

NOVEMBER 2017

# Culture of Philanthropy

WORKSHOP

LAND TRUST ALLIANCE - BC



1737 NE Alberta Street, Portland, OR 97211

503-249-0000 | [www.solidgroundconsulting.com](http://www.solidgroundconsulting.com)

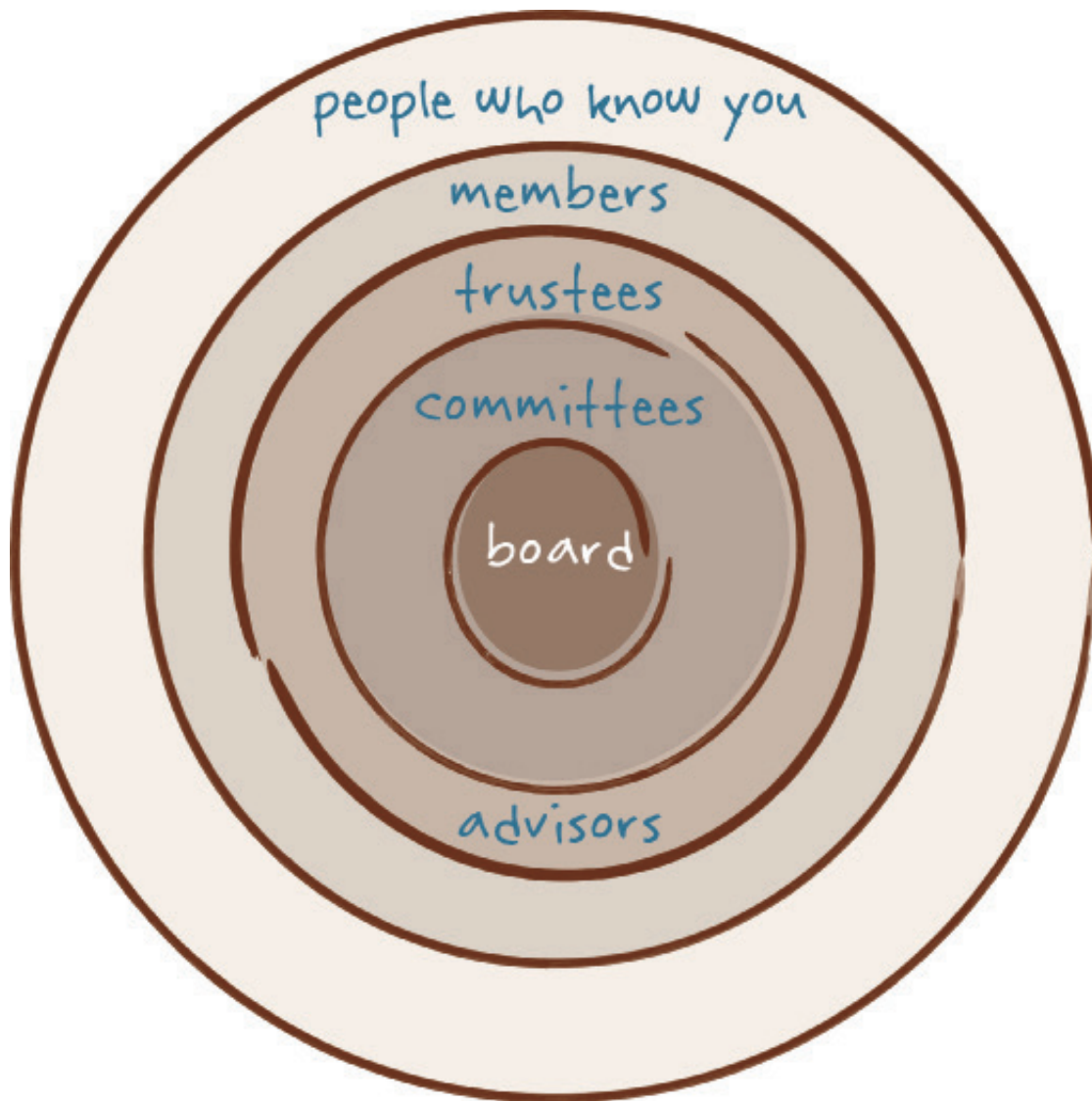
At Solid Ground,  
we build the capacity  
and confidence of leaders  
to make a difference  
in their communities.



## Four Dimensions of Sustainable Impact



## Building a Leadership Structure



## Governance vs. Management

The job of the board of directors for a nonprofit organization is simple: **it is responsible for everything**. This includes both governance and management of the organization. Even if it delegates certain responsibilities to the staff or other professionals, it is responsible for ensuring that the resources of the organization are being effectively applied to meet its mission.

Many nonprofits have the luxury to hire staff to help fulfill parts of these responsibilities. Depending on the size of the staff, the board will delegate key functions that are best suited to the full-time attention provided by professionals. It will retain the functions that are reserved for its fundamental fiduciary responsibility, and for which it is best suited. These functions can be divided between the **governing functions** reserved for the board, and the **management functions** often delegated to staff.

The **governing functions** are those that provide the essential direction, resources and structure needed to meet specific needs in the community. These include:

