportunity to really talk to one another, and how much they realized that the issues that they're all dealing with were similar, and now they had an opportunity to really start addressing some of those issues.

Those committees, I think, became even stronger because we didn't tell them that they had to have six of these and five of these and they had to meet on a monthly basis or bi-weekly basis. They developed them themselves. They put together their own sets of bylaws. We gave them resources on how to train young people to run meetings, and you started seeing that the adults started backing off as well because they were realizing the importance of giving [00:24:00] these young people that leadership experience and opportunity and letting them make some mistakes.



(KA): So, in communities like mine, where we have 14 school districts and people live there forever and they remain loyal to their high school until the day they die, you had a great phrase. Do you remember what you used to say to people when they would come into the meetings?

(JM): "Check your letter sweaters at the door."

(KA): That's right. "Check the letter sweater at the door."

(JM): Yeah, yeah, "because you're not here representing Mona Shores or Muskegon Public Schools or Muskegon Heights Public Schools. You're here to really look at what the needs are of young people, and these boundaries are artificial within our school districts, and we need to be thinking about all kids." It really did let them check their letter sweater at the door and think about all children, not just who was being served by their particular mascot or their school district.

(KA): Good memory, Jim. [Laughter] [00:25:00] You worked closely with (and I kind of talked about this before) the key Michigan nonprofit foundation leaders the people who run these infrastructure organizations, both in Michigan and nationally, the Independent Sector, Council on Foundations, and all of them that exist. What would you say that – you know, you're sort of mid-career now – what have you learned over the course of your career about leadership that you are taking to heart?

(JM): Yeah. Boy, it really all does come down to people. I tell new program officers when they're coming in, "You're going to hear about some fabulous programs and opportunities to fund, but at the end of the day, you're betting on this individual who is going to be leading this program. You need to be able to bet on people who can clearly articulate where it is they want to go. They may not know exactly how they're going to get there, but somehow they know they're going to get there. They've got big, bold ideas. They're not afraid of challenges. They also realize [00:26:00] that they can't do it alone, and they understand the importance of partnerships and relationships and working with other organizations. They understand the importance of evaluation – evaluation in the sense of using it as a real tool for you, so you can make some midcourse directions along the way. People who have an understanding of the importance of working with one another, where there are levels of trust and confidence and integrity." I think some of the biggest issues about leadership – and it used to be a lot about individual leadership, and I think we really understand now – it's really more about yes, the individual, but also collective leadership in how do we work on the behalf of people with other people, not just for yourself.

(KA): Is there one question that you always find yourself asking of people who you're interviewing for jobs?



(JM): Can I trust them? You know, again, it's real easy to prepare for an hour and a half interview and tell you the right answers and be really articulate, but [00:27:00] we've also heard stories of – forgive me – that program officer from Hell, who is out there in communities being rude to grantees, showing up late, leaving early, not responding to phone calls, thinking they have all the answers, and the arrogance, and it's not their money. They have the unique privilege of being a steward of the resources that this man or woman or this couple has left behind to benefit humankind. It really comes down to who do you trust?

(KA): Thanks. This is probably related to that – when you are coaching professionals, what do you tell them to do (and you may have covered that one) but also, what do you encourage them to think about this work relative to themselves?

(JM): Yeah. I always try to remind these individuals of, "We need to come [00:28:00] at this with great humility. This is not our money. We have to be very thoughtful and understanding of stewardship and what that means, and that's a broad word. Everything from stewardship of how best are we making the decisions around the limited resources? But also how we're using the resources when we choose which hotel we stay at or where we're having our dinners and things such as that."

Donor intent is critically important, and that's one thing I take great pride in with the Kellogg Foundation, is that you can walk into that foundation and you can see pictures of the donor and quotes of his values. We, on a regular basis, will read his letter of 1935 that he sent to his board of trustees. We don't sit around with an Ouija board and try to channel the man and say, "Gee, what would W.K. have done?" but we do look at ourselves of trying to interpret his values, his principles, his priorities in today's context. That's important, I think, for [00:29:00] program officers to really understand - you're not coming here to achieve what it is you personally want to achieve. Hopefully, you have alignment in the values and the priorities of us, but you're really here to serve this foundation.

It's also really important that as you're dealing with tough community issues that might require some public policy issues that regardless of your own politics, you've got to put those aside and you've got to deal with both sides of the aisle, because that's the only way you can start bringing people together. You need to take a long-term view. The communities and the issues that philanthropy is often dealing with – they didn't get into these problems overnight, you're not going to get out of these problems overnight, and if you think a three-year or a five-year initiative is going to fix it, you're crazy. So, you've really got to try to take the long-term view. You've got to find the right people and bet on the right people and keep in close contact with them. Stay



humble throughout all this work and realize [00:30:00] that no foundation (that I'm aware of) has ever fed a hungry child, they've never taught a child how to read, they've never helped a woman develop the work skills so she can go back to work and support her three children. All we have is money, and money in and of itself can accomplish absolutely nothing. It's the grantees who are the ones that are really making the impact in those communities. And let's remember that. That yes, we have money, and people sometimes hold us up for wonderful things, but we haven't made any of these contributions in these communities like people often think we do. It's the grantees and the people out there who are doing that great work, so stay humble.

(KA): And you've done that. And so the question is how? I mean, everybody tells you you're wonderful, everybody [Laughter].

