



The Peter F. Drucker Foundation for Nonprofit Management

1997 in Review



At the Peter F. Drucker Foundation for Nonprofit Management, we call ourselves a “virtual foundation,” for we achieve a great deal with a remarkable Board and a very small core staff. Two things make this possible: the numerous volunteers who generously contribute to our efforts, and the strong trust and partnership between the Board and staff.

The Drucker Foundation does not make grants; we deal in intellectual capital. We are fortunate to be surrounded by hundreds of thought leaders in the United States and abroad who speak and write for us, travel with us for our seminars abroad, and also the many individuals, organizations, and corporations who further our work through their financial support. Our accomplishments in the past year are a tribute to these volunteer partners.



In 1997, the Drucker Foundation’s programs and publications were designed with one purpose in mind—our mission—to lead social sector organizations toward excellence in performance. We aim to assist our customers, throughout the world, to manage effectively in an increasingly challenging world of rapid change.

Over the past year, our accomplishments included: the Foundation’s web site, sharing our resources worldwide; the seminar by satellite broadcast of “The Nonprofit Leader of the Future” reaching more than 10,000 nonprofit leaders across the hemisphere; our conferences bringing the best thinking and insight to social sector leaders; the release of *The Organization of the Future* and four issues of *Leader to Leader*; and the development of *The Community of the Future* for publication in 1998.

The Foundation’s new Frances Hesselbein Community Innovation Fellows program identifies and supports leaders innovating to make a difference in their communities. The four inaugural Fellows are leading in their communities from Atlanta to Alaska. The Drucker Award for Nonprofit Innovation celebrated a contemporary solution to community challenges. The *Computer Clubhouse* program provides access to technology and adult mentors to create a productive afterschool experience for young people in Boston and other communities.

Presidential Honor

1997 closed with the exciting news that Frances Hesselbein would be awarded the Presidential Medal of Freedom—the United State’s highest civilian honor. In the first week of 1998, President Clinton proclaimed, “In her current role as the President of the Drucker Foundation for Nonprofit Management, she has shared a remarkable recipe for inclusion and excellence with countless organizations whose bottom line is measured not in dollars, but in changed lives.”

The Drucker Foundation began eight years ago with a simple challenge: How to share the best thinking on leadership and management with the leaders of nonprofit social sector organizations. Though at first some thought we would be addressing the leaders of U.S. organizations, it soon became clear that the issues of managing for the mission and building a more responsive, inclusive institution had world-wide relevance and appeal. The Foundation continues to broaden its scope to reach beyond the walls of geography, culture, and sector.

While the social sector can lead the way, no single sector alone can address the major challenges our local, national and global communities face. Healthy societies are built on equally vibrant public, private and nonprofit sectors. Leaders from all three sectors must work and lead beyond the walls of their own enterprises in order to meet the challenges. The Drucker Foundation is committed to helping leaders move beyond the walls to forge new cross-sector partnerships to build a better future. It is at this moment in world history that we find ourselves facing a rare opportunity—the opportunity for all three sectors to work in partnership to bring about nothing less than a new world.

As you will find in this annual report, the Drucker Foundation is embracing this opportunity. In these times of massive change, one thing will remain constant. The Foundation will continue to serve those who serve, social sector volunteer and staff leaders who change the world, one life at a time.

Richard F. Schubert
Chairman

Frances Hesselbein
President & CEO

To Lead Social Sector Organizations Toward Excellence in Performance

The Drucker Foundation's vision is a society that recognizes the social sector as the leading force in creating healthy communities and improving the quality of life. As we approach the new century, social sector organizations face significant challenges—challenges that require increased investment and attention to leadership, accountability and managing relationships. The Drucker Foundation fulfills its mission “to lead social sector organizations toward excellence in performance” by providing social sector leaders the resources they need to meet these challenges.

In 1997 the Foundation sought to achieve three goals:

1. Enable social sector leaders to realize the full performance potential of their organizations;
2. Promote partnerships within the social sector and between the social sector and the private and public sectors; and
3. Build a viable and sustainable foundation.

Highlights of the Year

The 1997 Peter F. Drucker Award for Nonprofit Innovation was presented to the Computer Museum in Boston, Massachusetts for its *Computer Clubhouse*. The *Clubhouse* is an after-school learning center where young people (ages 10 to 18) with little or no prior computer experience can work with adult mentors to develop professional-level technical skills. Of 1,500 youth served, fifty found professional work as a result of the program. Serving as a model of how technology and adult mentors can support learning and community development, the *Computer Clubhouse* has helped launch satellite Clubhouses in Boston; Brooklyn, New York; and Stuttgart, Germany. The goal is to establish a network of Clubhouses around the world.