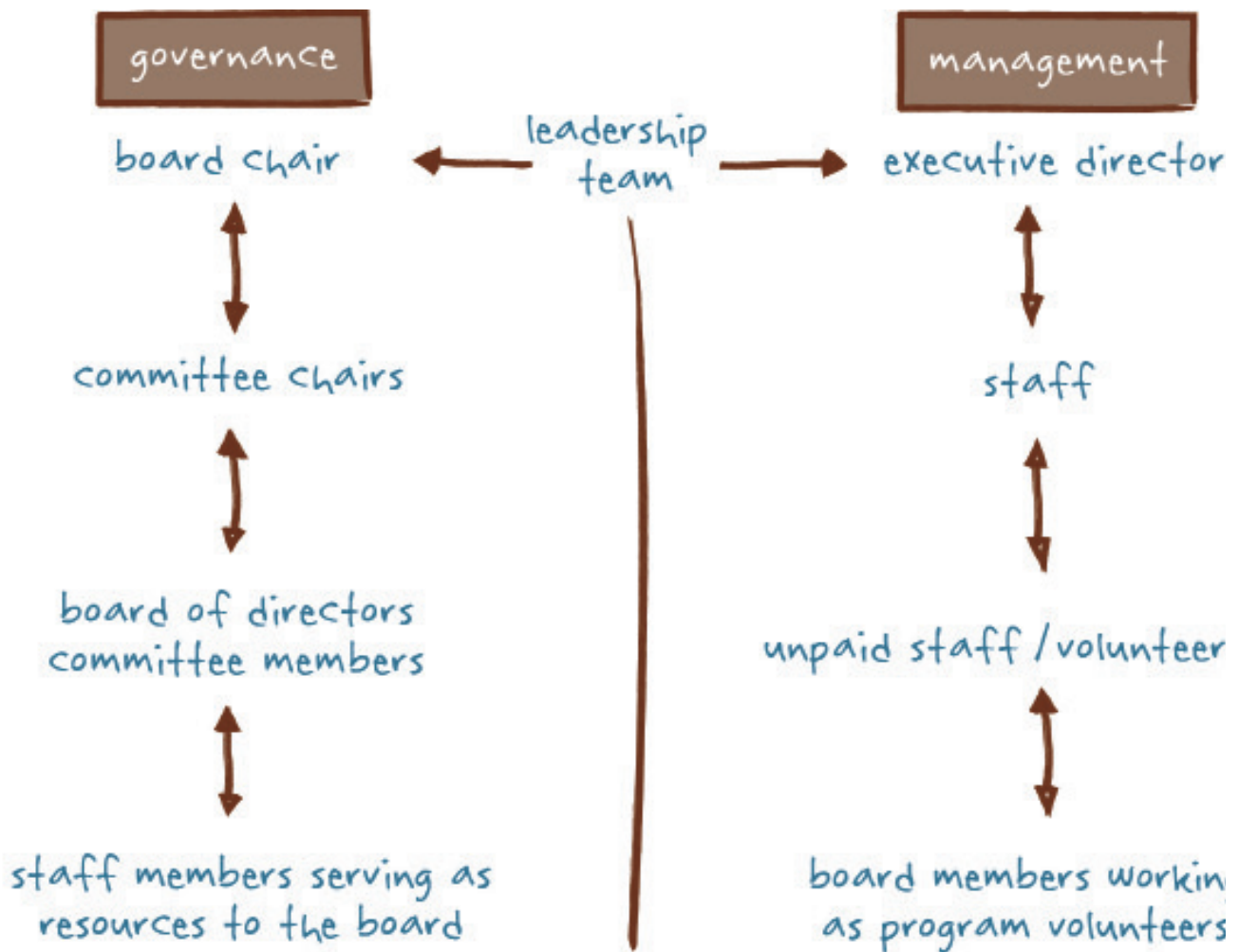
- **Strategic Direction** – setting a direction for the organization that reflects community needs.
- **Financial Accountability** – managing financial resources that ensure honesty and cost-effectiveness.
- **Leadership Development** – developing the human resources that lead the organization today and in the future.
- **Resource Development** – developing financial resources that support program activities.

The **management functions** are those that provide the program activities and support to accomplish the goals of the organization. These usually include:

- **Program Planning and Implementation** – taking the strategic direction to the next level of detail and putting it into action.
- **Administration** – ensuring the effective management of the details behind programs.

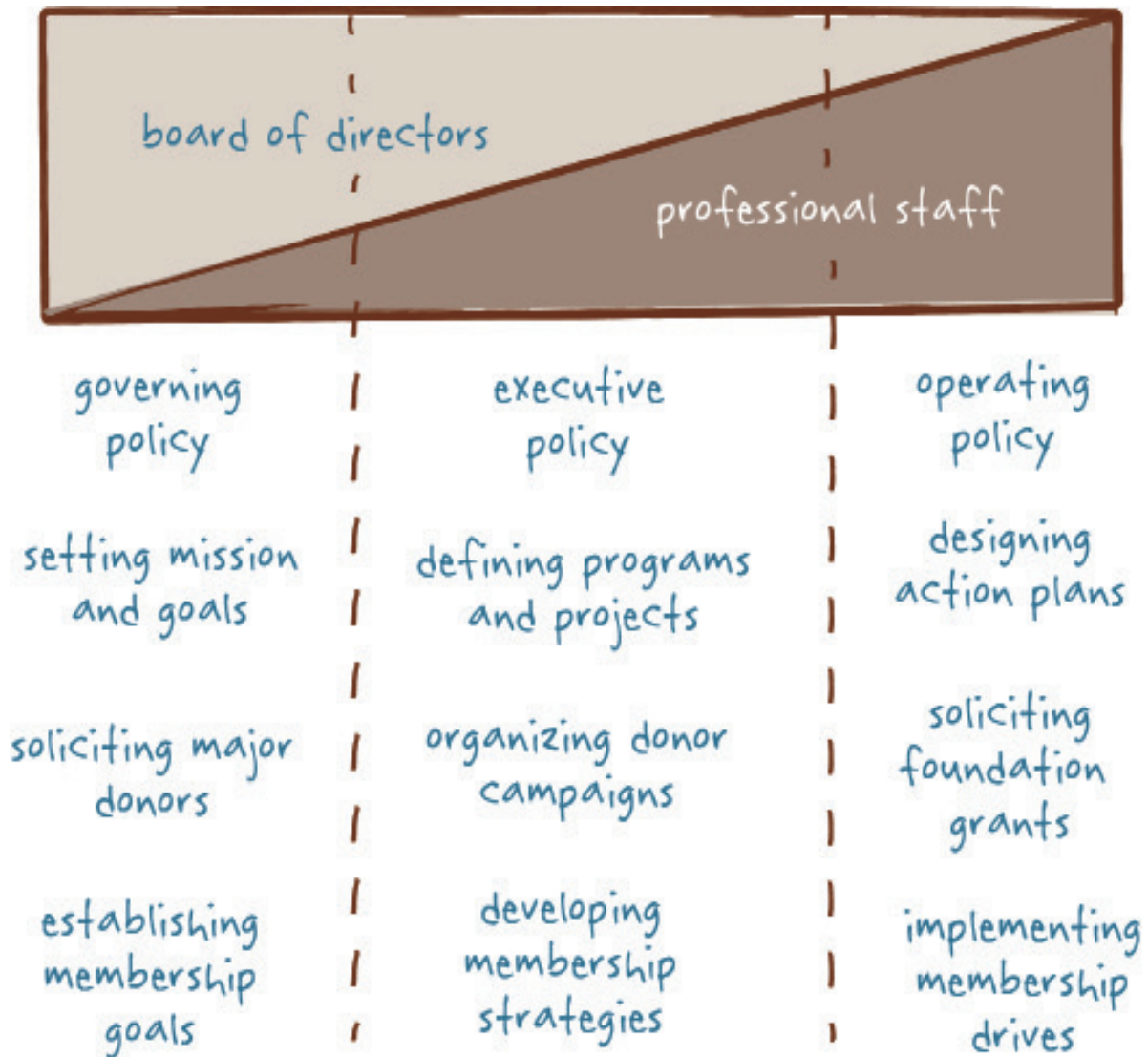
For smaller organizations (with less than four paid staff), the board usually delegates only some of the management functions to staff. For larger organizations (with more than four staff members), the board usually delegates nearly all of the management functions. The board should never delegate the governing functions to staff as these represent its core responsibilities to its constituencies and to the general public.