(JM): Yeah, they do, except when you get home [Laughter].

(KA): Yeah. Well, that – you know, actually, that may be a strategy.

(JM): Yeah, yeah, yeah, that's right.

(KA): If you're not married, right? Make sure you find somebody that tells you the truth all the time. [00:31:00] Truly, I think this is a problem with a lot of people in leadership positions. You know, many who come (from other people we chatted with) from very humble beginnings, but after a while, it's tough when everybody tells you (because they want something from you) that everything you do and say is just wonderful and the smartest thing ever said.

(JM): Right.

(KA): What would be your advice about keeping grounded, keeping in the real world?

(JM): Well, I was fortunate enough to work for people and have mentors who really kept hammering away at me, and reminding me of it. Not just sitting me down or reminding me of it, but as I accompanied them, I observed them. So, if I think of Kathy Agard, if I think of Dottie Johnson, if I think of Russ Mawby, Bill Richardson, Sterling Speirn – all very modest, humble individuals who understand the power dynamic between a foundation [00:32:00] executive and grantees and communities. When you have the privilege of being able to work with and observe individuals who live that way, you understand the importance of doing it yourself.

Also, I had the benefit of having been on the grant-seeking side, and I had the opportunity of working with some foundation program officers before – some that I liked, some that I didn't



care if I had got the grant or not because I didn't want to have to report to them on an annual basis. I think it was really from my experience of who I had the privilege of working with, having as mentors, as well as having been on the grant-seeking side.

(KA): I do think it helps to have been in the position of having to ask for money, I think it makes a big difference.

(JM): Yeah.

(KA): So, here are the general themes that – you remember our last advisory committee, we decided to organize the work into general themes.

(JM): Yeah.

(KA): So, the first general theme that I'm writing about (and I probably need to continue the editing now) is what we're calling the "ethic of servant leadership," [00:33:00] and under that are principles like listening to people at the local level, and some of the things that you've covered. But do you think that it's true that Michigan has an ethic of servant leadership? If so, why? If not, why not? And can you give some examples?

(JM): I think Michigan, by no question, has an ethic of servant leadership. I think it comes long before things such as the Kellogg Foundation or the Mott Foundation or the Kresge Foundation. I would take you to Battle Creek, Michigan, in about 1845 when this thing came through Battle Creek called the Underground Railroad. I asked some local historians in Battle Creek, I said, "What was it about Battle Creek, Michigan, that brought the Underground Railroad through here?" because it was a predominantly white community. But it was a community with very strong Quaker values, where people believed in equality and they were very forward-thinking.

The Underground Railroad was not made possible by funding from the United Way. It did not receive a grant from the [00:34:00] Kellogg Foundation. It was created by individuals who understood their role in trying to help other individuals seek the freedom that they so desperately deserved. Then you had someone such as Sojourner Truth come to Battle Creek, Michigan. Why Battle Creek? Once again, I think because of those values of stewardship and leadership. I think this is a state – and every community throughout the state probably has some other interesting, unique stories about that, that didn't require funding from a corporation, or a foundation, or United Way. People just understood that this is how we treat one another, this is how we take care of one another, and now it's our responsibility as citizens of this state to make sure that we give other people the understanding of that type of ethic and servant leadership.



(KA): Now you have worked all over the world, Jim. Is there a way to take that [00:35:00] ethic and transplant it or a way to take it and fund it? Is it universal? Is it unique to Michigan?

(JM): I really do always assume positive intent and I do have confidence in people. If I go into some very poor Third World countries maybe in Central America or parts of Africa, it's all about servant leadership. It's all about helping one another. As you see women literally getting up at four in the morning to walk three hours to get their child to school, which is the nearest school, and then they're volunteering in that school, and then walking back another three or four hours home because they want to then make sure that they're serving the rest of the family. I think that ethic is all over the world and in just different forms and fashions if you pay close attention to it.

(KA): Can it be tapped, do you think, or – I suppose it's already there and already working?

(JM): [00:36:00] I think it can be better organized, and I think you can help people see that they might be able to take it to another level. I mean, if they look at the impact they're making maybe in their own little village or in their own little community; how, through the investment of helping them develop some further leadership skills or giving them a seat at a table or giving them the exposure, they can really start taking on even bigger issues that serve even more people in their state, in their community, in their region, in their country.

(KA): You can use it as an energizer?

(JM): Yeah. I think that has been a part of not just the Kellogg Foundation, but I think so many other funders, is leadership development. It's really developing the capacity of individuals. You take them from the streets, and now they're starting to work in the suites and dealing with public policy issues, and issues that can impact more than the people on their own city block.

(KA): And then the second big area [00:37:00] I'm going to talk about is the role of people and money and knowledge. One of the things that I think is true, that I'd like you to reflect on, is that we have had people like yourself who had worn multiple hats and have been able to handle the fact that sometimes they're a board member, sometimes they're a staff member, sometimes they're the funder, sometimes they're asking for money. Chat a little bit about this hat mess [Laughter] and how people have seemed to manage it, because from the outside, people would look at it and say, "Oh my god, that can't possibly work," you know, but it does...

(JM): Say a little more about that. What do you mean? Give me an example.



