

When You Encounter Ethical Dilemmas

chapter
FORTY

In our everyday language, we use a lot of words and phrases related to being a good person fairly interchangeably: a person might be honest, have a lot of integrity, always tell the truth; he or she might be highly principled, decent, fair, or just. Although philosophers and linguists (and the dictionary) can probably sort out the nuances of meaning among these words, I simply hope that all of us are doing our best to be all of the above. To behave ethically will have all these elements, and certainly an honest person will have a far easier time being ethical than will someone who is sneaky or deceitful. However, ethics are usually grounded in a large moral framework and involve issues of a broader nature than simply personal behavior. In this chapter, I look at some problems that can't be solved simply by applying accepted standards of honesty or integrity, but require in addition some broader ethical considerations.

Fundraisers often run up against dilemmas that test their honesty, but right and wrong behavior are still fairly obvious. For example, it is dishonest to tell a funder or a donor that you are engaged in a certain kind of program if you are not, no matter how much money that donor might give you if she thought you were. Similarly, it lacks integrity to take on a program area or a piece of work just because someone has offered to fund it. It is not fair to other employees or the mission of the organization to agree to hire your donor's unqualified son-in-law to be your organization's program director in exchange for a major gift. It is unprincipled to keep two sets of books—one for the public and a different, truer accounting that remains internal to the organization. Many of these issues are addressed in standard accounting procedures and in the excellent Association of Fundraising Professionals' "Code of Ethics" (see Online Content for Chapter Thirty-Seven).

Although we could also use the word *ethical* to describe appropriate behavior in any of the situations just described, there is a subset of ethical issues that are more blurry and that are usually the development director's job to navigate. These

dilemmas often arise because the right or honest thing to do is not completely clear and because the development director has conflicting loyalties. Let's look at some examples, with you as the development director.

THREE MORAL DILEMMAS

A Question of When to Tell "the Truth" and to Whom

An LGBTQ organization with a staff of five people is offered the opportunity to buy the building their office is in. Their landlord suggests a reasonable price, but the building will need a great deal of work and the organization has never thought about owning property. The board chair and several board members are enthusiastic about buying the building, but the executive director and several other board members are not. They feel the building needs too much work and that owning and rehabbing the building could take staff away from the actual work of the organization.

As development director, you agree with those who oppose buying the building; in addition, you think it would be hard to raise funds for something for which enthusiasm is not widely shared and for which the executive director, in particular, is not in favor. You talk over your thoughts with the executive director. At the next board meeting, the executive director announces that one of the organization's biggest donors, a banker, has expressed concern about the amount of work the building needs and has related that she has seen nonprofits get into financial trouble when they tried to own property. The donor has advised against buying this building. You know that no such conversation has taken place, even as the board chair recommends deferring to this donor's knowledge and the matter is dropped.

A Question of an Inappropriate Request

An organization working for campaign finance reform is given \$25,000 by a real estate developer who loves what the organization does and was approached by a board member for a gift. The entire organization is thrilled, as this is the largest gift they have ever received from an individual. About a month after the gift has come in, the real estate developer calls you and says that his nineteen-year-old son has just dropped out of college and has been arrested for drunk driving. He thinks his son just needs work that has some purpose and to be around people who are committed to a cause. He asks you if you could arrange for the son to be put on the board of directors. You are taken aback and explain that you don't have that power but will talk it over with the executive director. Instead you talk to the board chair, who says she will call the donor and explain why his request

is impossible. You know that the board chair is not reliable and is also a conflict avoider so you doubt the call will ever be made. You text the donor saying the board chair will get back to him in a few days. You hope that the donor will forget his request or involve his son in something else.

A Question of Conditions

The chair of your board brings you to a meeting with her elderly aunt, who is interested in your organization's work. On the board chair's advice, her aunt has decided to offer the lead gift for a program your organization has wanted to launch; moreover, the donor is willing to give this same generous amount for three years. You and the board chair are thrilled. As your meeting with this woman is winding down, she says, "I just have one question for you: Does your staff go to church regularly?" You do go to church, but your executive director is an atheist, and the two program staff who will run the program are Jewish. One is religious and one is not. You say you go to church and then tell a funny story about the last time you went to church. The donor does not press the question further.

In these examples, there is one easy way out: let the matter drop. So what if the executive director made up a conversation in order to end the discussion about buying the building? It avoided a big fight, and it was probably the right decision anyway; certainly, it was the one you agreed with. So what if you pretend the board chair will call when you know she probably won't? So what if you avoid answering the question about how religious the staff is? The donor probably won't pursue the question further. Your involvement as the development director in any of these three situations is relatively minor and your conscience can be pretty clear.

However, as the saying goes, giving in to any of these "so what's" leads you down a slippery slope. Each of these examples bears a deeper examination to ferret out the ethical and practical complications and to see whether there is another way to respond.

THREE TOOLS

There are three tools that can help you avoid feeling the need to say or do something just to please a donor. First, follow the Quaker adage: "Assume good intent." That is, assume that people you disagree with may be acting out of positive motivation, and that they will want to know whether you have concerns about what is happening. Second, follow a main principle of assertiveness training by making only "I" statements: "I felt," "I wonder," and so on. Third, use a "gut check." Does

this feel bad or weird? What if this whole story were in the newspaper—would I feel proud of my role in the outcome? Using these three tools, let's look at the dilemmas in two ways: good endings and more difficult endings.