## Lines of Authority

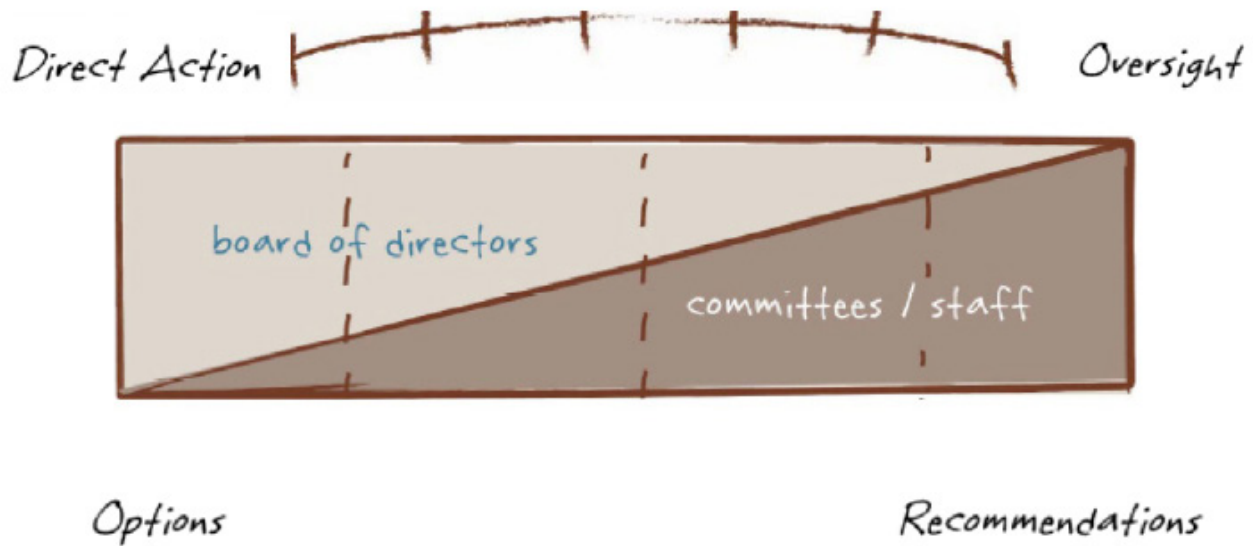




## Levels of Influence



## Principles of Delegation





## Basics of Board Development

Development of the board of directors is the most fundamental activity needed to build and maintain a strong nucleus for a nonprofit organization. It is a responsibility that boards should put near the top of the list of priorities.

The steps in the development of the board are:

- **Nomination and Recruitment** — the process of identifying the right individual to meet the needs of the organization and convincing her to become part of the organization.
- **Orientation** — the steps taken to give new board members information on the background, programs, and culture of the organization.
- **Training** — the regular efforts to build new skills and abilities among existing board members.
- **Evaluation** — the annual task of evaluating individual board member's contributions to the board, and evaluating the board's contribution to the individual board members.
- **Recognition** — the on-going process of recognizing work well-done and thanking board members for their commitment and the contributions they make to the organization.

Each of these elements of board development are critical to the organization's success. For this reason, most boards will develop a specific committee responsible for these board development tasks. Often the committee is called the Nominations Committee or Board Development Committee.

These issues and procedures are applicable not only to the development of board members, but also to the development of non-board committee members and other key volunteers.

## Board Recruitment Process

**1. Develop criteria for Board Profile Grid.**

Use the profile grid to identify the skills, background, and demographics to be represented on the board. Establish the priorities and the initial profiles to be recruited.

**2. Identify recruiting prospects.**

Identify the people and organizations to contact as part of the recruiting process. Get the names and numbers of people to be contacted as prospects for the board. As part of this process, try to understand what each person could bring to the board.

**3. Narrow the list of potential board members to top prospects.**

Go through the list of possible board members and narrow the list to the strongest core group (six to nine individuals). Prioritize the list of remaining applicants based on the diversity needs of the board. Make plans for immediate follow-up with the core group prospects.

**4. Assign contact person to each prospect.**

Assign an individual to contact each of the board prospects. Give each contact person the appropriate recruiting materials, including orientation packet, application, and job description. If the prospect is interested, give her or him the materials and discuss the next steps.

**5. Contact top prospects.**

Set up interviews with top prospects. Interview should include a board member and the Executive Director. Focus discussion on expectations of board members and the identification of other possible prospects. Try to get final commitment from prospect at this meeting. Ask the person to complete the application, either in the meeting itself or by sending it into the office. Discuss opportunities for involvement on committees in lieu of board membership.

**6. Conduct orientation.**

Conduct a board member orientation for all new board members. Assign mentors to assist new members, and make committee assignments to all board members. Ask each board member to complete the board member agreement and send to office.