(KA): Well, I think a good example would be Joel. I always tease Joel about this. Joel is sitting next to us, trying to develop a proposal, listening hard, giving suggestions based on his own knowledge – and the fact that you guys have all kinds of national connections, so you know what’s happening out there – when he was in that role. [00:38:00] So he’s like my partner. Then I write the grant request to him and he sends back two pages of questions, and suddenly, it’s a funder relationship, and it’s a very serious funder relationship. It isn’t a game. I mean, he really is saying, “Okay, run through your hoops.” I think Dottie is a good example who wears multiple hats all of the time.

So, I want to chat a little bit about the fact that a set of players – I sat on Kyle’s board, Kyle sat on my board; in some cases I was staff, in some cases I was a board member. Tied with that is the idea of leveraging money that it only takes a little bit of yeast. Sometimes people think big grants have to be huge, but leveraging really works. I think they’re – I’m using the example of Kellogg matching the tax credit matching local gifts and everybody felt like they won.

(JM): Right.

(KA): And then the role of knowledge, the fact that one of the things the foundation people bring is [00:39:00] not only money but these connections. So, all of that together. When you think about MCFYP or any of the other big projects, what I’m asserting is that that combination has been really important. So, I’ll ask you – did that help a little bit?

(JM): Yeah, yeah.

(KA): Okay. So, the question is, in looking at the relationship between power or position, and multiple hats, and money, and knowledge: how has that played itself out in the development of Michigan’s philanthropy?

(JM): Yeah. I think we realized that Michigan was much smaller than we think, when you think of the handful of funders who are interested in the issues of community philanthropy. At first, you thought of the likes of the Kelloggs and the Motts, but then you realized, “There’s a CEO from the Kresge Foundation who doesn’t even fund in this area who has a keen interest in this.” Then you started realizing, “My goodness, there are some small family foundations who also want to have a [00:40:00] role in some of this, creating community foundations in the communities that they’re serving.” You’ve got those program officers who have started to come together, working with organizations who are being led by individuals who also could be board members of some of these foundations, and that’s something you have to tread lightly on. You have CEOs who are giving program staff saying, “Yes, we’re going to make this happen,” and the program officers



have to deliver on that, but they still have the responsibility of making sure that they're making the right decisions, and these organizations are going about it in the proper way.

With it being a small universe, you then start finding individuals from other organizations who have been your partner that you've been holding hands with in some of these things, that you feel could be beneficial board member. And now you're reporting to this individual who used to be a peer of yours, and you have to understand that their questioning isn't about me and criticizing me, it's really about the broader mission [00:41:00] of the organization and how can we make this stronger. It's a unique dance you have to play, because one minute you are working as a peer, the next minute this person could be your board member, or they could be your program officer, or somebody that you're having a lot of laughs with. But realize at the end of the day, we've got a professional relationship here as well. It was good to have a lot of the same people kind of around the table to get some of these efforts launched. I think sometimes we start losing the importance, and understanding of the importance, of those types of relationships. That's why it's so important, I think, to really be networking with those individuals, bringing them together on a regular basis, and I think funders can play a big role in all that.

My biggest concern I would submit both for Kellogg and other funders is: we've lost the sense of the understanding of the importance of these philanthropic anchor institutions such as the Michigan Nonprofits [00:42:00] Alliance, the Council of Michigan Foundations, Independent Sector, Foundation Center, Council on Foundations. I mean all the players who played a major role in building and strengthening philanthropy, protecting philanthropy from public policy issues that could have really harmed us, and I don't understand why foundations don't feel that they have an obligation, for their own vested self-interest, to support these types of organizations. Kellogg has been backing away from it unfortunately, and we've seen a lot of other funders who have done the same thing, and this could harm us in the long run if we're not careful.

(KA): Good, and you'd have to be creative without them.

(JM): Mm-hmm, exactly.

(KA): So because you're part of the system, you may not be able to answer this but I'm going to ask anyway.

(JM): All right.

(KA): Does it feel to you like a closed system? So let me put it this way, if you were one of our graduate students in philanthropy and you were [00:43:00] advising them and they said, "I would



really like to be involved in this network. I like to be in the foundation world,” or “I’d like to be a nonprofit leader sitting on MNA’s board,” what advice would you give them? Is it so closed that no one can get in, or how would you go about becoming a part of the network?

(JM): Yes, I don’t think it’s as closed as it used to be. I know when I started in this field, at least with foundations, there were only about – this would have been about 1992 – there were only about 10,000 jobs in organized foundations throughout the United States, which isn’t a whole lot of jobs. But now, I think there’s a lot of opportunities for these types of employments, but when I do have young people who come to me and ask about getting jobs at foundations, I really encourage them to get some experience out in communities first, either through their professional experience by working for an NGO, or certainly volunteering, serving on some local nonprofit boards, and realizing that different foundations [00:44:00] are looking for different skill sets.

Some foundations are looking for some real content expertise, maybe Ph.Ds. in particular areas. Others such as Kellogg, which has gone to the direction of hiring more really smart generalists that understand life and community and what it means to run a nonprofit organization. I think it’s important to get involved in the nonprofit sector, start getting on some boards; if you have the opportunities to go to networking meetings such as a Council of Michigan Foundations, an MNA conference, or an Independent Sector conference, take advantage of those opportunities and just be patient.

