

Building a Better Fundraising Board

In today's fundraising environment, competition for philanthropic dollars is greater than ever before. Nonprofit organizations that can compete successfully in the philanthropic market will be able to attain their goals and fulfill their mission. To establish and maintain a competitive edge in fundraising, an organization must have:

- A compelling case for support
- Active engagement of staff and volunteer leadership
- Adequate philanthropic prospects
- Effective operations to support the fundraising process



Ensuring these prerequisites are hard-wired organizationally requires focused leadership and action by the CEO, development staff, and *the board*. This resource paper defines the role of the board in fundraising and provides insights on how to build a better board in three steps:

- 1) Attract the Right People
- 2) Train Effectively
- 3) Evaluate Performance

The Board

An effective board plays a variety of critical roles for an organization from hiring and evaluating the CEO to ensuring fiscal accountability. However, the role the board plays in fundraising can have the greatest influence on an organization's impact. To fulfill this role, the board should prioritize the following:

Mission & Vision—Collectively and individually the board must passionately embrace the mission of the organization and actively participate in developing a vision for the future that is bold and inspiring. This vision will inform the case for philanthropic support.

Advocate & Engage—The board is an external advocate for the organization. Board members must be resourceful in engaging individuals, corporations, and foundations that have the ability to philanthropically support the organization's mission and vision.

Support— The board must financially support the organization through their own philanthropy. Each board member must make a gift that is commensurate with their interest and ability. *A board member should make the organization they serve one of their top three philanthropic priorities.* The board must also make certain appropriate resources are allocated to ensure the vision for the future can be achieved.

So how is it possible to build a board that appropriately commits itself to the priorities identified above? The following steps can help...

Attract the Right People

Building a more effective and stronger fundraising board starts with attracting the right people to the organization. For most organizations, the board has created a nominating or governance committee that is charged with establishing and implementing a process by which current and potential board members are identified, qualified, cultivated, enlisted, trained, evaluated, and stewarded. The CEO and development staff should actively support this effort in the following ways:

- Ensure clarity around the mission and vision of the organization.
- Collaboratively develop a board profile that identifies desired characteristics, skill sets, and/or abilities that are needed for the organization. This profile should evolve with the organization.
- Assist in identifying potential board candidates, with a goal of creating a multi-year list of individuals who have already demonstrated some or all of the characteristics identified in the board profile.
- Facilitate the evaluation of board candidates in the context of the board profile.
- Collaboratively create a written job description for board members with clearly stated expectations, such as:
 - Attendance
 - Committee Participation
 - Time Requirement
 - Philanthropic Support
 - Philosophical Support
- Support each step of the enlistment process to ensure board candidates are clear on what service means to the organization.

Once board members are selected, they must be provided with the necessary information to make good decisions, fulfill expectations, further the organization's mission, and be a productive member of the leadership team. This information should be delivered through an effective training program.

Train Effectively

There are three main components of an effective training program for board members:

- 1) **Information**—A general orientation session must be set up to familiarize board members with your organization. This session will include in-depth explanations of the organization's history, mission, philosophy, and long-range plans.
- 2) **Operations**—Each board member must understand how the organization functions in relation to its mission. This includes staff roles and responsibilities, organizational structure, budget, planning, and policies.
- 3) **Development**—Board members must understand how the fundraising process works within the organization. They need to know how donors are acquired, renewed, upgraded, and stewarded. They need to know what it takes to raise a dollar, as well as their role as a team member in that process.

Board training is an on-going process. Conducting effective and productive board meetings and maintaining contact with board members is essential. Once the trained board members have had ample time to find their niche on your leadership team, it is essential that their performance be evaluated on a regular basis.

Evaluate Performance

The most effective board evaluations are developed and implemented by the board itself. These self-evaluations encourage ownership of defined roles and responsibilities and a willingness to take action to improve functionality and productivity. Board self-evaluations should include:

- Annual conversations with each board member to determine commitment, productivity, and effectiveness
- Establishing specific criteria for evaluating board effectiveness including meeting attendance, committee participation, advocacy, philanthropic support, and/or involvement in the fundraising process
- Personal goal development by each board member to demonstrate their value to the board and the organization
- Annual review of personal goals

Below is a sample of self-evaluation statements that can be sent to board members prior to these discussions.

- ✓ I know why I was recruited to be a board member and I understand what is expected of me.
- ✓ I have a clear picture of the mission, priorities, and funding as they relate to the long-range plan.
- ✓ I believe in the mission.
- ✓ I understand the reason we raise money and why others should support my organization.
- ✓ I see this organization as my charitable priority.
- ✓ I am willing to philanthropically support this organization annually in proportion to my interest in its success and my financial ability.
- ✓ I readily suggest new potential donors.
- ✓ I assist in identifying and evaluating prospects.
- ✓ I participate in cultivating prospects, donors, and potential leadership.
- ✓ I use my affluence and influence to benefit the organization.
- ✓ I am comfortable sharing my personal reasons for giving to the organization with others.
- ✓ I am willing to ask others to make a gift to this organization.
- ✓ I write personal thank you, acknowledgement, and follow-up letters.

Conclusion

Implementing an effective process for building a better board for fundraising will allow a nonprofit organization to maximize the potential of the board in advancing the mission and vision of the organization. Successful fundraising boards:

- Plan appropriately
- Establish realistic goals for your organization
- Actively participate in the fundraising process
- Allocate sufficient resources to achieve the organization's goals
- Insist on accountability

The Compass Group can assist you with building a better fundraising board through in-depth training, workshops, and seminars customized to the age, size and mission of your organization.

About The Compass Group

The Compass Group headquartered in Alexandria, VA, provides strategy, education, and coaching to organizations that must be successful in fundraising. In a working partnership with your staff, volunteers, and board, Compass will help you to enhance and develop the philanthropic culture of your nonprofit organization and achieve fundraising success. Our specialty areas include Arts & Culture, Environmental, Health Care, Higher Education, Human Services, and Independent Schools.

About Frank Pisch

Frank S. Pisch is a senior fundraising executive and nonprofit leader with more than 40 years of successful experience. His strengths include board and staff training, campaign design and management, board and staff development, effective utilization of volunteers and all other aspects of fundraising, including creation of effective fundraising teams.

Mr. Pisch has consulted on capital campaigns and major gift fundraising and strategic planning for a wide spectrum of nonprofit organizations, private and four-year colleges, public universities, community colleges, university foundation boards, independent schools, hospitals and medical centers, human service and environmental agencies, youth groups, arts organizations, and trade associations.

Mr. Pisch has helped his clients raise more than \$4 billion, and as a major gifts specialist he has been involved in the successful solicitation of more than 200 gifts of \$1 million or more.

