

Operational Research by Foundations

1953

great size of Investments & Endowments
of w/no. of corps in US in business for profit.
Fs make the = important decisions w/ X priv. corps.

Typical mode of orgn. & types of control

Purposes of Fs.

theoretical

↓
practical

general

↓
specific

natural

↓
human

objective

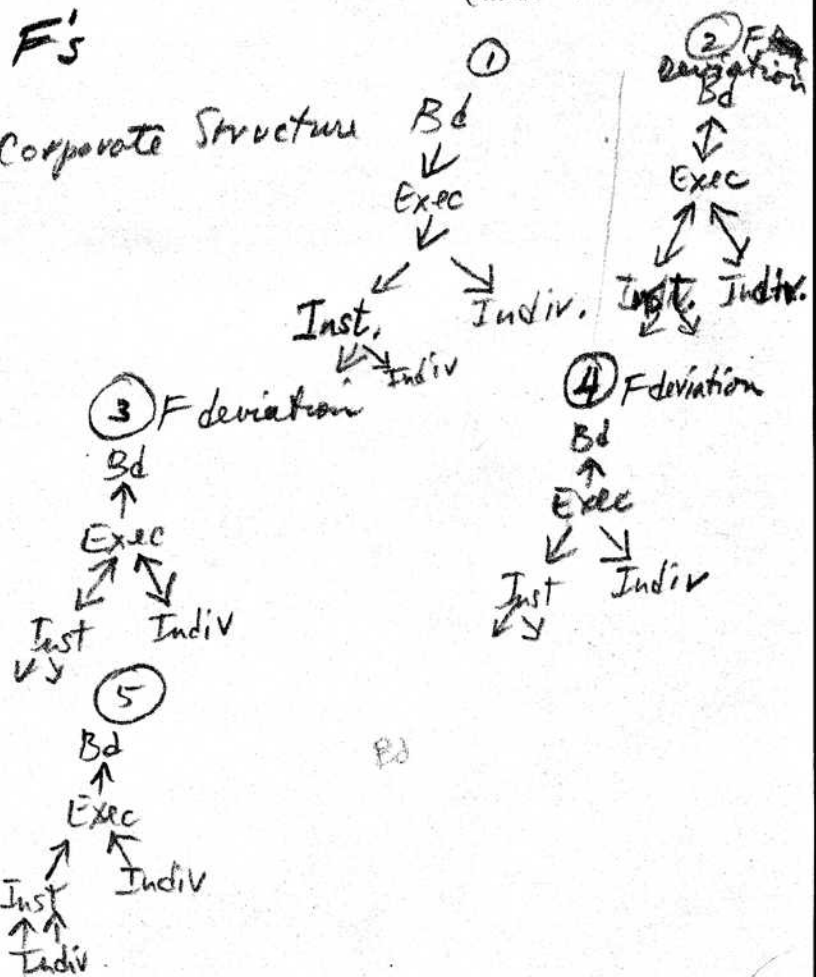
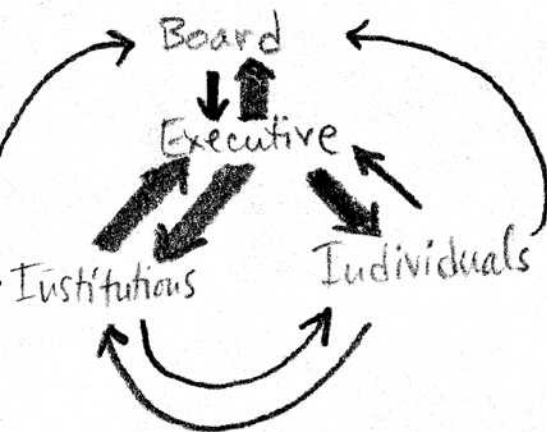
↓
applied
(action)

value-free

↓
reform

Decision-making by Fs

How done
Formal Corporate Structure



7. Resource commitment to operational research.

15% is a good figure.

Figure is difficult to establish
depends on size of foundation
complexity of goals, etc. in
light. This figure is a good place
to begin.

(i.e. in lieu of advertising
in lieu of product
development
in lieu of bonding,
insuring, inspecting,
etc.)

Operational research in a foundation
became it varies so and each F.
needs the tractly proper OR Orgn. to
suite its character

5. Probs. of decision-making

In all cases:

Intelligence

Only exception = those that float along reacting to
stimuli in form of requests
those that believe all of a class of
people of inst. are = deserving
per se.)