You know, I grew up in Battle Creek, Michigan and I remember as a child driving down North Avenue and seeing this building called the W.K. Kellogg Foundation and as a child, I always wondered what in the world do they do in that building. My dad worked in the radio and news industry, and every year he would bring home the Kellogg Foundation annual report. I remember in middle school and high school just poring through that thing. I was just [00:45:00] fascinated to think that this organization in Battle Creek, Michigan had such an extraordinary reach, and I always said to myself that time, “I would love to someday work for the Kellogg Foundation.” I had no idea how that was going to happen but I started working on the nonprofit sector, and then because some of my volunteer work, and my involvement in empowering young people, and youth leadership, it just happened to emerge. There are opportunities but you really have to be thoughtful about getting to know certain people, paying attention to job opportunities, and networking.

(KA): Thanks and then so will you talk a little bit about the sector’s role – the sector being MNA and CMF – in public policy development and partnerships with government, and this whole issue of the fact that the sector has remained relatively nonpartisan and yet still dealing with issues



[00:46:00] the government is really involved with. Let's take it this way, is the public policy work important and how has it happened?

(JM): Well, I think the public policy is critically important. But I think we have to realize that so often the public policy issues, depending on what issue you're dealing with, has to be driven by communities, versus the foundations thinking that they know what the best public policy issues are for local communities, maybe for early childhood development or Headstart or whatever. The more you can start involving people from communities, start identifying and realizing the impact public policy has on their lives, then you can start working with them and have them start servicing these issues.

I think where the Council of Michigan Foundations, Michigan Nonprofit Alliances have been effective in public policy was listening to their members and understanding that there were some things that could truly benefit local [00:47:00] communities. If you look at the community foundation tax credit, that wasn't something that necessarily the Council Michigan Foundations just dreamt up one day, it was because of the demand of donors in their local community foundations who are identifying such a need, and ways it could build some local additional resources that could stay in their local community. Then, because of those types of partnerships, and the trust, and the non-partisanship, it was then government who started coming to organizations such as the Council of Michigan Foundations with tobacco money saying, "We've got all this money, how can we get this down into the communities." Well, CMF was able to deliver a community foundation in every county to serve every individual in this state, what a better mechanism there is to start utilizing those types of resources. So the government starts understanding the role that philanthropy and nonprofits sector can play because of that nonpartisanship, those longstanding relationships. Fortunately, we don't have term limits in foundations, and so it's not [00:48:00] trying to have to make an impact in just four years, not having to get re-elected for my final term or something.

(KA): Good. Thanks and then I think we've talked probably enough on this, unless there's something else you want to say about Michigan's projects becoming national and international models? Are you seeing any of the...?

(JM): They have become national models and I remember having the opportunity to accompany Kathy Agard and Russ Mawby, and we flew into Montana, I believe it was, to meet with the governor of Montana who'd learned about our tax credit. We went in, and I think just felt that our tax credit was so perfect, you just want to kind of replicate this. They were intrigued by the whole idea, but they felt there was another way they could do it, and I think the moral of the story of was, they developed a tax credit that was even stronger than the state of Michigan's. We went



home feeling a little bit like carpet baggers, but at the [00:49:00] end of the day, we realized that, again, it's best to share just kind of some values, and some principles, and some ideas, and then let the local people develop it in their own context and such. I think that's where the Council of Michigan Foundations, and I think other projects throughout the state of Michigan, they are now popping up and emerging in other parts of this country or the world, literally, have realized that people have to put their own fingerprints on it.

(KA): When you were at CMF with MCFYP, we saw the development of a similar project by the Lilly Endowment in Indiana. Would you talk a little bit on the record about – I don't know, was Kellogg jealous about the fact that Lilly put twice as much money into it? We were certainly were jealous that they did.

(JM): Yes.

(KA): Let's talk a little about how that was picked, again, as an example how it was picked and then enhanced.

(JM): Uh huh.

(KA): Let's talk about the Lilly Endowment.

(JM): Yes so again the alignment of stars was quite amazing. Kellogg had made this big announcement [00:50:00] to make sure that everybody in the State of Michigan had access to community foundations and to create this opportunity for young people in philanthropy. Our friends three hours south of us at the Lilly Endowment, heard about it and thought it was a great idea as well, and how they could make sure that everybody in the State of Indiana had access to a community foundation. They had a little more resources to put into it since the Lilly funds are primarily in Indiana. So while we had at the time about \$36 million, I think they had put about \$65 million or \$70 million into it, but there wasn't anything about egos. It was all about what a great opportunity for us to partner with Indiana. Partner in the sense of staff working with one another, maybe participating in some of their conferences, they could come to some of our conferences, and just learning what's working and what's not working. I think there were things (if you want to use the word jealousy) that Lilly was jealous of Michigan's model, and I certainly know that there were some things that Michigan [00:51:00] was jealous of Indiana's model. A couple of examples in Michigan: we had the youth component. Anytime you start talking about young people, I think it starts getting the attention of donors in different ways; that they saw that they could leverage some funds to benefit young people. That was something that was really intriguing for Lilly, and to think now that we have well over \$40 million in the State of Michigan that's permanently



endowed just to meet the needs of young people. We'll always have young people under the age of 21 serving in this capacity, and are kind of creating that pipeline of future board members, and volunteers, and philanthropists.