Young people in action at the Computer Clubhouse.

“Special Recognition” honors were presented to Leadership, Education and Athletics in Partnership (LEAP) New Haven, Connecticut, for its *Multi-Tiered Mentoring Initiative*; the *Physicians Reach-Out Program* of St. Vincent de Paul Village, San Diego, California; and *Salmon Corps*, Earth Conservation Corps, Washington, D.C.

Winning the Drucker Award has been a powerful experience for the Computer Clubhouse... and has increased our visibility tremendously.

—Gail Breslow,
Computer Clubhouse Director



(From left:) Richard F. Schubert; Mitchel Resnick, Computer Clubhouse Co-founder; Frances Hesselbein; Gail Breslow, Computer Clubhouse Director; Oliver Strimpel, Computer Museum Director; and C. William Pollard, Chairman of the Drucker Award Selection Committee and Chairman, The ServiceMaster Company.



(From left:) D.S. Pensley, Barbara Coscarello, Frances Hesselbein and Aura Camacho Maas.



Craig Soaries

It has been of tangible benefit to my project ... to have close contact with the Drucker Foundation and easy access to its materials... through the Hesselbein Fellows program.

—D.S. Pensley

The inaugural class of Frances Hesselbein Community Innovation Fellows was selected and officially introduced at the fall conference. Effective nonprofit leaders actively engaged in their communities, the Fellows are: Barbara Coscarello, President and CEO of the Campus Boulevard Corporation in Philadelphia, Pennsylvania; Aura Camacho Maas, Executive Director of the Latin American Resource Center (LARC) in Raleigh, North Carolina; Danielle Sibener “D.S.” Pensley, Director of Above the Ice Fog in Ester, Alaska; and Craig Soaries, Founder and President of the Victory Community Development Corporation in Atlanta, Georgia.

1997 Fall Conference—Innovation: Mastering the Tools of Change.



Peter F. Drucker

The conference opened with Peter F. Drucker on “The Discipline of Innovation.” He stated, “In a time of rapid change the opportunities for improving, for getting results, are also changing rapidly. Things that were

impossible or unnecessary yesterday suddenly become possible, and things that made great sense yesterday no longer make sense. We have to learn in our organizations what is

[The conference] has become a welcome opportunity for me to be refreshed in my commitment to help lead my nonprofit organization.

—Conference Participant

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Thank you for making sure your speakers are diverse—racially, ethnically, in gender—and most importantly, bring diverse, fresh ideas.

—Conference Participant

needed to perform and innovate.” Peter M. Senge, best-selling author of *The Fifth Discipline*, followed with an exploration of the practice of innovation. Senge noted, “mission instills both the passion and the patience for the long journey.” He added, “I have a conviction that no organization working by itself will ever truly innovate. It is much too hard, it’s much too daunting.

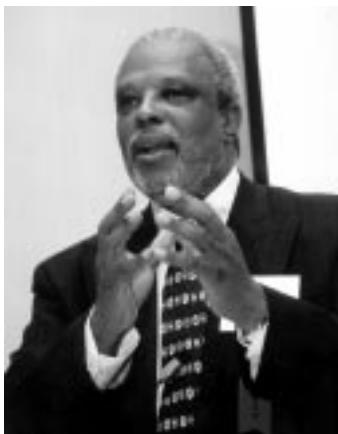


Peter Senge

Find what it takes to collaborate, what it takes to get your organizations working together.”

The Future Series.

In 1997, the Foundation published one title, *The Organization of the Future*, and developed another, *The Community of the Future*, for publication in 1998. The first book in the series, *The Leader of the Future*, was released in paperback. By year’s end, the three titles in the Future Series had more than 350,000 copies in print in five different languages. Editions in eleven additional languages were scheduled for future release.



Fall conference: Bobby Austin, President and CEO, The Village Foundation.



Fall conference: Jed Emerson, Executive Director, The Roberts Enterprise Development Fund.



Fall conference: Lin Dawson, Associate Athletic Director, External Affairs/Football, for North Carolina State University.



In the studio at "The Nonprofit Leader of the Future" Seminar by Satellite.



Drucker Foundation Satellite Broadcast Presenters. Seated (from left): Peter F. Drucker, Frances Hesselbein, Max De Pree, Michele Hunt. Standing (from left): Mara Manus, CEO, Colin P. Shepherd, Chairman of Chrysalis, Richard F. Schubert.