## Board Profile Grid

Board Members	JB	DC	GD	WG	BH	GK	
<i><b>Skills and Talents</b></i>							
Finance	X			X			
Health			X	X		X	
Organizational leadership			X	X	X	X	
Communications/marketing				X	X		
Fundraising/friend-raising	X	X			X		
Public policy						X	
Legal		X		X		X	
Equity			X		X		
<i><b>Connections</b></i>							
Health organizations			X	X			
Public officials/agencies			X	X			
Funders/donors	X	X		X	X		
Justice organizations			X				
Large company affiliation	X					X	
<i><b>Capacity/Commitment</b></i>							
Give money (1-3)	2	2	1	2	2	2	
Bring connections (1-3)	3	2	2	1	2	3	
Leadership (1-3)	2	3	2	2	2	3	
Participation (1-3)	2	3	3	3	2	3	
<i><b>Demographics</b></i>							
Geographic (C/MR/G)	MR	MR	MR	MR	MR	MR	
Geographic (OR/WA)	OR	OR	OR	OR	WA	OR	
Age (45 +/-)	45+	45+	45+	45+	45+	45+	
Gender	M	F	M	F	F	M	
Cultural diversity	N/A	N/A	N/A	N/A	N/A	N/A	

[illegible]

# Job Description: Board Member

## Overview

Passion. Energy. Commitment. Like legs on a stool, all three are needed to achieve the organization's mission. The board of directors has the fundamental responsibility to both protect and advance the health of the organization.

- The board protects the organization by managing its fiduciary responsibility, including fiscal oversight, risk management, resource development, and executive limitations.
- The board advances the organization by investing in strategic thinking (defining direction and outcomes) and generative thinking (organizational identity, sustainable leadership, and organizational evolution)

An unflagging commitment to the mission is a prerequisite for serving on the board of directors. We actively recruit leaders with diverse talents and deep community connections who expect to contribute in a meaningful way to the work of a cohesive and effective governing body.

## Committee Structure

The board needs contributed talent and connections in the areas of conservation, financial management, organizational leadership, resource development, and public policy. The committees direct board activity into those key areas:

### ***Standing committees***

- Finance
- Board Development
- Fundraising/Outreach

### ***Ad hoc committees***

- Strategic Planning
- Public Policy
- Others needed

## Expectations

- The Leadership. We seek board members who are prepared to step up and contribute enthusiastically in critical leadership roles throughout the organization.
- Relationships. We seek board members with deep roots in the communities we serve, and a willingness to connect us to their personal and professional networks

## Job Description: Board Member (continued)

- Resources. We seek board members with resources to invest in support of our mission. We need members with time capacity to actively engage and lead the organization, in some cases with deep commitments of time. We need members with financial capacity or interest to lead our resource development efforts to fuel great conservation.

### Requirements for Board Service

Board members are expected to have or do the following:

- A demonstrated interest in the mission and the region.
- Specific experience and/or knowledge in at least one of the following areas: financial management, organizational leadership, resource development, and public policy.
- The ability to guide the organization strategically and generationally
- A willingness to participate in board fundraising activities and make a meaningful financial contribution to the organization.
- Represent and facilitate a connection with a key aspect or segment of the population of the communities we serve.
- Participate on a committee, including Executive, Board Development, Finance, Fundraising or Outreach. Ad hoc committees provide additional opportunities for involvement.
- A willingness to expand one's knowledge and effectiveness through orientation and training.
- A willingness to represent the organization to the community, build strategic relationships, and actively encourage support for the land trust

Board service varies from month-to-month, and some board members will commit more time than others. Generally speaking, on any given month board members can expect to invest:

- **3-4 hours** - Board meetings/prep (*six times per year, plus extended retreat and annual meeting*)
- **2-3 hours** - Committee meetings/prep (*monthly to quarterly, depending on committee*)
- **1-3 hours** - Special requests (*based on availability*)
- **2-6 hours** - Community outreach, engagement (*based on availability*)



# Committee Overview

## General Principles of Committees

Form Follows Function—decide on the work to be done (function), then determine your committees (form)

### **Committees do work; boards make decisions**

- Use the committees to investigate issues, explore options, develop recommendations
- Use the board to make policies and approve plans based on background work of committees

### **Committees come in two flavors:**

- Standing—permanent committees focused on on-going functions
- Ad hoc—temporary committees focused on a short-term task or issue

### **To be effective, committees must have:**

1. Purpose or Mandate—a clear understanding of what the job is
2. Leadership—a committee chair to lead and support the committee
3. Membership—people to serve on the committee, including board and non-board members
4. Work plans—a clear set of project and tasks to guide its work

### **Committees are formed related to the responsibilities of governance and management**

- Governing committees are based on the board's governing responsibilities
- Management committees are based on the program responsibilities delegated to staff

## Job Description: Board Development Committee

### Work Plan:

#### First Quarter

- Recommend officers to the Board of Directors
- Initiate creation of board development materials

#### Second Quarter

- Update board member profile and desired board composition (Gary)
- Review options for board evaluations and agreements (Mel)
- Review and update board member manuals (Chris)
- Develop outreach strategy for committee and board recruiting. (Chen)
- Meet with the board president to discuss ways to fully engage board (Mel)
- Identify mentors for new board members (Joe)
- Develop strategies for involving non-board members on committees (Jim)

#### Third Quarter

- Review bylaws and policies for potential changes
- Discuss board term limits
- Discuss need for possible board training
- Formalize board and officer nomination and election procedures
- Conduct outreach for board and committee members
- Review possible discussion topics at each board meeting
- Provide board members with updated board manuals

#### Fourth Quarter

- Coordinate election of board members by membership
- Recommend new board candidates to the Board of Directors
- Develop 2008 committee work plan
- Distribute board evaluation to board members
- Develop 2008 board discussion topics

## Job Description: Major Gifts Committee

### **Purpose:**

The committee will be responsible for the successful execution and completion of the major gift fundraising program and capital campaign. Major gifts are gifts from individuals of \$1,000 and over for the annual fund and \$5,000 and above for capital.

### **Responsibilities:**

- Review and approve multi-year and annual campaign goals and work plans
- Monitor progress, adjust program strategy when necessary
- Ensure coordination between the campaign and annual major gift fundraising, including prospect clearance
- Recruit solicitors and advise on volunteer assignments
- Make recommendations for adoption by the Land Trust's board of directors on major changes to the campaign's conservation priorities and financial goals
- Review prospect candidates for major gifts and report suspects to campaign staff for research
- Cultivate and secure major gifts
- Make a meaningful gift to the organization's annual giving program and capital campaign

### **2004 Work Plan:**

#### ***First Quarter***

*Refine campaign strategy  
Develop recognition policies  
Develop outreach materials*

#### ***Third Quarter***

*Organize/implement cultivation events  
Set up one-on-one meetings  
Organize board involvement*

#### ***Second Quarter***

*Finalize cultivation calendar  
Solicit Board gifts  
Develop outreach materials*

#### ***Fourth Quarter***

*Make solicitation calls  
Develop 2005 goals/budget  
Recruit additional committee/board members  
Update committee work plan*

Committee members: Marc Smiley (Chair), Dave DeAntonis, Jennifer Sims, Dennis Hopwood, Scott Campbell. Key volunteers: Kathleen Sayce, Peter McCoy, Kerry Barnett. Staff: Glenn Lamb, Lisa DeGrace

## Board Member Agreement

As a board member, I have certain expectations about my involvement with this board. These expectations include both what I want to give and what I want to get back in return.