Limitations:
Real: Applications, reforms close to material
interests of controllers of F's

~~Intelligence completely defined: goal clarifies prob. clarifies resource assessment~~
~~Operational Research: Intelligence: typical sources~~

Legal advisers
Lawmen
Executives

Specialized sources:

Special Staffs
Panels of consultants
Operational research projects

} Inside services
outside services

6. Typical problems: w/ typical vs maximum intelligence.
- Classifying institutions
 - Discovering individuals
 - Dissecting a "field"
 - Clarifying a goal
 - Inventory of means & resources
 - Soliciting inquiries
 - Creating an instrumentality
 - Developing an interlocking and consistent pattern of aid
 - Projecting self-support
 - Examining a Project
 - Assessing results
 - Fostering use & applications

1953
at Stanford U.

Prospectus of an Article on "Operational Research by Social Foundations"

a. Clarifying a Goal:

- Case A. The Fleet Found. ^{knows} No diff. betw soc & natl science
- Case B. The deceptively simple goal - e.g. mental health; peace
- Case C. The confusion of "good works" ~~and~~ reform w/ objectivity
- Case D. The " of theoretical & practical.

b. Inventory of Means & Resources

- Case A. The small foundation that believes no one else is supporting a program (e.g. heart disease)
- Case B. The Foundation that duplicates huge govt. research programs in an insignificant way.
- Case C. The F that believes itself to be too small to be of any account in its field of interest. (e.g. the deserving small college needs very little money; an important problem may need only a little seed money; free money in small amounts is important).

c. Classifying Institutions

- Case A. By Ideology: ^{e.g.} The F that supports an incompetent fellow believer.
- Case B. By Excellence of Faculty: Names & offices - the men who do not do the job ~~that~~ speak w/umph of "I will do it"
- Case C. By special ^{e.g.} College A is good in math; it must be good in psychology.
- ~~or~~ College X is good in undergrad; $\therefore$ give for research
- Case D. The incomplete survey: colleges that come in or that Bd members know.

d. Discovering Indivs.

- Case A. The acceptance of honors as index; but honors are political in large part.
- Case B. Professional Jealousy.
- Case C. Breaking thru the hierarchy.
- Case D. Insisting upon an institutional affiliation.
- Case E. Gp. research vs. Indiv.

- e. Dissecting a "field" : What is a "field" ?
 Interdisciplinary arrangements : case A
 Trends in a field : case B; F that thinks a field is what it was when the Bd was ~~there~~ in college. Need for ~~more~~ objective proof of scope & trend.
- f. Soliciting inquiries:
 Advertising vs. friendly networks or sitting back;
 Inability of any scholars to know more than 3 or 4 FS at most.
- g. Creating an instrumentality : what is meant
 case A. Over-rigid insistence on using existing channels
 case B. Too-free reliance upon created agents.
- h. A balanced ~~set~~ of instruments for a program :
 scholarships, fellowships, professorships, small & large grants, specific project aid & ~~just~~ seed money; conferences, prizes, publishing support, orgn. & indiv. gifts, etc.
- i. Projecting self-support
 Why self-support
 Determining possibilities : Promise not sufficient; many loopholes.
- j. Examining a project
 The friendly letter
 The dossier
 The references
 The design
 Previous performance
- k. Controlling a project :
 Case A wants IM for citizen-training program : it then trains people of 1 persuasion pro or con ; or it makes superficial citizen ; or it wants money for revision of a curriculum & uses it merely as general fiscal aid.

l. Assessing results

Prediction: Case A: has performed & will perform

Expert judgments

What part did funds play? Reports requested (no good w/o intensive exam. of reports)

m. Fostering Use and Applications

Failure ~~of~~ to publish bec. of lack of funds
"myth of the good works will find a way"

Venality of publishers when they see subsidies
guaranteed.

Case of the hapless historian; the unbacked writer who needs funds to publish, not to write.

Applications: e.g. when a study is available it should be
brought to attention of all concerned. This is a
healthy social pressure on industry, edocs &
govt. They can't ignore it.

