

501(c)onference

Roads to Greater Impact

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Center for
Nonprofit
Management

Creating a Culture of Philanthropy: A Great Adventure

Heather Tunis, Senior Consultant
Center for Nonprofit Management

Session Framework:

- ❖ Exploration of the Culture of Philanthropy
 - Components
 - Challenges
 - Strategies
 - ❖ Case Studies
 - Young Musicians Foundation
 - Sinai Akiba Academy
 - ❖ Q & A
-

Culture of Philanthropy

...a set of organizational values and practices that support and nurture fund development within a nonprofit organization.



Culture of Philanthropy Indicators

- ✓ Philanthropy and resource (fund) development are well understood, viewed and valued as mission-aligned by all - board, management and staff
- ✓ The chief executive and board are actively involved in fund development
- ✓ Everyone is trained and supported in their role(s) in philanthropy
- ✓ Everyone involved with the organization can articulate the case for giving, serve as ambassadors, engage in relationship building and promote philanthropy
- ✓ Every interaction is a respectful cultivation
- ✓ Organizational systems are in place to support all aspects of cultivation and stewardship

UnderDeveloped Study

- ✓ Conducted 2012;
published early 2013
- ✓ Survey and focus
groups with over 2,700
chief executives and
development directors
from across the US

Key Data - high turnover
in development
positions; longer periods
of vacancies:

- ✓ 50% of development
personnel planned to
leave within two years
- ✓ 40% were not
committed to a career
in development

UnderDeveloped Data Highlights

- ✓ 25% of chief executives fired last Development Director
- ✓ 25% indicated Development Director at novice level or lack of experience in key functions
- ✓ Inadequate systems and capacity to create or sustain successful fund development office
- ✓ 23% – no fund development plan
- ✓ 21% – no database
- ✓ 75% – insufficient board engagement in fund development
- ✓ 25% of chief executives lack knowledge, skills to secure gifts
- ✓ Less than 50% of Development Directors reported strong relationship with the Chief Executive

Bottom Line Findings

- ❖ Validated considerable problems in the development director role across the sector: challenges in finding qualified candidates with the right mix of skills and experience, lack of internal support systems
- ❖ Identified deeper issues undermining fund development function, many the result of the lack of recognition and practice that *fund development is about more than one person or team.*

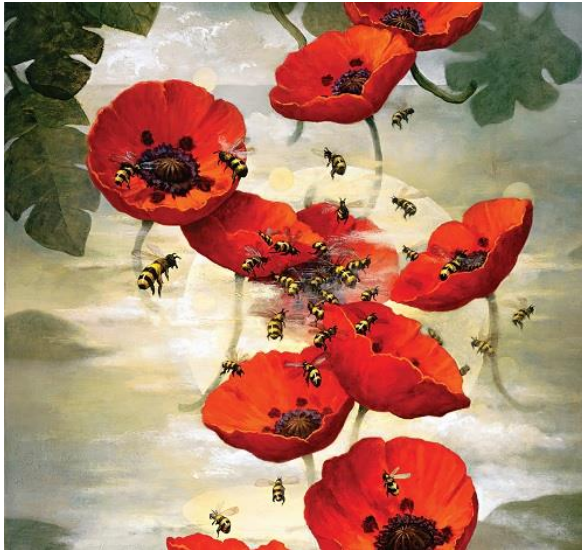
In exploring the conditions for fundraising success, the report helped encourage more awareness and discussion about **Culture of Philanthropy**

Defining Culture of Philanthropy

Culture - a way of thinking, behaving, or working that exists in a place or organization
...integrated pattern of how things are done, not just what is said.

Philanthropy - the practice of giving money and time to help make life better for others; integrating contributions of time and money to further one's values and beliefs.

A “culture of philanthropy” is more than everyone doing more fundraising and contributors giving more money.



- Develops from awareness of the impact of roles and tasks on resource development
- unites organizational functions and goals

What are the conditions for a Culture of Philanthropy?

- ❖ Most people in the organization (across positions) are ambassadors, engage in relationship building
- ❖ Everyone promotes philanthropy, can articulate a case for giving
- ❖ Fund development is viewed and valued as a mission aligned program, rather than a supporting activity
- ❖ Organizational systems in place to support all aspects of fund development
- ❖ The Chief Executive and board leadership are committed and personally involved in fund development

How do we create a Culture of Philanthropy?

Integrate cultivation
and fundraising/
resource development
seamlessly into all
aspects of the
organization....to
increase engagement,
contributions to meet
and further the
mission.



Key Elements to Building a Culture of Philanthropy

- **People – Board, Staff, Volunteers, Constituents**
- **Tools – Plans, Case, Financials, etc.**
- **Support – Training and Partnership**
- **Processes – Organizational Systems, Communications/Messaging**

People!