### What I expect from the Board

I want to serve on this board because:

The things I expect to enjoy the most about being on this board are:

The things I expect to enjoy the least are:

There are certain personal or professional goals that my involvement in this group can help satisfy. The areas where I want to grow are:

I expect the following from this organization:

- Clearly defined roles and responsibilities for board and staff members, including clear lines of authority.
- Orientation and training necessary to enhance my effectiveness as a board member.
- Materials provided in advance of meetings where decisions or deliberation will occur.
- Timely and accurate financial reporting.
- Appropriate use of committees to assure efficient use of board and staff time.

I also recognize that this board has certain expectations of its members. It is as important for the board to get what it needs from me as it is for me to get what I need from the board.

## Board Member Agreement (continued)

### What the Board expects from me

As a board member, I believe that I bring the following strengths, skills and knowledge:

I will serve in the following areas as defined by my personal work plan:

Fundraising

Relationship Building

Other

I accept responsibility for ALL of the following:

#### **Time Commitment:**

- Attend board orientation and training sessions
- Attend board meetings, committee meetings and membership meetings
- Complete assignments and prepare for meetings

#### **Participation:**

- Participate in board fundraising activities and make a financial contribution to the organization to the best of my ability.
- Participate in meetings and ask appropriate questions when needed
- Serve on at least one committee as a part of my board role
- Participate in the on-going tasks of the board
- Act as an advocate for the organization to the outside public

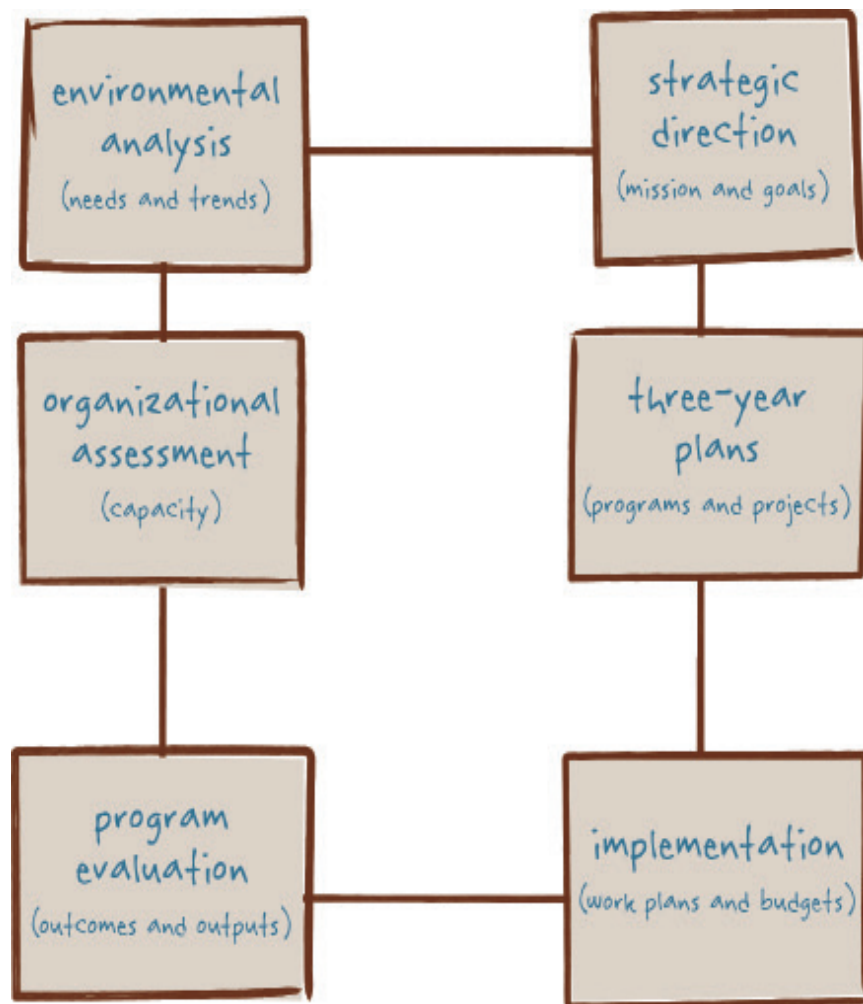
#### **Knowledge and Preparation:**

- Educate myself on the organization's purpose, history and needs
- Keep current on the outside trends affecting this organization
- Keep current on the role and responsibility of board involvement.

I have read and agree to this commitment.