Good Endings

First, a look at how these situations could have good endings.

In the first situation with the executive director making up something a donor said, a gut check says, "This is weird." You need to talk with the executive director about his story. First of all, any of the board members may know the donor whose name was invoked, and if they see each other and the board member thanks the donor for her clarity, your executive director will be found out and your board chair will be embarrassed. Second, if the board chair is a good person and good worker, why not see whether she understands the fact that a capital campaign cannot succeed without total enthusiasm from everyone? Assuming good intent, you ask the executive director why he thought his story was the best way to solve the problem. Regardless of his rationale, you can then use "I" statements to make your position clear. For example, if the executive director explains that he didn't want to hurt the board chair's feelings and is quite certain she doesn't know the donor in question, you could say, "I would rather see if she understands the need for full staff and board support for a big project. Otherwise, something else may come up that she supports and others don't and we'd be in a similar situation."

Here's how such a scenario might play out: The executive director agrees to have a meeting with you and the board chair. He tells the board chair that he exaggerated a conversation with a donor to avoid hurting her feelings and now feels bad about it. He realizes she is perfectly capable of understanding why pursuing the building did not seem like a good idea to him. You offer support for his position, including telling the board chair how important she is to the organization and how no one ever wants to dampen someone's enthusiasm. She is understanding and, as is her nature, gracious. She does say lightheartedly as the meeting ends: "Don't worry about my feelings in the future. I'm tougher than I look."

In the second instance, you are being asked to make an arrangement that is not possible and puts you in a difficult position. However, seeing the situation with compassion, you could think that the donor is worried about his son and is grasping at straws to help him. The fact that time passed between the gift and the request could mean that the donation and the request are unrelated in the donor's mind. The donor may have little experience with what it means to be on a board and the kind of responsibility he is asking for. Using an "I" statement, you could say, "Actually, there is a whole process for getting on our board and I think you

have to be twenty-one to be a full-fledged member, and I don't really have any say about who goes on the board. However, we do have other volunteer opportunities here. Would you have your son call me so we can talk?" If the donor is simply acting out of concern for his son, this will be a lifeline. If the son calls, you can explain the volunteer opportunities as you would to anyone who calls.

The third example, concerning the religious behavior of the staff, is one in which "assume good intent" is the primary authority for your actions. You have no idea what the donor wants to know when she asks whether you and other staff go to church. Perhaps she is just making conversation and, in her circle of friends, this is a common question. You would answer: "I am active in First Methodist. The two people running the new program are Jewish. One goes to Temple Emmanuel and I don't know so much about the other's life. Are you involved in a church?" You might be surprised when she answers: "I'm an Episcopalian. I think churches and synagogues might be interested in this program, and some of them might be able to provide some money and volunteers. Perhaps one of the program people can talk to my women's group and to their own religious groups once the program is up and running."

The lesson about ethics in these three situations is that we have a tendency to make up stories in our own minds about why other people do things. That habit in itself is, ironically, a form of unethical behavior. We don't approve of saying something that is not true and that could cause the person hearing it to behave in a way he or she would not if the truth were known, but if we say something to ourselves that we don't know to be true and then act on it as if it were true, it has the same effect. Just as in donor negotiations, you need to stick with what the donor has said, and not add your own interpretation to it.

More Difficult Endings

Of course, all three of these situations could have gone another way. Let's look at how we might work with more difficult endings.

In the first circumstance, the executive director becomes defensive when you discuss his fabrication and refuses to talk to the board chair about it. He says that he has made up things before in order to "get things done" and that you need to be more practical. Your dilemma now moves to a different level: Do you want to work with someone you know will make up stories (possibly to you) in order to get his own way? This would not be an easy decision, particularly if you like the organization or if jobs are hard to come by. Over time, however, the price of supporting someone who regularly exaggerates or fabricates to get his own way may be too great.

In the second situation, the donor says that he is “very disappointed” and that he feels his gift should entitle him to some consideration. In that case you would need to go to the executive director and both of you will need to ask the donor whether the gift is contingent on his request being met. Often when faced directly with that question, donors back down, but if he doesn’t you might have to return the money.

In the third case, the donor says she prefers to give money to organizations in which all the staff are involved in a church. Invite her to meet all the staff and hear from them personally before she makes a final decision, but be prepared to let go of the donation.

By continuing to negotiate in any situation, you stay in a place of integrity but not self-righteousness. Having been in many serious moral and ethical quandaries with regard to fundraising, I have always felt best, and felt that the best outcome resulted, when I told the truth—that is, what was true for me—without insisting this was the only or even the complete truth. Offering options and asking to stay in a conversation usually resolved the problem amiably.

As you can see, some of your willingness and ability to operate completely ethically will come out of having a diversity of funding sources so that no one person or source is so important to you that you are even tempted to compromise your values for the money.

It is also true that some things can’t be resolved. Then the question revolves around your own integrity and to what lengths you will go to preserve it. No amount of money is worth your integrity and you have to have the confidence that, if you really have to turn down a gift, another one is around the corner, given by someone who values honesty.