- ❖ Define fund/resource development beyond the development staff
- ❖ Roles of the Chief Executive and Development Director
- ❖ Board and staff as advocates and ambassadors – creating relationships, spreading the word, engage in the ask
- ❖ Volunteers, Clients/Constituents

Chief Executive

- ✓ Takes responsibility, understands, supportive of and engages in fund development strategies
- ✓ Ensures that fund development is understood and respected as a program
- ✓ Models the organization's Culture of Philanthropy
- ✓ Champions, supports Development Director and Development team, builds trust
- ✓ Encourages and supports partnership between the board, Development and senior program, finance, other staff

Chief Executive

- ✓ Sets realistic fund development strategies, goals and expectations
- ✓ Creates space for constant focus: board and staff orientation, ongoing discussion and training
- ✓ Ensures reciprocity, balances investment of resources between fund development and program

Development Director

- ✓ Role model and resource
- ✓ Connects with board and staff to learn their understanding of and relationship to fund development strategies
- ✓ Designs appropriate, accessible path towards a Culture of Philanthropy; partners with Chief Executive, board leadership and other senior managers to lead and realize
- ✓ Continues developing their own and their team's professional skills and knowledge

Board

- ✓ Personal financial commitment
- ✓ Focus on cultivation and relationship building
- ✓ Shares responsibly for setting realistic fund development goals and meeting those goals
- ✓ Willing to learn; educated and trained
- ✓ Partners with Chief Executive and Development Director
- ✓ Discusses fund development responsibility during board recruitment
- ✓ Takes on tasks based on skills
- ✓ Holds itself accountable as a body

How are other people and organizational functions involved in supporting fund development?

- ✓ Strategic, Organizational Plans, Special Initiatives
- ✓ Programs
- ✓ Information Management
- ✓ Customer Service
- ✓ Budget and Financial Systems
- ✓ Prospect Identification and Strategy
- ✓ Communications & Marketing
- ✓ And....

Tools



Core Tools to Support a Culture of Philanthropy

- Well articulated mission, vision, strategic direction/organizational plan
- Resource development plan, defined goals and strategies
- Case for giving, other resource development communications materials and tools
- Board, Chief Executive and staff engagement and systems of support
- Relationship management resources - database, prospect analysis, stewardship systems
- Clear, well-managed budget and financial systems
- Training, investment in capacity

Support - Training and Partnership

- ❖ Roles and tasks other than “the Ask”
- ❖ Training
- ❖ Supporting the Ask



A Culture of Philanthropy involves many roles and functions.

- People outside the Development office consider fundraising tasks and activities outside their area of work or experience...especially “the ask.”
- Many different kinds of tasks and roles involved in connecting with and cultivating prospective and current supporters.
- Help others understand the broad range of activities involved in cultivating and securing financial support
- Identify ways that board members, staff and volunteers can support engagement and cultivation.
- Customize to your organization’s fundraising strategies, staff and board capabilities.

Examples of non-task roles for staff, board, volunteers

- ✓ Thank you calls
- ✓ Bringing people to program or event
- ✓ Speaking to a group or organization (business colleagues, Rotary, other community group, club, church, etc.)
- ✓ Promoting appropriately on social media
- ✓ Introducing Chief Executive, board chair, executive team to friends, connections with a business, foundation, philanthropist, etc.
- ✓ Matching gift or volunteer programs
- ✓ Securing sponsorships, auction items
- ✓ Participating in event planning and implementation

Training and Professional Development

- Preparation = increased comfort level, effectiveness
- Develop training topics and approaches for your organization's needs and culture

Ideas:

- ✓ Build training and education into staff and board meetings
- ✓ Impact stories (mission moments) at staff and board meetings, programs and events.
- ✓ Provide concise, easy to use materials, key messages, talking points and other content.
- ✓ Prepare people for their roles prior to an event, site visit or other similar activity.

Supporting the Ask

- ✓ # 1 reason people don't give? They're not asked. Amazing and so simple!
- ✓ In a Culture of Philanthropy, respectful cultivation and engagement leads to thoughtful, timely ask; asking should never be done without sufficient preparation – the prospect should be ready – familiar with your organization and its impact.
- ✓ Asker should also be ready - have a genuine relationship, an understanding of the person's interests, decision factors.

Process - Organizational Systems, Communications/Messaging

- User friendly processes, procedures for capturing, managing information
- Meaningful ways to recognize, acknowledge and steward
- Event and program planning methods and systems
- Philanthropic message in all materials and communications
- Communications tools make giving easy.



Challenges/Obstacles

So...we have outlined this ideal construct and created this great vision for ourselves about building a Culture of Philanthropy –

Important to keep in mind what kinds of challenges and obstacles might get in the way and come up with proactive, strategic ways to address.

Challenges/Obstacles

- ❖ Roles and responsibilities:
silos - board, staff, volunteers, constituents
- ❖ Resistance, fear, lack of experience/training, knowledge, time, etc.
- ❖ Misperceptions about what fund development involves, who can do it, attitudes about money, funding sources, etc.

