

Fundraising Habits of Supremely Successful Boards

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Summary – 5 pages and some change

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Habit 1 – in all your actions, integrity rules.

Giving time and money as a board member is very important, but even more important is being willing to stand for what is right, even if you are standing alone as an organization. It may require courage and at times it will be a scourging test of character. But don't flinch. If you do, the reputation of your organization can be easily lost...forfeited forever. It is the abdication of the organization's spirit and soul.

Integrity is not among the most important criteria; it is the most important.

Habit 2 – you hold in trust the mission of your organization.

Habit 3 – you never lose sight that your organization is in the business of changing or saving lives.

The first and foremost reason people give is because your organization changes or saves lives. It is *that* awesome opportunity that inspires them. Nothing else is as important. Not the memorial opportunity, not the tax advantage, not the drama of the project. There are many other factors, but none of them, not your proposal or your video, will ever move donors to their highest possible potential. No, the touchstone is this: your donors have the power to change or save a life. It is through you that they can experience the majesty of giving to accomplish this.

Habit 4 – you create an atmosphere of excellence.

If a board is willing to accept mediocrity in its staff and programs, it almost always gets mediocre staff and programs. Shake and rattle the status quo.

The road to stumbling organizational results is strewn with shoddy work and mediocre staff. Often it is caused by an unthinking adherence to the past, or a reverence for present practices.

Commit to high standards, and you will begin to achieve them before you know it.

Habit 5 – you continually push for greater success.

There is plenty of room at the bottom for organizations who are willing to limp along and live on past laurels. Satisfied to operate in the past or to be a me-too carbon copy of similar organizations. But that cannot be for you. You must recognize that success is a moving target. The role of a board member is to set challenging objectives, establish tight deadlines, and place milestones along the way. Keep raising the bar.

It means asking this question of every decision you make: Does it help us grow, or does it keep us the way we are?

Habit 6 – you are willing to leave the comfort zone.

“let us build a cathedral so great that those who follow will think we were mad for making the attempt.” – Theodore – dean of the cathedral of Seville.

You hear it all the time. The clatter and clang of those trembling and trepid souls who remind you, “it can’t be done.” But board members must be willing to erase the chalk marks and the old guidelines that are no longer relevant.

Habit 7 – you are passionate about your organization...and show it.

Habit 8 – you maintain a positive attitude.

7 things a board can say to kill progress...

- 1) – we’ve never done it that way before
- 2) – it can’t be done
- 3) – it will cost too much
 - not having funds is a temporary problem and resources must not determine your decisions, your decisions should drive the finding of resources.
- 4) – we’ve been doing all right without it
 - “even if you are on the right track, you’ll get fun over if you just sit there” – Will Rogers
- 5) – we’ve tried it that way and it didn’t work.
 - “you’ve got a problem? Great! Problems lead to solutions and growth”
- 6) – we’re not ready now”
- 7) – let’s put it off for now and discuss it later”
 - too often boards take the approach of “ready, aim, aim, aim, aim...”
 - Most often it is far better to take action even though all the factors may not be known, rather than to take no action at all.

Habit 9 – you plan.

“Strategic planning does not deal with future decisions. It defines the future of present decisions. As a board member, your job is to have a blind date with destiny.” – Peter Drucker

Habit 10 – you don’t manage the operation

To be an effective board member, you cannot manage more, you simply demand more, i.e. require more, expect more; more members, more donors, better programs, more service, all driven by quality and an intense focus on the mission.

But, you don’t get involved in management...period!

The role of the board is to *determine* policy. The role of the staff is to *execute* policy.

The CEO leads...the staff designs and implements...the board empowers.

The board sees that the right things are done...the staff sees that things are done right.

The temptation to meddle in operations is great at times...but you must resist.

Habit 11 – you are constantly looking for key people to join the board.

One of the most important jobs of a board member is to continually seek out other like-minded individuals who will commit themselves to the same cause.

It's not always easy and the competition is fierce. Recruiting the most capable board members possible requires the same level of cultivation and work that getting a major gift does. And, in truth, a good board member is a "major gift" – of a different kind. He or she is further assurance of your organization's ultimate success.

Habit 12 – seek board members with the 4 W's.

Work – organizations need board members willing to put in the hours – attend meetings, review financial statements, endure sometimes overly long meetings.

Wisdom – you want members who bring mature judgment to very complex matters and wise enough to make difficult decisions, often on the spot.

Wealth – you need members who are willing and able to make sacrificial gifts and to lead the way by example.

Wallop – people with clout, power and leverage. People with influence in the community and those who can attract others, open doors, and serve as ambassadors from the organization.

Habit 13 – the organization is a top giving priority for all members.

Most foundations in the U.S. will no longer give grants to any organization that does not receive support from 100% of the board. For some, they even look deeper to see if each board member is giving to their fullest potential. Some boards have even established minimums for each year that each member is expected to meet. Regardless of the details – board members that don't give and don't give generously, are not likely to attract more support from the community in any meaningful way.