Un used materials: stopping aid bec. orig. job of
path-breaking was done -

A ~~number of~~ Foundations, organized not for
Some thousands of Foundations, organized not for
profit, have been formed in recent years. A few
F's are several decades old; most are ^{just} a decade or
~~so~~. They range in size from The billions
dollar Ford F. to ~~the~~ many ~~of~~ a
hundred thousand dollars or less. Almost all have
a typical ~~organization~~ corporate structure, consisting of
a board of directors and an executive officer; their clients
are institutions and individuals who are in some degree
situated ~~to~~ so as to carry out the purposes of the F. If
they are provided with financial aid. The total
"investment" in American Foundations ~~approaches~~ ^{probably}
~~billions of dollars~~; their annual income ~~may~~
~~be in the neighborhood of~~ billions of dollars. Taken all
together, they have greater ~~total~~ income than ~~the~~
~~2-3-4-5-6-7-8-9-10-11-12-13-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31-32-33-34-35-36-37-38-39-40-41-42-43-44-45-46-47-48-49-50-51-52-53-54-55-56-57-58-59-60-61-62-63-64-65-66-67-68-69-70-71-72-73-74-75-76-77-78-79-80-81-82-83-84-85-86-87-88-89-90-91-92-93-94-95-96-97-98-99-100-101-102-103-104-105-106-107-108-109-110-111-112-113-114-115-116-117-118-119-120-121-122-123-124-125-126-127-128-129-130-131-132-133-134-135-136-137-138-139-140-141-142-143-144-145-146-147-148-149-150-151-152-153-154-155-156-157-158-159-160-161-162-163-164-165-166-167-168-169-170-171-172-173-174-175-176-177-178-179-180-181-182-183-184-185-186-187-188-189-190-191-192-193-194-195-196-197-198-199-200-201-202-203-204-205-206-207-208-209-210-211-212-213-214-215-216-217-218-219-220-221-222-223-224-225-226-227-228-229-230-231-232-233-234-235-236-237-238-239-240-241-242-243-244-245-246-247-248-249-250-251-252-253-254-255-256-257-258-259-260-261-262-263-264-265-266-267-268-269-270-271-272-273-274-275-276-277-278-279-280-281-282-283-284-285-286-287-288-289-290-291-292-293-294-295-296-297-298-299-300-301-302-303-304-305-306-307-308-309-310-311-312-313-314-315-316-317-318-319-320-321-322-323-324-325-326-327-328-329-330-331-332-333-334-335-336-337-338-339-340-341-342-343-344-345-346-347-348-349-350-351-352-353-354-355-356-357-358-359-360-361-362-363-364-365-366-367-368-369-370-371-372-373-374-375-376-377-378-379-380-381-382-383-384-385-386-387-388-389-390-391-392-393-394-395-396-397-398-399-400-401-402-403-404-405-406-407-408-409-410-411-412-413-414-415-416-417-418-419-420-421-422-423-424-425-426-427-428-429-430-431-432-433-434-435-436-437-438-439-440-441-442-443-444-445-446-447-448-449-450-451-452-453-454-455-456-457-458-459-460-461-462-463-464-465-466-467-468-469-470-471-472-473-474-475-476-477-478-479-480-481-482-483-484-485-486-487-488-489-490-491-492-493-494-495-496-497-498-499-500-501-502-503-504-505-506-507-508-509-510-511-512-513-514-515-516-517-518-519-520-521-522-523-524-525-526-527-528-529-530-531-532-533-534-535-536-537-538-539-540-541-542-543-544-545-546-547-548-549-550-551-552-553-554-555-556-557-558-559-560-561-562-563-564-565-566-567-568-569-570-571-572-573-574-575-576-577-578-579-580-581-582-583-584-585-586-587-588-589-590-591-592-593-594-595-596-597-598-599-600-601-602-603-604-605-606-607-608-609-610-611-612-613-614-615-616-617-618-619-620-621-622-623-624-625-626-627-628-629-630-631-632-633-634-635-636-637-638-639-640-641-642-643-644-645-646-647-648-649-650-651-652-653-654-655-656-657-658-659-660-661-662-663-664-665-666-667-668-669-670-671-672-673-674-675-676-677-678-679-680-681-682-683-684-685-686-687-688-689-690-691-692-693-694-695-696-697-698-699-700-701-702-703-704-705-706-707-708-709-710-711-712-713-714-715-716-717-718-719-720-721-722-723-724-725-726-727-728-729-730-731-732-733-734-735-736-737-738-739-740-741-742-743-744-745-746-747-748-749-750-751-752-753-754-755-756-757-758-759-760-761-762-763-764-765-766-767-768-769-770-771-772-773-774-775-776-777-778-779-780-781-782-783-784-785-786-787-788-789-790-791-792-793-794-795-796-797-798-799-800-801-802-803-804-805-806-807-808-809-810-811-812-813-814-815-816-817-818-819-820-821-822-823-824-825-826-827-828-829-830-831-832-833-834-835-836-837-838-839-840-841-842-843-844-845-846-847-848-849-850-851-852-853-854-855-856-857-858-859-860-861-862-863-864-865-866-867-868-869-870-871-872-873-874-875-876-877-878-879-880-881-882-883-884-885-886-887-888-889-890-891-892-893-894-895-896-897-898-899-900-901-902-903-904-905-906-907-908-909-910-911-912-913-914-915-916-917-918-919-920-921-922-923-924-925-926-927-928-929-930-931-932-933-934-935-936-937-938-939-940-941-942-943-944-945-946-947-948-949-950-951-952-953-954-955-956-957-958-959-960-961-962-963-964-965-966-967-968-969-970-971-972-973-974-975-976-977-978-979-980-981-9~~