Silos

- ❖ General perception of fund development as an isolated function.
- ❖ Historical organizational and board structures: departmental, committee mindset - people focus on particular assigned area
- ❖ Addressing the silo mindset takes awareness and commitment - change is difficult!
- ❖ Most successful when starts at the top, with the Chief Executive, board and senior management modeling working together, recognizing the intersection of their functions

Misperceptions about fund development

In a Culture of Philanthropy, we seek to:

- create shared understanding of what fund development is and is not and why contributed income is important
- help people understand that fund development is far more than an event, broad appeals, grant writing or asking people for money without understanding their connection to the organization or cause

Resistance, Fear, Lack of Knowledge: Board

Misperceptions:

- ✓ required level of giving
- ✓ having wealthy friends or access to wealth

Concerns:

- ✓ asking someone who doesn't really care about the organization or cause
- ✓ quid pro quo

- ✓ Lack of clear expectations during board recruitment
- ✓ Lack of experience with fundraising
- ✓ Told rather than asked, engaged, cultivated
- ✓ Lack of role models in board leadership - actions do not reflect policies

Resistance, Fear, Lack of Knowledge: Staff

- ✓ Silo mentality
 - ✓ Historical resistance
 - never did fundraising this way before
 - ✓ Fear and attitudes about money
- ✓ Lack of understanding of business model and role of philanthropy in the organization
 - ✓ Lack of training and knowledge
 - ✓ Concern about a lack of support

Addressing Barriers



Develop buy-in for building and achieving a Culture of Philanthropy.

- ❖ Create understanding how functions support each other, integrate to support fund development
- ❖ Frame change as motivating, achievable, results driven
- ❖ Involve in creating meaningful roles
- ❖ Co-design ways to create time and space for training and support
- ❖ Provide awareness, resources and tools

Creating a Culture of Philanthropy”
does not happen overnight...takes a village,
a shared mindset, leadership and ...
a shared vision of success.



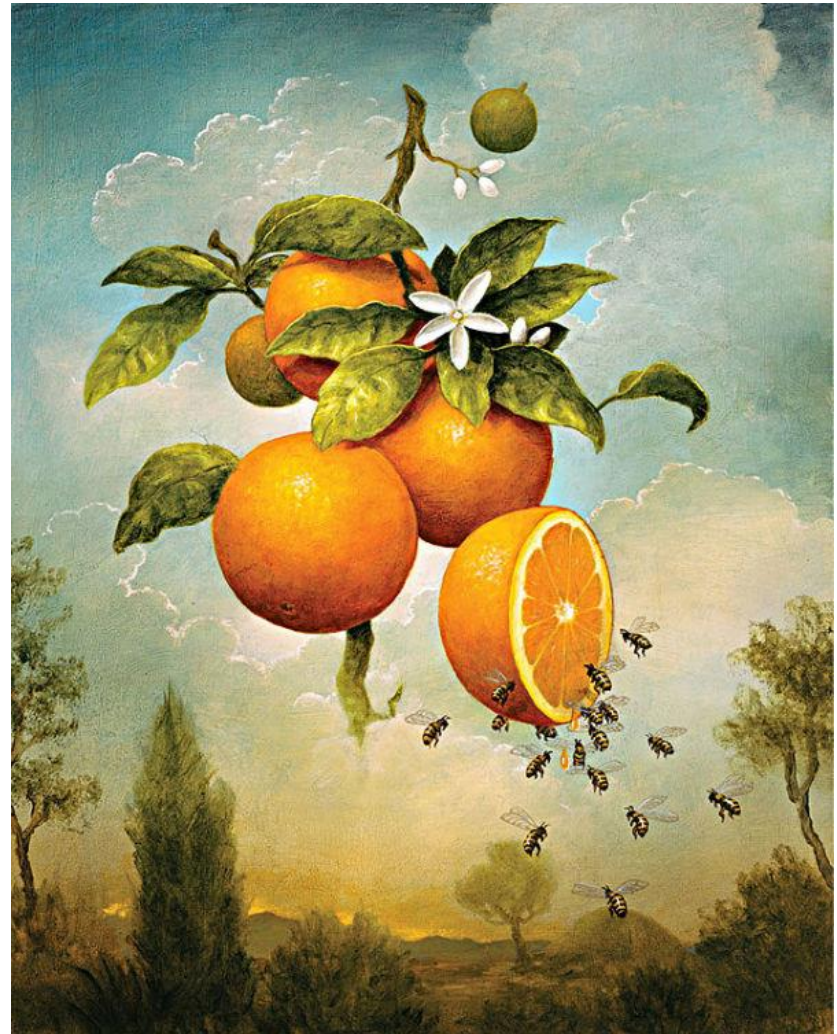
Case Studies

Julia Gaskill
Executive Director



Janet Rosenblum
Development Director
Rebecca Kekst
SAA Committee
Development Chair

Q & A
☼
Reflections
☼
Thank you!





Center for
Nonprofit
Management

Heather Tunis, Senior Consultant

For more information
htunis@cnmsocal.org
213.346.3268

For a copy of this PowerPoint, see
cnmsocal.org/501conference

Note: Illustrations courtesy of Kevin Sloan www.kevinsloan.com