What we were jealous of Lilly, is that Lilly had a lot of money to put towards administration while we were having to use some limited dollars from the Mott Foundation (which was very helpful) to hire some executive directors. What we were finding is that we were either getting volunteer executive directors, retired executive directors who only wanted to give you 20 [00:52:00] hours a week and then spend two months in Florida; where with the Lilly model, they were able to hire full-time executive directors who were still kind of in their career path. As result of that, I think you saw the development and the launch – the take-off – of some of those community foundations a little quicker than we had here in the state of Michigan.

The stories that have come from this model – 20 years ago when you read the obituaries, people were leaving their bequest to the American Cancer Society or Muscular Dystrophy Association, very worthwhile organizations, but those dollars are going to Atlanta or New York, right? What mechanism was there for people to leave their bequest and mention something in their will to keep those dollars in the community where they were born, where they were raised, where they created their fortune? Here we have planted a seed 20 years ago in Indiana and just two weeks ago, I read an article on a gentleman who died in [00:53:00] – I can't remember the name of the community in Indiana – left a bequest of a \$100 million to his community foundation. Well, 20 years ago, he wouldn't have had the opportunity to leave \$100 million to his local community. And that was a seed that was planted 20 years ago, no one could have ever envisioned something like that happen, and I'm sure we have stories like that taking place in Michigan. Maybe not in the level of \$100 million, but I can assure you that someday there will be. But I think \$100,000.00 is just as important as that \$100 million because it might be even a greater significant of wealth of an individual who passed away. We have all these amazing stories where people have turned into the WK Kellogg's or the Charles Stuart Mott's of the local communities.

(KA): Thanks Jim, that's great. I'd like to know which place that is too. Because there's a degree of risk taking, one of the things that I'm writing about is in Michigan, there seems to be like no fear, you know what I'm saying. [00:54:00] Really fearless group of people. There's always an opportunity to fail. From your experience in the state, what would you say either didn't work or sort of went sideways and came back, or it didn't work the way that the original intent happened?

(JM): Yes.



(KA): Are there examples of both taking a risk and then either failing or at least having a turn out differently than was originally expected?

(JM): Yes. I think there have been plenty of failures. Just going short of naming exactly what those were and attributing those to particular foundations or corporations or community foundations, I think where it has been a failure has been more on kind of the values and principles that we sometimes used. Sometimes we anoint communities and parachute in and say, "We're going to give you this incredible opportunity," and there's real skepticism of *who are these people? Why are they here?* Versus having a nice request for proposal process in the communities, or [00:55:00] organizations select and decide if they want to be involved in these particular initiatives.

I think sometimes foundations have been too prescriptive in going in and saying, "We want to achieve this and this is how you need to go about doing it," versus saying, "We'd love to see how you can improve the educational outcomes for elementary school students. Now, figure out how you can do that and we would entertain a proposal." So I think it's been more around the values, and the principles, and the philosophies that sometimes foundations have used, where we didn't get the outcome that we wanted. I know that was certainly the case at the Kellogg Foundation. I'll be the first one to admit that in communities we wanted to work in, we've done a dismal job of how we've entered into those communities and you wish you could push the rewind button and start all over again but you can't. So you got to just kind of reset everything.

I think where we've seen a lot of mistakes, if you will, is probably what I consider some of the hardest grant making there is, and that is for large private [00:56:00] foundations who have national, international portfolios to program in their own backyard. I can speak with great experience from that having at one time been responsible for our hometown programming in Battle Creek, Michigan. It's truly a love-hate relationship. Everybody comes out of it with good intentions, but there is such a thing as flooding the engine, and putting too many resources in the communities or particular neighborhoods. You start creating a dependency, you start creating an entitlement mentality. You start getting into the issues, if your program officers who is responsible for the hometown and the CEO aren't in an alignment, you're going to have a total nightmare because organizations may get declined by the program officer, but if they feel they can do the end run and go to the CEO and he or she says, "Well, of course, we're going to fund this," then it creates some major challenges. I think for major national foundations, it's very difficult to do effective programming in their own backyard. [00:57:00] I know many of us who have met throughout the country who do hometown programming have wrestled with these issues and nobody has quite figured it out yet, but we feel a moral and philosophical



responsibility to continue to figure out ways that we can support our local community without creating that entitlement and dependency.

(KA): Okay. What are some very practical and specific things that you could share with others (because we're kind of going to do how-to manual at the end....)

(JM): Okay.

(KA): Who might look at Michigan and say, "Oh my god, we can never get there from here." What would you say to them kind of like "One, two, three. Here's..." you have a nascent MNA someplace and small regional association of grant makers and maybe a couple of faculty members at a local university. I mean how would you, not recreate Michigan, but advise [00:58:00] them to put in place an infrastructure to support their nonprofits.

(JM): Yes. I think first you need to bring your nonprofits together and your foundations together, and just have a real basic *let's get to know one another* and start talking about what our common interests are, what our common needs are, what our common challenges are. Then from there, what are some things that we might be able to do to start addressing some of these issues, opportunities, and challenges. I think they're going to realize that after that meeting, they're all going to go back and putting out fires in their own office and there's not an individual or an organization who can continue moving forward on those efforts. I think if they start realizing the issues they have that are similar and different as well as the opportunities, then they're going to see that we need such an organization.