are not the
decisions of
consequence.

Yet if one were to compare the attention given to
F. Decision-making with the vast literature devoted
to ~~business~~ ^{business} decisions he would perceive immediately
that Foundations work in a world of darkness. There
has been no conception of a universe of problems
centering on the intelligent ~~expenditure~~ ^{expenditure} of funds not
for profit. Once in a while ~~one~~ ^{one} will hear a
harrassed foundation head declare that it is harder to
give than to earn, but most people ~~to~~ ^{to} inside
and outside the Foundations laugh at this kind of
remark, for until a few years ago no man could
dream that philanthropy would ever amount to more
than the question of which ^{philanthropies} ~~philanthropies~~ ^{would} ever drop a dime
into ~~the~~ ^{the} A huge institutional growth, therefore has once

~~Thousands of dollars~~

again found men unready for it; ~~giving~~
~~thousands~~ of dollars away is indeed more complicated
 than giving away a few. Furthermore, a number
 of Foundations have been cut from whole cloth; they
 have ~~not~~ been torn from the ~~same~~ womb of
 an ~~existent~~ estate with an income tax schedule,
 rather than ~~coming~~ from the marriage of a
 fortune with a ~~the~~ beneficent idea. Men
 untrained in giving must overnight acquire ^{intelligently} the
 perspectives of ~~intelligent~~ noblesse oblige.

How to give intelligently is another way of
 saying how to base decisions upon intelligence.
 It is not slighting to other occupations of life to say
 that one is that ~~only~~ foundation operations ^{must}
~~perhaps~~ ^{be} more intelligent, i.e. rational in terms of ends,
 than many ^{public and private} businesses. ~~and public~~ Whereas private
 business may be to a large extent rational according
 to the ^{goal of} profits, ~~the~~ ^{operations of the uncontrolled} markets ~~of~~ work as a rudder
 for the enterprise, pointing it often in given directions
 without waiting for ~~the~~ calculated orientation or
 enabling calculations merely to supplement its
 power and add precision. Similarly, the tests
 of a government activity, are frequently
 believed to be ~~the~~ some calculus of approval or

Scarcely any foundation, of course, ~~conducts~~ its business without any presumption of intelligence. At the least, its board is composed of men with college education who "remember" what universities do and ~~of an~~ attorney or more who can tell them what foundations cannot do. Some foundations ~~adopt~~ take an essentially passive position, waiting for the onslaught of ^{the} petitioners; ~~they~~ ~~for~~ ~~often~~ they may accept every request or suggestion as equal, believing the all of a class of people or institutions are equally deserving because they have some degrees, some status, or simply exist and express interest in the F's work.

Indeed, this strain of "passivity" runs through ~~foundations~~ of ~~very~~ sophistication, ^{great size,} and long experience as well as those of youth, naïveté and modest size. ~~But~~ However, in the former case, ~~the~~ ~~this~~ ~~strain~~ impulse is ^{quite} ~~controlled~~ ^{by} a strong selective ^{desire} ~~superficial~~ ^{so} that somewhat contradictory ~~behavior~~ ^{results}.
Dr. Charles Dollard, ^{former President of} the Carnegie Corporation provides an example of this in a statement before the Reece Special Committee to Investigate Tax-Exempt Foundations: "The Carnegie Corporation... must spend its money pursuant to the high purposes of its

Carnegie

Charters (the advancement and diffusion of knowledge), but it must do so without seeking to control the individual scholar or teacher. It must proceed with a scrupulous regard for the American tradition of free inquiry." However, this statement

Hearings on Natl. Sci. Foundation

Dept. of Agric.

— migrant workers

Exten. Div.