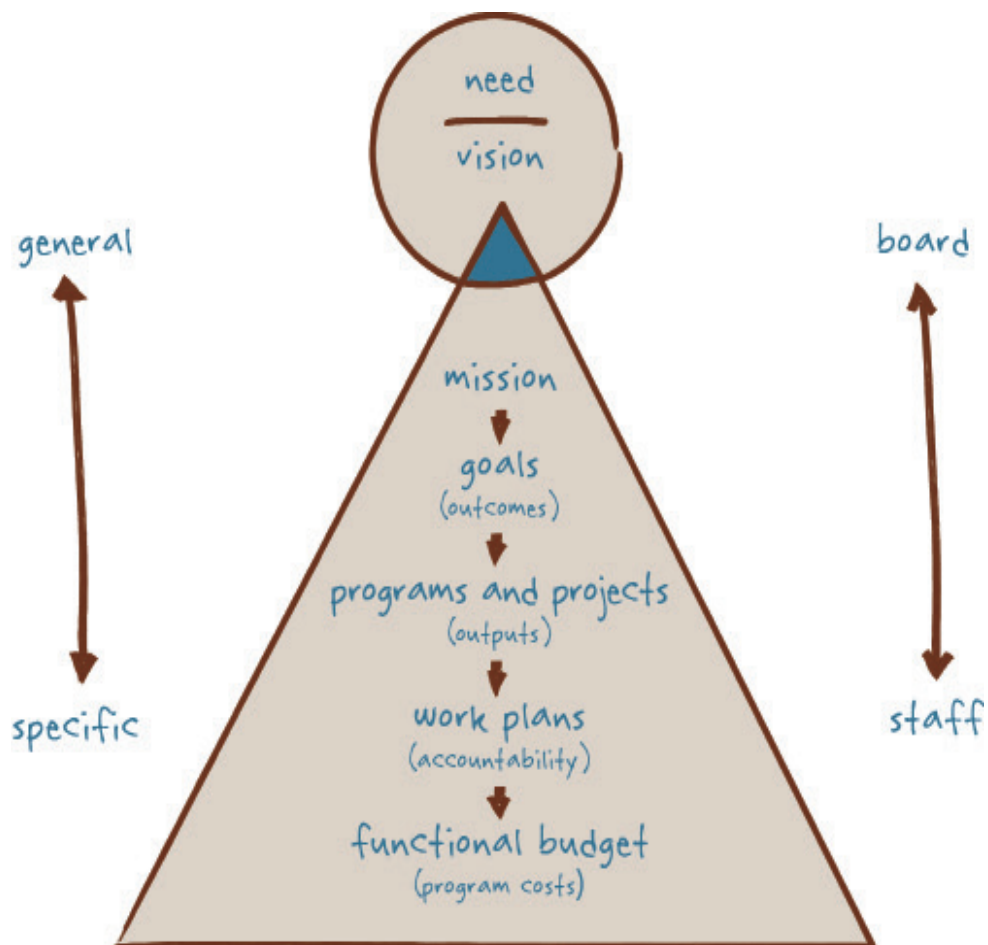
Signature \_\_\_\_\_ Date \_\_\_\_\_

## The Planning Cycle





## Elements of the Strategic Plan



## Who is a Prospect?

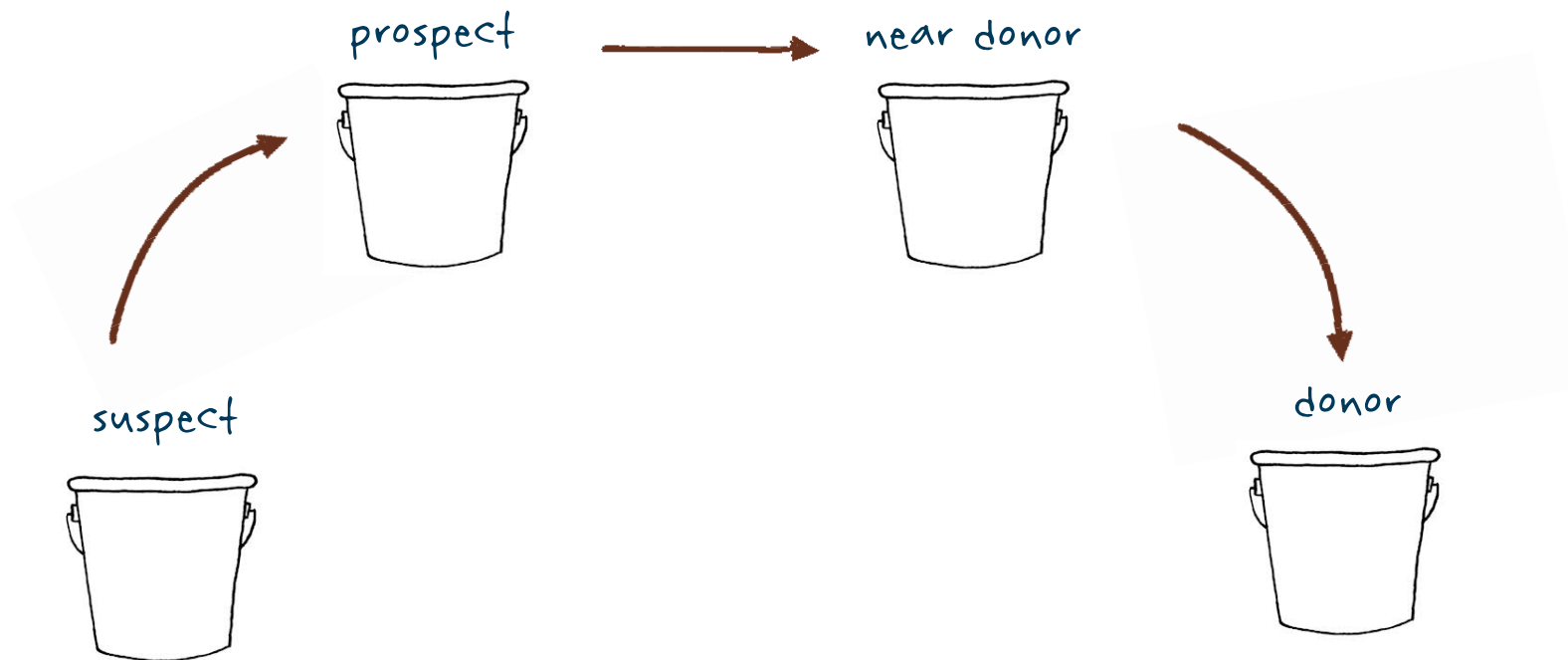
For someone to qualify as a prospect they must meet the following requirements:

**A** = **Ability** to give a substantial gift

**B** = **Belief** in your work or similar work

**C** = **Contact** with your organization or with someone who knows about your organization (the closer the better)

## The Four Buckets of Fundraising



## Who Gives?

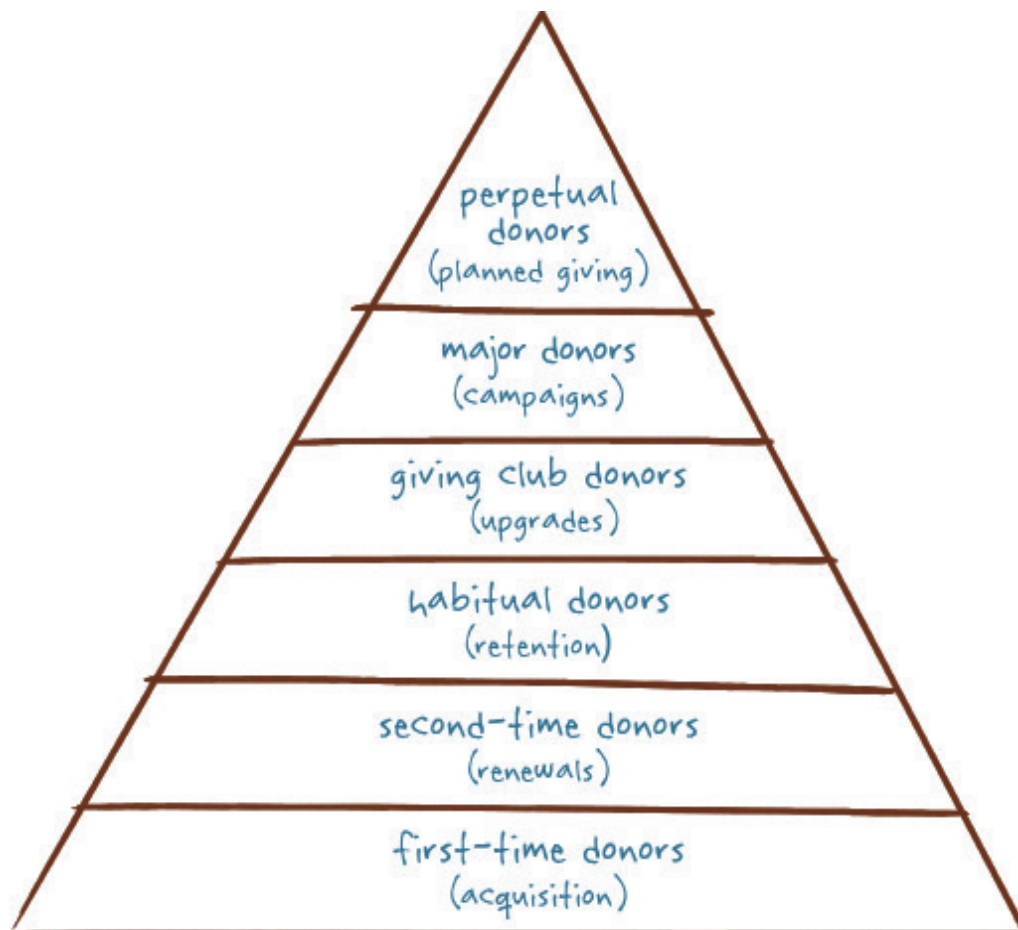
75 - 85% of gifts come from 30% of donors



## Ladder of Effectiveness

	<i>% of prospects who will give</i>
<b>1. Personal face-to-face solicitation</b>	50%
<b>2. Personal Phone Call</b>	25%
<b>3. Personal Letter</b>	15%
<b>4. Phone-a-thon</b>	10%
<b>5. Direct Mail</b>	1 - 3%

## Donor Pyramid





# Donor Cultivation Plan

## Donor: Bill and Martha Elliot

### General Giving Profile:

- Small donors who have given in each of the last three annual giving requests
- Significant donor to The Nature Conservancy and Audubon
- Bill served on several nonprofit boards in Boston prior to retirement
- Martha volunteers with local schools

### Most recent previous gift dates:

11/5/10 - \$50	12/30/09 - \$50	1/2/09 - \$100

### Special interests and notable notes:

- Bill is an avid birder and amateur photographer
- Martha is well-connected to Florence community; multi-generational history in the area

### Top Donor Cultivation Checklist

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Prior giving history to similar community organizations</li> <li><input type="checkbox"/> Direct personal connection to land conservation</li> <li><input checked="" type="checkbox"/> Understanding of land conservation strategies and tools</li> <li><input checked="" type="checkbox"/> Direct connection/relationship to FLT person(s)               <ul style="list-style-type: none"> <li>• Rich - worked together at the State</li> <li>• Paul Cooper - neighbor</li> </ul> </li> <li><input type="checkbox"/> Participation in prior cultivation event</li> </ul> | <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Land tour</li> <li><input type="checkbox"/> Volunteer engagement in some capacity</li> <li><input checked="" type="checkbox"/> Prior initiative or proactive engagement in FLT               <ul style="list-style-type: none"> <li>• Requested landowner stewardship information</li> <li>• Brought along and introduced Rich to neighbors at public event</li> </ul> </li> <li><input checked="" type="checkbox"/> Prior giving history to FLT</li> <li><input type="checkbox"/> Previous major gift</li> </ul> |
|---|--|

## Donor Cultivation Plan (continued)

**Primary Board Contact:** Paul

**Primary Staff Contact:** Rich

### 6-Month Cultivation Goals:

- Participation in cultivation event
- Agree to volunteer for friend-raising event in 2012
- Gift above \$250
- ☐ Potential Leadership
- ☐ Solicitor
- ☐ Cultivator

### Mailings and Materials

- |                                |             |             |
|--------------------------------|-------------|-------------|
| • Send electronic newsletter   | Mary        | 10/15       |
| • Send Director Letter         | Mary        | 10/25       |
| • <b>Invite to house party</b> | <b>Paul</b> | <b>1/10</b> |

### Events

- |                                |             |             |
|--------------------------------|-------------|-------------|
| • Invite to Fall Farm event    | Mary        | 10/1        |
| • <b>Invite to house party</b> | <b>Paul</b> | <b>2/15</b> |

### Personal contacts

- |  |             |             |
|--|-------------|-------------|
| • Personal note from Rich on Director's Letter | Rich        | 10/25       |
| • <b>Phone call for house party</b>            | <b>Paul</b> | <b>1/15</b> |

### Requests

- |  |             |             |
|--|-------------|-------------|
| • Send year-end mid-donor letter               | Mary        | 11/5        |
| • Send year-end holiday card                   | Mary        | 12/5        |
| • <b>Invite to volunteer for event in 2012</b> | <b>Paul</b> | <b>1/15</b> |

# Fundraising Roles

The fundraising roles within the organization should be defined by the unique qualities that each group brings to the activity. Sometimes these assets are defined by the nature of their *functional role*, sometimes by *individual strengths*.

## Board Role

Board members often bring the key strengths of leadership, long-term vision, peer credibility and organizational accountability. Therefore, their role is often associated with the responsibility for defining the direction and approach to fundraising, building strategic relationships, asking for significant contributions, and ensuring follow-through and results.