Now, if we need such an organization, we're all going to have to pony up something and either it's a part-time staff person or if it's an office, but we've also got [00:59:00] to get some financial resources, and we've all got to start bringing some things to the table, because it is going to require some type of director. It's going to require a director who not only is there to serve but who also can provide a really great vision for where the possibilities are, of that particular sector to go. Listen to the people who are in need of these types of services, who will be impacted by it, start bringing them together, start realizing the strong force you could create. Then, the need to have an individual or an organization that can really continue driving those efforts forward, and it's always going to require some type of partnerships.

(KA): Thanks. When you look at Michigan's infrastructure, I want to talk a little bit about the future, are you concerned about it? Where do you see it going? If you were to procrastinate—pro—whatever. [1:00:00] [Laughter] Prognosticate is the word.



(JM): Yes.

(KA): About five years, ten years, what needs to happen? You can approach it any way that you'd like that you're most comfortable with, but I'm concerned about how you take what we have at this point and look at what it might mean for the future of the sector and of the state.

(JM): Yes. So 20 years ago, we had the privilege of having a very strong sector that was being developed with the creation of the Michigan Nonprofit Association, the Council of Michigan Foundations had already been in existence for roughly 20 years, and we had some very strong leaders who were leading those entities, who were committed to working together collaboratively. You had funders who understood the importance of that sector. Well, as things happen, we all start getting older and leaders start retiring, and they start leaving, and too often we have CEOs that come in and now they want to put their own fingerprints on this organization. They have taken it in a totally different direction and we're starting to realize that now. [01:01:00] We're starting to have leaders who were involved in those particular efforts that are retiring and moving on, and you're bringing in new leaders who don't have that same type of understanding of the history, same commitment to making sure that we have a strong philanthropic, nonprofit infrastructure here.

That is very concerning to me because I think we're already starting to see that these organizations probably aren't working as well together as they possibly could be. Sometimes it's because they just don't have the same level of resources that they were accustomed to having from the philanthropic community. If we don't take care of this, and if we don't continue focusing on this, I'm afraid that in 10 years or 20 years, we're going to wake up, we're going to be in quite a mess as a nonprofit sector, and as a state. And we're almost going to have to recreate something that we have worked so hard on bringing together and developing, that [01:02:00] it's really in all of our best interest that we kind of start looking at this issue again, start making it a priority. Maybe not at the same level of funding, but through other ways of going about doing it, and making it a priority for all of us.

(KA): Good, thanks. This is not in the list so you can decline to answer this. [Laughter]

(JM): Okay.

(KA): But what's your sense of the emergence of the business model and the blurring of the lines between those sectors? Are you seeing that in your grant requests? What is your sense about the impact that that's going to be in this sector?



(JM): Well, I think there are some things that are kind of exciting and encouraging about it and so let me use kind of a business model, if you will. So if I look at the Kellogg Foundation for example, we're sitting on roughly \$7.2 billion in October of 2012, but when you think about it, only 5% of that is at play. So out of \$7.2 billion only \$350 million is at play, I say "only," but compared [01:03:00] to the corpus. We have to start thinking of some different ways of utilizing that corpus to start improving the quality of life and benefitting humankind, because I think today's philanthropists aren't necessarily the same type of philanthropists as those that used to write checks and create foundations. Philanthropists today, I think are ones who understand the importance of revitalizing downtowns to start bringing in that energy back and the understanding the importance of creating jobs.

Let me give you an example, at the Kellogg Foundation where we have taken \$100 million out of our corpus (this is not a grant-making budget but out of our corpus) and we've started what we referred to as 'mission-driven investments,' and we're starting to invest this corpus into for-profit entities that show a financial return, but equally important, a social return. One of my best examples is Southern Africa [01:04:00] where this foundation has been working for nearly 30 years. We made an investment in this company called Dew Crisp. Dew Crisp creates all the lettuce in South Africa for McDonalds, KFC, and Woolworths, which is the largest grocery shopping chain in South Africa. So we're expecting to see a financial return.

But what you understand about Dew Crisp, is that they can't produce all the lettuce that is needed, so they start working with these black owned farms, and need to work with them to improve the quality of their lettuce so that the McDonald's or KFC would be willing to work with it. They hire poor rural South Africans. They provide transportation to the job, they pay them a very good wage, they provide them the opportunities for profit sharing, they're moving in into mid-level and upper-level management positions, they provide education, they provide some limited housing, they provide HIV counseling. Now, show me a grant that would have that type of long-term impact socially, as well as being able to provide a financial return [01:05:00] for the Kellogg Foundation. I don't think there is such a one. So it's a new model for us to start working with our resources in other ways, to start getting the types of social returns. Right now, we've got innovative people who come to us who want to improve the quality life for humankind but we say, "Well, you have to form a 501c3." "Well, I'm not interested in forming a 501c3." So I think we as foundations have to change, and start looking at how we can start doing some things in different ways to address these particular issues.

(KA): That's exciting. That may really finally change.

(JM): Yes.



(KA): Thanks for the answer. We're just getting into the fun part now so we're getting through the worst of it.

(JM): [Laughter]

(KA): So tell me a couple of your favorite Michigan stories and you have 500 of them.

(JM): Oh, gosh.

(KA): Or 500,000. So what are some of your favorite – you can go back as far as you want to with working with Michigan philanthropy, driving with Russ, driving with Dottie, what...

(JM): Yes.

(KA): Being in a local community foundation [01:06:00] working with a young person, yeah.

