

TIPS ON HOW TO ADDRESS THE BOARD'S #1 CHALLENGE: FUNDRAISING

It should no longer be a surprise that many nonprofit boards struggle to fulfill their fundraising responsibilities. [Leading with Intent: 2017 National Index of Nonprofit Board Practices](#) echoed previous years' studies in reporting that board chairs and chief executives (CEOs/executive directors) ranked fundraising as the biggest challenge area facing boards. Less than half (40 percent) of chief executives surveyed responded that their board actively participates in fundraising versus relying mostly on the chief executive and staff.

Given that the struggles with board fundraising are not new, the question becomes why boards haven't found a way to address this issue. One of the reasons may be that there is no quick-fix solution. Boards committed to improving their fundraising performance must embrace a comprehensive and ongoing approach that covers all facets of the board service cycle: recruitment and orientation, board meetings, and overall board culture.

RECRUITMENT

Leading with Intent found that

- only 67 percent of chief executives believe fundraising expectations are clearly articulated during recruitment
- only 31 percent of chief executives and 19 percent of board chairs assign a high priority to fundraising responsibilities when recruiting new members
- 72 percent of chief executives believe that board diversity is very important or important to increasing fundraising or expanding donor networks, yet the majority of board chairs and chief executives do not report demographic diversity as a high priority in board recruitment

Based on this data, it is clear that boards are not using the recruitment process to their advantage. To address this, boards can

- add skills aligned with the fundraising tasks your board members are expected to complete to the skill sets you are recruiting for. Even if someone does not have direct experience asking for support, other skills, such as public speaking, pertain.
- be candid about expectations surrounding fundraising when discussing board service with board candidates. Provide them with as much information as possible, such as whether board members are required to make a personal contribution and how they will be expected to assist with fundraising efforts, helps ensure that new board members understand that fundraising is a fundamental aspect of board service.
- Define what the ideal board composition looks like in terms of diversity and then focus on finding it. For some boards, this means changing the way they identify potential candidates by moving beyond the personal networks of existing board members and considering nontraditional recruitment strategies, such as a posted board search or use of a search firm.

When fundraising expectations are clearly articulated during recruitment, 52 percent of chief executives report their boards are actively engaged in the organization's fundraising efforts.

When fundraising expectations are not clearly articulated during recruitment, only 12 percent of executives report that their boards are actively engaged in fundraising efforts.

ORIENTATION

Leading with Intent found that boards that have a strong understanding of their roles and responsibilities are better at fundraising than boards with a weak understanding of their roles.

- To ensure that your members have a strong understanding of their fundraising roles and responsibilities,
- provide new board members with a written job description and/or the board's [fundraising policy](#). Asking new board members to sign the job description during orientation signals their intentions early on and provides a document that can be referred back to throughout their term of service.
 - Incorporate fundraising training into new board member orientation. Teaching board members about the many different ways they can be involved in fundraising — hosting “friendraisers,” writing thank you notes, making introductions, etc. — allows everyone to find an appropriate level of participation at which to begin their board service.

PERSONAL GIVING

One of the least time-intensive, and most impactful ways board members can participate in fundraising is by making a donation. However, only 59 percent of chief executives report in *Leading with Intent* that board members are required to make a personal contribution to the organization. BoardSource's [Recommended Governance Practices](#) suggest that all boards should strive for 100 percent board giving.

The amount of the gift is not what boards should focus on. While all board members should be encouraged to make an annual stretch gift within their means, the overall goal is for all board members to show their support of the organization through a donation. Board members who do so are able to point to their support and articulate why the cause is important to them when meeting with potential donors.

Some organizations connect fundraising to personal giving. For example, board members asked to raise \$5,000 can donate all \$5,000 personally, raise \$5,000 from their personal connections, or do a combination of both.

FUNDRAISING CULTURE

Setting clear expectations with board members is one of the best ways to reshape the board's fundraising culture. Boards that understand their responsibilities are much better equipped for success and are likely more invested in achieving fundraising goals.

However, clarifying expectations should not stop after the recruitment and orientation processes are complete. There are opportunities throughout board members' terms of service to reiterate individual responsibilities and strengthen board members' commitment to fundraising.

Leading Practice #10: *Personal Giving*

If the organization engages in fundraising, every board member should make a meaningful personal contribution according to his or her means (while not conflicting with any legal stipulations); the board should attain 100-percent board giving.

By making a personally meaningful gift, each board member demonstrates his or her commitment and trust in the organization, which also enables him or her to function as a more credible fundraiser and inspire other donors.

Board Meetings

Board meeting agendas should reflect organizational priorities. If board members never talk about fundraising, chances are they won't consider it essential to board service. Considering spending a few minutes at each board on fundraising — brainstorming new strategies in response to a challenge, discussing potential donors, or reporting on and celebrating successes.

Some boards include a “fundraising summary” in the board meeting preparation materials. The summary is anonymous but lists individual giving histories for each board member. This can be an effective way to encourage those who haven't yet contributed without calling them out individually.

Ways board members can be involved in fundraising without “making the ask”

Candidates may be scared off from board service if they think all their time will be spent cold-calling contacts to ask for money. In reality, however, there are many avenues to get involved in fundraising that board members can use to build up their skills before eventually making a direct ask. Make sure you communicate this during the recruitment process.

- Advocate for the organization by sharing its mission and why it is personally important
- Attend board training opportunities related to fundraising
- Participate in board discussions to assist in developing and evaluating the organization's fundraising strategy
- Identify and evaluate prospects
- Thank donors for their gifts
- Attend and invite guests to fundraising events, donate auction items
- Cultivate gifts by discussing organization's work and successes with colleagues, and inform the necessary individuals (board chair, development committee, etc.) about potential donors' levels of interest
- Host fundraising events
- Participate in face-to-face meetings with staff members and potential donors

Resources:

[*Fearless Fundraising for Nonprofit Boards*](#), [*Fundraising Responsibilities of Nonprofit Boards*](#), [*Leading with Intent: 2017 National Index of Nonprofit Board Practices*](#), [*The Nonprofit Policy Sampler*](#)