

# venture philanthropy

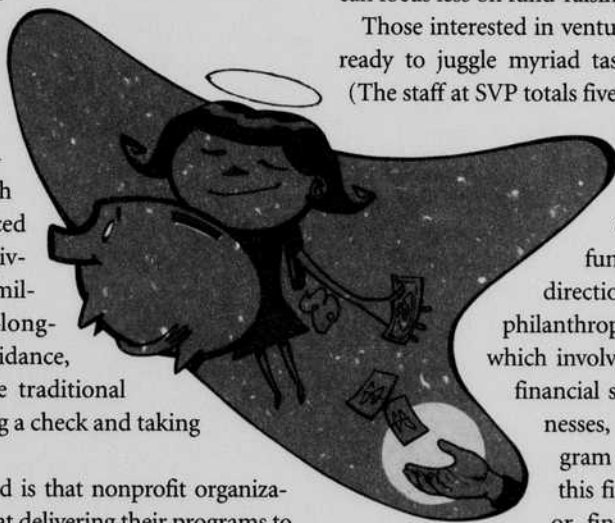
VENTURE PHILANTHROPY IS TURNING TRADITIONAL PHILANTHROPY on its head. This new field represents a radical merger between the nonprofit and for-profit worlds, one that is creating exciting opportunities for young professionals to “do good” while still using and developing first-rate business skills. Venture philanthropists seek out nonprofits that show a great deal of potential for making a difference, and provide them with funding and guidance. Venture philanthropy is the new philanthropy for the new economy.

In the midst of Seattle’s high-tech wealth, Social Venture Partners (SVP) brings together donors, or “partners,” to assist local nonprofits. “There are some small emerging nonprofits that need help in order to become self-sustaining,” says Paul Shoemaker, executive director of SVP. “Like a venture capitalist that supplies funding to a small business that doesn’t qualify for a bank loan, we supply funding to small nonprofits that can’t get funding from traditional sources (like charitable organizations or the government).” It’s not surprising that Seattle’s tech community has embraced this form of charitable giving, since it follows a familiar business model—long-term investment and guidance, as opposed to the more traditional practice of simply writing a check and taking a tax deduction.

“What we typically find is that nonprofit organizations are extremely good at delivering their programs to those who need them, but they aren’t good at administration, marketing, financing, and internal organization,” says Erin Hemmings, 27, a program manager at

SVP. That’s where venture philanthropists come in, helping nonprofits to better define goals, measure progress, and be accountable for results. But where venture capitalists hold their investees responsible for capital gains, venture philanthropists hold nonprofits responsible for social gains. “Our goal is to make [the nonprofits] more efficient, so they can serve more clients for the same amount of money they spend now,” says Hemmings. With the long-term funding provided by venture philanthropists, executives within nonprofits can focus less on fund-raising and more on services.

Those interested in venture philanthropy should be ready to juggle myriad tasks on a very small staff. (The staff at SVP totals five.) Entry-level jobs primarily entail performing research and filing reports on the flood of nonprofits requesting funding. There are two career directions one can take in venture philanthropy: acquisition of donors, which involves generating interest and financial support among local businesses, or distribution and program support coordination. In this field, a degree in marketing or finance is as valuable as a degree in social work. Either way, it’s helpful to have both volunteer and nonprofit experience.



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wheel. These days, the Internet is the easiest way to exchange ideas.”

## proactive cybersecurity

**MOST OF US PUT BLIND FAITH** in the security of our activity on the web, but perhaps we shouldn’t. A recent FBI study showed that 90 percent of American companies experienced internal breaches last year. Analysts

have predicted that the global security services industry will grow to \$14 billion by 2003. While defensive site protection is the norm in cybersafety, Andrew Jaquith, 31, a project manager at the digital security company @Stake, sees a more aggressive standard in the future. “Internet security is really about two things: offense and defense. The defense involves making

sure that vandals don’t break into a site. It requires creative people who can assume the mindset of a threat to the business and address the problem from there.” @Stake hopes to become a leader in proactive cybersecurity. More a way of thinking than a distinct form of protection, proactive cybersecurity uses new security technology to solve existing problems or create new,