(JM): Yes. There are so many wonderful stories, you know. When we were staffing the Michigan Community Foundations' Youth Partnership Board, we had some extraordinary foundation leaders. From the community foundations as well as I mentioned, John Marshall, Chuck Johnson from the Lilly Endowment. I really commend that board because they wanted to make sure that, as a board, they visited every new community foundation and every existing community foundation after they had met the match. So they can be there, help present the check, meet with the Youth Advisory Council.

I have just wonderful stories of driving in terrible snow storms and rainstorms with people such as Pat Johnson, or Diana Algra, or Charles Johnson, and John Marshall to these very small rural communities where the board meeting was held in the private back dining room of the diner. And [01:07:00] just meeting with these people who are so proud and excited about the \$100,000.00 that they didn't even know existed in that community that they were able to raise, and then getting a match from Kellogg at \$50,000.00 and meeting with these young people. I mean that was what that was all about, is having those types of extraordinary experiences and seeing the impact local people can have in their communities if someone just gives them the opportunity and a little bit of resources.

(KA): I'll write a little bit about this but I'll ask you about it as well. You remember at the time there was huge controversy about the fact that Michigan was going to destroy the field because



of all of these little community foundations, can you share a little bit about what you saw on the ground and you started down that railroad, which is what we may think about.

(JM): Yes.

(KA): And whether it's okay that Leelanau Township has a community foundation or Alpena. What's [01:08:00] your sense on that?

(JM): Well, I like the model that we gave every community or county or region the opportunity for them to decide what they needed best, because I think what we started realizing is that they were somewhat territorial and well, we're different than those people in that particular school district or across that boundary line of that county. And they developed their community foundations, but then I think they did start realizing that *hmm, maybe there were some ways that we might be able to start partnering in different ways, or start sharing some backroom services and such*. But if Kellogg would have come in and said, "Nope, you got to do it this way," or the Council of Michigan Foundations would have come in and said, "You've got to do it this way," I think there would be a lot more resistance. I don't think we would have had the success that we've had of leveraging the amount of money that we've been able to do locally, and as time passes and you start bringing in new leadership, they start thinking differently and creatively about how they can better serve.

This past summer [01:09:00] my family and I went up to Mackinac Island and I had the opportunity to visit with the gentleman who currently serves as chair at that community foundation board. I think a lot of people would have said, "Mackinac Island should not have their own community foundation. They should be a part of a few other counties out there," but it's extraordinary to hear the stories of the assets that they've created, the health issues that they're starting to address, some of the educational issues that they're starting to address. All in that little island of what – population 500 people year round maybe? It's really quite extraordinary.

(KA): Thanks. So can you talk a little a bit about your own philanthropic biography? We got into a little bit, but I like to hear about your mom and dad. Where do you think this effort comes from and also why you were attracted to this work. You could have done anything.

(JM): Yes.

(KA): So why did you decide to do this with your life?



(JM): Yes. I think when people really take the time to reflect of how they got [01:10:00] into this, they all have some interesting unique situations that occurred in their lives. I was the youngest of four boys, and I had parents who were very involved with our church and with our school. Back in the days when telephones had cords and they plugged into the wall, I remember as a toddler, literally sitting at my mother's feet with my trucks and my toys while she was on the phone calling people who were on her school board or on this church committee or whatever. I remember during the day going to committee meetings with her or spending weekends with my dad while he was organizing the church fundraiser or doing whatever it was, and this was just a way of life for us.

I assumed as I was growing up that I too, would be a volunteer. I didn't think of *gee, there's actually jobs in this sector*. I think the real turning point for me was when I was in high school, I was diagnosed with a rare form of cancer [01:11:00] that resulted in the amputation of my left leg, and I started realizing that there were organizations that my family was tapping into and benefitting from that were non-profit organizations, and started realizing *that hmm, maybe this is a sector I could end up working in*.

At first in college, I kind of became the poster child for the American Cancer Society. I was flying all over the country, speaking at fundraisers for the ACS, one of those typical fundraisers where you tell them about your cancer as a child, you get them to cry, you tell some bad one-legged jokes, and then they're ready to give. I worked for the American Cancer Society right out of college for two years, and then I realized what I wanted to do for the ACS was really more on the volunteer side. I stayed in the sector but went to hospital fundraising and while I was at the hospital, I took it upon myself, crazy as I was, to start a camp for children with cancer. Because when I was treated for cancer, [01:12:00] I was treated at the National Institute of Health in Bethesda, Maryland but as a 17-year-old, I was on a floor with a bunch of other adults, and I really felt I could have benefitted from being with other young people who are going through the same experience.

I felt there was a need to start bringing young people together who were dealing with some of the similar issues, and at 24 years of age when I started that, I probably had no right doing such a thing, bringing a bunch of sick kids together in a camp for a week during the summer. After my first year of that camp, I realized that my board of directors which of course was all adults were starting to make some decisions for future activities of the camp contrary to what the kids had said in their surveys. So the board members were saying, "Well, we don't want to do this," and the kids are telling us, "That's our favorite thing to do." I said, "How do I deal with this issue?" I started putting young people in our board and started putting young people in the various committees and it was remarkable the ownership that these kids started taking on [01:13:00] the camp, some



of the discipline problems that I as a director used to deal with with some of the kids, those kids would start dealing with one-on-one with their peers.