Example activities for Board Members:

- Making a contribution to the organization at some level based on ability to contribute, including consideration of a “leadership” contribution that helps “set the pace” of other supporters
- Developing and monitoring long-range fundraising goals
- Approving fundraising policies
- Cultivating relationships to key supporters
- Making fundraising calls and asking for contributions

## Committee Role

Committee members often bring the key strengths of detailed strategic thinking and focused attention. Therefore, their role is often associated with developing fundraising plans, engaging other board members in fundraising programs and ensuring follow-through of board participation.

## Fundraising Roles (continued)

Examples activities for Committee Members:

- Developing three-year fundraising plan
- Leading board fundraising campaigns
- Encouraging and motivating board member participation, including participation in recruiting committed fundraisers to the board
- Identifying training and development needs for the organization
- Recommending fundraising policies
- Evaluating and modifying fundraising programs

### Staff Role

Staff members often bring strengths of detailed understanding of the organization's programs and accomplishments, understanding the mechanics of fundraising, ability to manage details, building partnership relationships, and sustained focus. Therefore, their role is often associated with providing support to fundraising volunteers, developing implementation plans, managing fundraising systems and implementing fundraising mechanics.

Example activities for Staff Members:

- Developing fundraising implementation plans
- Organizing board contact with donors and key supporters
- Participating in fundraising visits
- Providing some training and development of fundraising volunteers
- Managing the database and donor files
- Aligning programs to funding opportunities
- Developing grant proposals
- Implementing direct mail and membership renewal programs
- Coordinating volunteer involvement in special events

## Capacity-Building

Capacity-building is an investment into the fundamental building blocks of organizational effectiveness. It can help assure that an organization has the tools and resources to deliver the programs essential to its mission. It is an effort to “sharpen the saw” that keeps the organization efficient and effective.

In practice, capacity-building usually refers to several specific organizational development activities: board development, staff development, planning (strategic, operational and/or fundraising) or systems development.

### **Board Development**

The board of directors is key to the success of any nonprofit organization. These governing leaders ensure success through their focus on strategic direction, leadership development, resource development and financial accountability. For smaller organizations, they are also the program delivery staff, implementing the activities that support the mission. The capacity-building investments that can be most important to board development include:

- Training in any of the key roles of governance
- Building and expanding the board to have the full range of diverse talents and backgrounds needed by the board
- Improving the structures (committees, work teams, etc.) that organize the activities of the board
- Team-building activities that solidify the effectiveness of the group

### **Staff Development**

Staff members often sit at the center of effective program delivery, and are fundamentally responsible for program planning and implementation and the administration of the organization. Depending on the size of the group, that staff can play a small, supportive role or may lead on these areas. Growing a staff is one of the most common capacity-building concepts.

## Capacity-Building (continued)

### Staff Development cont.

When groups grow their staff, they often move from a casual and periodic group to one that has the ability to implement programs a much higher, professional level. Building the capacity of the staff can often be done through:

- Training in the roles assigned to staff
- Growing the staff to fulfill more functions within an organization
- Improving the structures (departments, work teams, etc.) that organize the activities of staff
- Team-building activities that improve the staff's ability to work together

### Planning

People have time to give to nonprofits, but they don't have time to waste. Planning is an investment in the decision-making process to provide both along-term, visionary understanding of where the organization wants to go, as well as the short-term implementation understanding of how the organization will get there. Good planning efforts not only help define the details of strategic direction and program implementation, but also build strong teams by giving people a chance to share their vision and craft their shared path. It creates ownership in the planning products, thereby producing greater commitment to the plan's success. Capacity-building investments in planning an include:

- Strategic planning activities that define the long- and short-term planning approach
- Operational planning that help a group implement the direction of a strategic plan
- Fundraising planning that develops specific strategies for resource development to achieve the mission
- Programmatic planning focused on key facets of the organization's plan (such as conservation priorities or board development) to ensure proactive and efficient program delivery



## Capacity-Building (continued)

### Systems Development

Every organization needs good systems to support all the other facets of what they hope to accomplish. Systems are not separate from the other aspects of organizational effectiveness – they are fundamental to them. Unfortunately, many groups lack good systems to ensure that time spent is truly efficient and effective effort. Some of the most common systems development investments include:

- Improving the decision-making processes of the board, staff or both
- Strengthening the information management tools (computers, databases, filing systems, etc.) that underlie effective program delivery
- Upgrading the facilities and equipment that are needed to do the work of the organization

### Creating a Capacity-Building Plan

For groups that want to build their capacity, the best process is often to develop a comprehensive plan for how they want to improve their organizational effectiveness. There are several key steps to this process.

1. Assess your capacity strengths and weaknesses. Using assessment tools and independent advisors, groups can explore what they do well and where they fail, and can differentiate between the fundamental challenges they have and the symptoms of those challenges.
2. Develop a plan of building capacity. Every group has areas where it can build its capacity. Nearly always, there is more that needs to be done than any group can undertake at once. The plan needs to define the priority activities toward building capacity, and determine who will implement those activities and when.
3. Implement the steps toward greater capacity. The group needs to put the steps toward greater capacity into action. Understanding what needs to be done through the plan is only important to assure that the work actually gets done. Implementation is the final step that actually makes changes to the group.

## Capacity-Building (continued)

The paradox is that an organization may lack the capacity it needs to assess, plan and implement a capacity-building program. That's the reason that the group is working on capacity-building in the first place. In these situations, getting outside help to provide the leadership, energy and follow-through may be essential.

### The Importance of Patience and Impatience

The unfortunate reality of capacity-building is that it takes time to get the payoff. While some efforts – such as active recruiting and some types of fundraising – can produce immediate results, most capacity-building efforts require patience to see the benefits through. Groups need that patience so that they don't abandon their efforts before the benefit of their investment begin to payoff.

On the other hand, impatience is a critical motivator to groups investing in capacity-building in the first place. Organizations won't make investments in building their capacity unless they feel some "pain" associated with their current functions. If it feels good enough now, there is no motivation to change it.

When groups get impatient with the problems underlying their desire to build capacity, they become motivated to make the investment. They commit new energy to the group, even as the problems of the group tax their commitment and enthusiasm. If people are convinced that their investment of additional or focused energy on building capacity will make an organization more effective, more sustainable and more enjoyable, they will often redouble their efforts. If a group has spiraled down the path of failure too far, people in the organization may lack the willingness to put in the time and energy that is needed to pull the group back up. Impatience with the problems of the organization, responded to early enough, is critical to assure the group doesn't extinguish its core energy and commitment to success.