Martin Luther once said that God divided the human hand into 5 fingers so that money would slip through it to worthy causes. Board members are called to spread their fingers wide.

Habit 14 – you ask others to give.

Before we accept new board members, we let them know that they are expected to give, but also to ask others to give as well. When they say they don't like asking, or begging others, we remind them of two things; that they are helping to save lives, and that they never have to ask alone if they don't want to. The CEO or another Board Member can always do it together.

We understand that not everyone on the board is able to make huge gifts, but everyone is able to give what they can and to bring others along with them.

Something amazing happens when board members don't call on others to help financially....NOTHING!

Habit 15 – you know that those who give now, are the best donors for the future too.

“You can’t keep going back to the same well” is a statement often used by novice fundraisers. It’s false. You can indeed keep going back to the same well, and as a matter of fact, that is often where the greatest potential is.

What is really difficult is getting someone to give who has never given to you before, or someone who does not give to anyone in general.

Here is the real truth: GIVERS GIVE...and give...and give.

Habit 16 – you know that not all gifts are worth accepting.

There are times when gifts must be rejected if they come with too many strings attached, or the wrong kind of strings. Board members have the responsibility to determine what gifts might compromise the organization and they then have the difficult job when that happens of saying thank you or no thank you in a polite and respectful manner.

Habit 17 – you are involved in thanking and acknowledging donors.

Donors must be acknowledged in the proper legal manner for all donations, but really thanking them and appreciating them takes extra steps and extra care. Not only is it good manners to thank donors, it is fiscally prudent. It costs a whopping 4.5 times the resources, staff, and energy to get a new donor as it does to just keep a current one.

As a board member you have a role here. There is nothing more memorable as a board member taking the time to call or at the least send a personal thank you letter.

If you wish to retain donors and increase gifts over time, you must get involved by thanking them. Celebrate their gift together.

Habit 18 – you attend board meetings.

Attending meetings is the only effective way you can track the status and progress of the organization you serve. Mediocrity must be rejected at the board level if you want it rejected at the staff level.

Meeting attendance increases teamwork and trust among members. And since many board decisions involve money and fundraising, attendance is particularly important for organizations to be financially healthy.

Albert Einstein said, “Not everything that counts can be counted. And not everything that can be counted counts.” He is right in many cases. But, in the situation of board attendance, your participation counts, and it should be counted.

Habit 19 – you are prepared for every meeting.

Board members must come to meetings fully armed – with questions and the willingness to discuss and debate. In order to do this, they must read and prepare a bit in advance – especially if they are sent specific materials related to the meeting in advance.

Whether the issues for discussion are routine, or extra-ordinary, good board members come to each and every meeting prepared to discuss in an educated and prepared manner.

Habit 20 – you take your fiduciary role seriously.

Financial statements must be easy to understand and regularly reviewed.

When things are not clear or don't seem right, you ask questions until you get the answers. It is your moral and legal obligation to do so.

Habit 21 – you exercise sound business judgment.

“I would put a big sign in every board room that says *‘Use good business judgment and the money will follow’*” – Peter Drucker

Results come from exploiting opportunities – not from solving problems. Put your money and time and thinking behind opportunities, not problems.

Non-profits who are willing to employ sound business practices will be the strongest in the long-run, despite the difficult decisions that philosophy forces one to make.

Habit 22 – you monitor the investments.

Board members are responsible for saving and investing wisely for the organization just as they are for their own family and retirement. Saving and investing must even take priority over operational needs at times. Especially if the organization hopes to survive long-term. Board members are responsible for how long-term money is invested and how well it grows.

They need to establish policies that help guide the level of savings and investment to make sure that it is held to.

Habit 23 – you are aware of the competition.

The road of institutional failure is paved with organizations satisfied with past achievements. They are content with the unremarkable standstill present. They are not vigilant to the growth of similar institutions.

Gradually...then all of a sudden. That is how organizations fall by the wayside.

“What the fatboy in the canoe does makes a difference to everyone” – Dean Rusk – the president of the Rockefeller Foundation speaking about the Ford Foundation.

Habit 24 – you call in professional help when necessary.

An outside experienced voice can often bring needed perspective to complex issues, and they can say things to a group of board members that no one else can say. Good board members should recognize when they don't have the knowledge or resources in the group, and be willing to bring someone in to help them with specific issues.

Habit 25 – you don't allow a mission deficit.

First of all, no one wants to give to save a sinking ship. Proper financial management is a requirement for good fundraising in the first place. A strong and balanced budget is a sign of a good involved board. Financial troubles speak of mis-management by the board.

Balancing a troubled budget requires either cutting costs or services, or increasing income. The latter is always preferable. Un-needed expenses should always be cut, but it should not be used as an excuse to raising more money more effectively.

Don't undercut your mission, when you could have sold your mission and raised more money.

When an organization begins to cut and cut and cut, the mission will become less compelling, and therefore the case for funding will weaken, and the death knoll can be heard ringing.