Ed & Welfare —

— gerontology

Dept. of Labor —

~~and several others of like~~

of belief and others like it are surrounded by statements demonstrating the pointed way in which the ~~7~~ ⁷ ~~you~~ ^{you} ~~about~~ seeks to implement a set of policies:

"The Corporation ^{admits} readily that it must choose between applicants for ~~its~~ funds. It also admits that those who do not receive them must feel that those who do are favorites. The corporation certainly favors those who come to it with the best and most imaginative ideas. It favors those who have demonstrated a capacity for productive scholarship. It favors those who are recognized by their peers as being first rate. It favors institutions honestly dedicated to the best in education and research. ~~Many~~ Other qualifications occur in the statement as well. We conclude that ~~few~~ organizations of any size or experience can admit to passivity. They cannot seriously claim to be the ~~planned~~ ~~planned~~ ~~targets~~ objects of random solicitation.

However the ^{alert posture} ~~attitude~~ of the energized part
of the corporate structure is not necessarily that
of the whole. The boards of some foundations ~~are~~
~~are actually~~ are actually ~~are~~ innocent of
orientation; ~~are~~ their executives are the active
factors. No doubt one of the effects of two
Congressional investigations of F's has been
a stepping up of communication and
transmission of intelligence between boards and
executives. There

Perhaps one of the first kinds of operational
research that a foundation can engage in is to
determine the differential perception of the tasks
of the F that are held by the members of
the organization. A prospectus of the
operations of the F is ~~one of the first~~ a
primary step in this direction; it is not
unusual for a member of the Board of Trustees
to discover after lengthy service that he has
no conception of the intricate process of
human relations by which reports are
submitted and dealt with in his own
^{Frank and Confidential} Foundation. Studies of the range of outside
contacts of the responsible officers of the F & of
their range of contacts among themselves
should go far in explaining the behavior of
the F and in suggesting means for revising
operating procedures.

Still, ~~internal~~ although such studies may provide understanding of ~~the present state of~~ to ~~be~~ realistic informal structure of the Foundation and of how the F confronts the external world, the ~~simplest explicit~~ intent to change procedure or personnel must be based on some aim or goal; every application and all applied research requires some ~~as~~ goal as a basis for the ~~research~~ ~~desired~~ ~~change~~ change. Hence operational research for foundations properly begins with an analysis of the F's ~~goals~~ objectives.

The range of F objectives is vast, of course; they can be so broad as the achievement of world peace or so narrow as the granting of ~~full~~ scholarships to the sons of members of a labor union at a particular college. The ^{research or intelligence} problem connected with goals is not to find out how to broaden or restrict them. Rather it reduces to several problems on which ^{practical} research may be conducted:

One question that often needs answering is:

What are the ~~operating~~ ~~operating~~ goals of the F?

~~The late Senator Taft once~~ attached to one of his unpopular judgments of events that he did not pay attention to what people said but ~~continued~~ relied

for guidance upon their actions. A foundation is likely to say little or much, and to a high degree in both cases convey only a fraction of ~~the operating~~ goals that underlie its operations. More bluntly, a foundation often proceeds by intuition; it "plays by ear"; and one of the best services that can be provided it is to transcribe its operations so that the underlying goals can be seen by the operators themselves. Professor Dimock once recommended that ^{a large government} ~~an~~ organization might proceed in just this way and end up ^{as more} more effective than if a self-conscious and stilted organization were plumped down upon an ideal in the very beginning. A number of F's are in this position today; ~~some~~ whether or not, they have ~~for~~ practiced their business for a time and now need an ~~outside~~ objective statement of what they are seeking. Once cognizant of its ^{the goals} ~~own~~ intrinsic to its ~~bequests~~, the decisions of a foundation are ~~liberated~~ in a real sense liberated.

An expensive and expensive method of accomplishing self-knowledge of this kind came to my attention not so long ago. A ~~newly~~ newly activated foundation wrote to a number of universities inquiring

them to ~~submit~~ ^{submit} requests for grants in aid of ~~the~~ ^{scientific} research and scholarship. The announced views of the Foundation seemed broad, as a group of small scientists and university administrators proposed an extensive program of research development and scholarship aid in the ~~study~~ ^{field} of ~~human behavior~~ ^{psychology} and ~~generally~~ ^{by a concept of} human behavior generally. The response of the Foundation was ~~only~~ a single note stating that it was only interested in the natural sciences, especially physics. ~~They~~ ^{The officers} ~~had~~ apparently had been quite guiltless of any knowledge concerning science ~~or~~ the business of inviting attention to its objectives.