That got me interested in kind of this whole youth leadership youth empowerment piece. Then I had the opportunity to go to Hackley Hospital, doing fundraising there. There was an opportunity for me to look at how to create a camp in the former Soviet Union, to serve kids who had acquired various forms of cancers as a result of the Chernobyl disaster. I was informed of this woman down at Grand Haven, Michigan who might be a resource for me to find some funding to start such a camp in the former Republic of Belarus, and I sat down with her. They were Dottie Johnson and Kathy Agard, and I asked them for some advice where I can get some funding. They had really no good advice for me whatsoever, but two weeks later, I got a phone call and they're asking me if I'd be willing to consider a job with the Council of Michigan Foundations because of that strong youth component, and they were [01:14:00] aware of the work that I was doing.

It was really kind of serendipity, you know. If I'm looking at my own personal experiences that were both joyful as a child (going places with my parents) then what at the sense of the time was somewhat tragic (being diagnosed with cancer, being given three years to live) realizing maybe there's something I could do professionally in this field to help eradicate cancer, and then I was able to take that and get more involved in volunteerism and then how it parlayed into a field of philanthropy. I think that was probably the road map that took me into this amazing field that we call philanthropy, and then just the extraordinary privilege I've had to be able to work with the Agards, and the Johnsons, and the Mawbys, and the Richardson's, and the Norm Browns, and the Sterling Speirns; being able to meet so many other extraordinary people throughout this world who realized it doesn't require a million dollar grant or \$10 million grant sometimes it's [01:15:00] how can we make a small grant so these rural communities can have bikes? So kids can get from one point to another, or they can pick up the eggs, and then ride them into town so they can sell them? Or helping this woman acquire a rooster and a hen so she can start her own business and be very satisfied and support her family?

(KA): Should it be – you have children?

(JM): I do.

(KA): And they're getting bigger. [Laughter] Starting their own things. What did you try and how did you try to bring them the set of values?

(JM): Since I've been at Kellogg, I've always made it a point to try to get each of my kids to take a site visit with me so we get to spend usually a long weekend together going somewhere in the



United States, and having them get a sense of so what does dad really do? And while yes, they're finding out what their dad really does, more importantly, I want them to see what other people [01:16:00] are doing in communities, in the neighborhoods, and in the situations that are much worse than they've had to grow up in.

I've always encouraged them to get involved in their local schools and such and sometimes, you really scratch your head and say, "Is it sticking? Is it making a difference?" when you don't see them signing up to do this and that. Every once in a while you get this phone call, such as I did just a few weeks ago from my daughter, who said, "Dad, I'd like to go to Thailand over Christmas and volunteer at this elephant sanctuary where they're taking care of injured elephants, and they have people from throughout the world come and participate in this." She's a zoology major. To my 15 year old son, who one day just said, "Hey, dad I'd like to start," (he's a big golfer) He said "I'd like to start volunteering at this program called First Tee," which is working with kids, many of them intercity kids who don't have resources to take golf lessons and this 15-year-old son of mine is now committing every Saturday for two and a half hours [01:17:00] working with kids to teach them the game of golf. You work hard at it. Sometimes you wonder if it sticks, but then several months or a few years later, you get that phone call and you realize, my goodness. I really did make an impact. I'm sure that's probably what my parents felt about me as well.

(KA): When you were looking at your own academic preparation, would you have taken a non-profit path if there had been one? Did you try to look for those courses when you went to school?

(JM): I did but they didn't exist. I graduated from college in 1984 and it was either all business or all engineering or all communications. There wasn't anything that was focused on the nonprofit sector other than that you might be able to get an internship. So I had an internship briefly at a hospital in Kalamazoo but again, it was really to practice the things that you had learned in your business program and such.

Had there been classes in the nonprofit sector or [01:18:00] understanding that sector more, I think absolutely I would have. Whether those classes would have been the determining factor of whether I got into that field or not, I don't know, but it still would have given me an understanding and an appreciation, because I think running (I don't think, I know) running a non-profit is much different than running a for-profit. There's a lot of similarities, but there's an awful lot of differences as well, and I think you need to be aware of that. It concerns me sometimes when we get people who come and have spent their entire career in the private sector to now to come in the nonprofit sector and they think they can run it just is exactly the same way. I just haven't seen it work successfully as yet.



(KA): So when you thought about coming in today, and you're thinking of course, you know the project really well, was there anything else you want to make sure that is in this mix of information, and is on the record about the state of generosity of Michigan, it's history and where we are now and where we are going?

(JM): Yes, the state of generosity in Michigan has been here [01:19:00] long before any of us have been here, but I think it's something that we all have just kind of taken for granted, we've benefitted from without even realizing we're benefitting from the generosity of individuals who came long before us. And that we do have an opportunity and a responsibility to continue that. The world is getting much nosier now, and there are so many other things out there that I think we have to be much more intentional and deliberate about how do we create the space, the opportunity, set the table if you will, for people to come together and talk about the importance of the sector, how do we strengthen this sector, how do we give the people a seat at the table who normally don't have a seat at the table, and what we as funders have as an obligation to continue supporting this effort. Because without us all working together, the nonprofit sector, the private sector, the philanthropic [01:20:00] sector – we're going to end with some real challenges on our hands that I think we can deal with collectively, and sooner than later.

(KA): Great. Thank you. That's it. You did real good!

(JM): Thanks.