Leadership Journal

Leader to Leader published issues 4-7. The quarterly leadership journal featured contributors who are remarkable leaders of thought and action from all three sectors. Examples include Stephen Covey, Charles

Handy, Sally Helgesen, Herb Kelleher, Kevin Kelly, Hugh Price and Meg Wheatley.

The Drucker Foundation Web Site

"www.pfdf.org" launched in April. In July, the Dow Jones Business Directory said it "promises to be one of the best" for nonprofit management. The site, featuring Foundation news, resources and program applications, averaged 2,500 visitors per month in 1997.

International Presentations. As the social sector grows in many nations, and leaders seek guidance in forging partnerships, the Drucker Foundation has presented seminars internationally. 1997 visits included: Sweden, where Frances Hesselbein addressed the Swedish Red Cross, sixty other nonprofit organizations, the Stockholm business community and the media; Poland, where a Foundation-led team of distinguished business leaders and consultants spoke to diverse nonprofit,

university and business leaders; and Peru, where Frances Hesselbein addressed Peru 2021 business leaders with a vision of Peru's future, in a seminar on corporate social responsibility. Polish and Spanish translations of the Drucker Foundation's vision, mission and beliefs were developed and distributed.



The Polish edition of *The Leader of the Future* is launched in Warsaw, Poland.

The Drucker Foundation's commitment to excellence and to a learning and growing environment was demonstrated over and over again during this wonderful seminar. It was clear, practical and motivational. It gave me the encouragement to be courageous and responsible to change.

— Seminar Participant

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There is a magic word which people can use when gratitude cannot be expressed in money or goods.... This word goes to all of you from the Polish nonprofit sector... This word is so simple: **THANK YOU.**

— Zbigniew Lasocik, President, Polish Section of the International Commission of Jurists

The Nonprofit Leader of the Future.

The September *Seminar by Satellite* program was broadcast live from Los Angeles, California to more than 10,000 nonprofit leaders at over 300 sites in the United States, Argentina, Bermuda, Brazil and Canada. Participants' evaluations were overwhelmingly positive for this program featuring Peter F. Drucker, Max De Pree, Michele Hunt and the leadership teams of Chrysalis and the Drucker Foundation. A video training program, *Excellence in Nonprofit Leadership*, was released in 1998.

Beyond the Walls: Collaboration and Cross-Sector Partnerships.

The Foundation's work demonstrated the consistent practice of equal partnerships within the social sector and across sectors. Visits around the globe resulted in first-time meetings of nonprofit and business leaders; the Drucker Award for Nonprofit Innovation celebrated effective application of collaboration; *Leader to Leader* and the *Future Series* books brought together contributing leaders from the nonprofit, corporate, and public sector to address critical common concerns.

Nonprofit Institutions in the Next Millennium.

In April, Harvard University's John F. Kennedy School of Government inaugurated its Hauser Center for Nonprofit Institutions with this Drucker Foundation sponsored conference.

The Foundation Board of Governors expanded to 14 members, with the addition of Richard E. Cavanagh, President and CEO of The Conference Board, and Iain Somerville, Managing Partner of Andersen Consulting Institute for Strategic Change.

See us on the web at
www.pfdf.org

1997 Leadership Gifts

The Drucker Foundation is grateful to the following generous supporters, and the many other friends whose financial and volunteer contributions make all of our efforts possible:

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How You Can Help the Drucker Foundation Further the Mission and Change Lives

If you share the Drucker Foundation's vision of a society that recognizes the social sector as the leading force in creating healthy and vibrant communities, and where the social, public and private sectors all work in partnership for a better tomorrow, please join us in our efforts.

The Peter F. Drucker Foundation for Nonprofit Management is a 501(c)(3) nonprofit, operating foundation. Our strength does not come from funding reserves or endowments. Our work "to lead social sector organizations toward excellence in performance" is made possible by individual, corporate and foundation gifts. As we serve those who serve, gifts to the Drucker Foundation also benefit diverse nonprofit organizations that are working to build strong families, healthy children and cohesive communities.

The Foundation welcomes gifts of cash and securities for program support and general operations and is pleased to help you explore special opportunities such as tribute and memorial gifts, bequests and gifts designated for specific projects. Multi-year partnerships and endowment gifts help sustain and ensure the future of the Foundation.

For more information about the work of the Drucker Foundation—both how you can benefit, and how you can help—please call, write, fax, e-mail or visit our web site. We welcome your inquiries, feedback and involvement.

A copy of the Drucker Foundation's 1997 financial report filed with the New York Department of State may be obtained by writing to the Drucker Foundation or: New York Department of State, Office of Charity Registration, Albany, NY 12231.

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