Perhaps equally naive is the foundation that advertises an ill-defined goal, such as "peace" or "well-being" or "mental health" as its principal interest. Countless ~~valuable~~ ^{valuable} hours -- both of the foundation and of its clientele in the academic or practical world -- are wasted while the Foundation struggles for its own definitions of peace and well-being and mental health. These words, and many other in common use by foundations in their dealings with their clientele and public, strike scholars as meaningless and lend ~~the air~~ ^{the} of a Wonderland air to the foundation's activities.

Another common failing of F's that can be attributed to their neglect of ~~first~~ professional counsel is the confusion of

"good works" with objective "value-free" study. ~~One of the~~ A popular fallacy (one shared by some members of congressional investigating committee, ~~and a great number of~~ I should add) is that the natural sciences are value-free ^{whereas} the social sciences are concerned with good works. The fact is that either or neither may be the case. A foundation may concern itself with good works such as technical aid to Indian ^(applied natural science) agriculture, or the eradication of alcoholism ^(applied social science). On the other hand, it may ~~feel~~ ^{believe} that ~~pure~~ ^{objective} science will involve less trouble ^{and} controversy and bring greater and more general results in the long run; hence it will support studies of the economics of Hindu farming or the nature of alcoholism. ~~The~~ The second type of study is likely to bring greater respect from the scientific community, if only because the pressure of obtaining results or sharing a viewpoint is not imposed upon the ~~research~~ grantee. It is questionable whether Newton would have ~~perceived~~ perceived the law of gravity in the fall of an apple (if that is true) if he were under contract to ~~the~~ ^a State ~~Apple~~ Apple-Growers' Association; yet ~~modern~~ industrialized apple-farming benefitted by ~~applying~~ ^{many} ~~many~~ ^{applications of} ~~one or more of his laws~~ ^{in many}. ~~It is important that foundation officers be fully~~ ^{advised} - before they call ^{their names} ~~themselves~~ by one or more of the ~~following~~ ^{conventional} words ~~like~~ such as applied

action, Theoretical, basic, ^{or} practical that they know what they mean and what they mean will bring them what they want.

Inventory of Means and Resources

Philanthropists frequently choose a goal that accords with their immediate perception of the world. They do not consider whether the goal is shared by too many other foundations to invite support, or whether the job is being done better by others. Moreover, contrariwise, a foundation will sometimes consider itself ~~being~~ so small a ~~oar~~ bark on the huge ocean of good works that it will abstain from ~~the~~ intervening where intervention might be highly productive. An example comes to mind of a new foundation that without knowing ~~of~~ the field at all, plunges into the subvention of research on heart disease; ~~that~~ ^{the} government and many other agencies are already occupying the field; medical experts ~~to~~ in it may have all the money they need for research; yet the idea of curing "heart disease" is so compelling that the foundation leaders ~~cannot~~ cannot help themselves. ~~For~~

-- NOTE STOPS AT THIS POINT --

1953

A A Survey of the Use of Techniques of Political Science by Government Agencies:
The Policy Process - thinking, willing, and acting agencies; Examples of the
employment of various techniques; main problems reported in past attempts to
employ systematic techniques in government; explanations of the use and non-use
of such techniques.

Material on these points may be obtained from these works:

A. The Transference of Special Techniques to Government

Anon. "The Recording of World War II," 38 APSR (1944), 331-42
 Bernard Berelson & Sebastian de Grazia, "Detecting Collaboration in
 Propaganda," XI POQ (1947), 244
 Angus Campbell, "The Uses of Interview Surveys in Federal Administra-
 tion," ~~II JENL~~ SOCIAL ISSUES (1946), 14-22
 Dorwin Cartwright, "Social Psychology in the United States During
 the Second World War," I HUMAN RELATIONS (1948), 333-52
 Joel Gordon, "Operating Statistics as a Tool of Management," 6 PAR
 (1944), 189-96
 H. F. Gosnell & M. C. David, "Public Opinion Research in Government,"
 XLIII APSR (1949), 564-72
 Sherman Kent, STRATEGIC INTELLIGENCE FOR AMERICAN WORLD POLITICS
 (1949)
 Alexander Leighton, THE GOVERNING OF MEN
 Albert Lepawsky, ADMINISTRATION (1949), 537-63 on
 Rensis Likert, "Opinion Studies and Government Policy," 92 JENL.
 AMER. PHIL. SOC. (1948), 341-50
 Charles E. Merriam, "The National Resources Planning Board: A Chapter
 in American Planning Experience," 48 APSR (1944), 1075-88

John Hay