



ASSOCIATES

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This “article” began as a 3-part blog in “Simone Uncensored” on my website, the week of January 18. Items highlighted in yellow reference documents in the Free Download Library on my website, and are often the subject of my NPQ web columns (www.nonprofitquarterly.org) and various blogs in “Simone Uncensored.”

Big news but no surprise

The vicious cycle that stops you from raising money

Here’s the scoop: Development officers quit. Bosses fire development officers. Boards don’t play. Organizations don’t get it. This vicious cycle threatens financing of the sector. And, this has been going on for years and we aren’t really fixing it.

Hmmm.... Anyone worried yet? Read *Underdeveloped*, a newly released study. And read the articles about the study in *The Chronicle of Philanthropy* and in the *Nonprofit Quarterly* on line.

Compare the research findings to your organization. Compare the research findings to the fundraising profession. Compare the research findings to you as a fundraiser. Step back and look at the nonprofit sector as a whole.

I hope you’re worried. The research *Underdeveloped* isn’t a surprise to anyone that I’ve spoken with. The research isn’t a surprise to the trade publications, to fundraisers, to consultants. So why haven’t we fixed it yet? I’m not sure why. Seems too big a problem? Not really. Laziness? Maybe we’re focused too much on getting quick money for mission rather than making changes required to raise more money over time.

I think one big problem is because too many people – in particular bosses and boards – don’t believe there is a body of knowledge. Yet, there is. And being ignorant of it is a self-inflicted wound that slowly kills.

But I’m getting ahead of myself. Let’s start at the beginning.

First. You. Read the report. Who is “you”? Everyone. Bosses and boards, read the report. Development committees, read the report. Professional associations, read the report and figure out how you can better develop professionals. Bosses, figure out what you are going to change in your organization to make fundraisers want to stay and work with you.

And fundraisers, read the report. Make sure you understand what the job is¹. Make sure you know what it takes to do the job. Learn the body of knowledge. Develop your fundraising skills².

¹ See job descriptions for executive director and development officer in my website’s Free Download Library

² See all the resources that I suggest in my NPQ web columns and in “Simone Uncensored” on my homepage. Also visit CFRE International and download the Test Content Outline, www.cfre.org.

Develop the skills necessary to assess what is happening in the organization so you can lead the change process³.

Hey, you fundraisers, decide if this is the work you want to do. For just a second, look in the mirror, and just be honest.

Read *Underdeveloped: A National Study of Challenges Facing Nonprofit Fundraising*.

This study, released in January 2013 by CompassPoint and the Evelyn and Walter Haas Jr. Fund, provides useful information to fundraisers, bosses, and boards. Check out the articles in *The Chronicle of Philanthropy*, January 13, 2013, and in the *Nonprofit Quarterly*, January 19.

Follow the comments from experts in the field. Lots of people will write about this report. I'm writing about this report. This will be my first blog on the report – with more to following in blogs to come.

By way of background, my comments are based on the following expertise and experience:

Working as a professional in the sector since 1975. Served as an executive director with no development staff. Served as a chief development officer. Founded two nonprofits. Regularly serve on boards, often chairing the development committee, chairing the board, etc. Beginning my 26th year as a fulltime consultant specializing in fundraising, board development, and strategic planning. Working with all types and sizes of organizations. Presenting all over the world.

So here goes, my thoughts about *Underdeveloped*. Maybe you want to use my thoughts along with the report to make change in your organization and in you.

First: Why does this report matter? Because nonprofits could raise more money if they had more engaged organizations, supportive bosses, board member participation, and adherence to the body of knowledge.

I believe that nonprofits deserve more money to do important work. But only if nonprofits do fundraising well. More and more I tell nonprofits, shut down! Close if you cannot do the basic fundamentals of fundraising well. Quit whining about how you don't have enough time and the work is hard. Quit whining that you must focus on mission and clients and fundraising doesn't warrant focus. Just stop it

I believe that the nonprofit sector is critical to a democracy. I believe that charitable support – through financial investment and volunteer time – is critical. But financial investment isn't growing. Just read the 2011 *Growing Philanthropy in the United States Report*⁴, by Adrian Sargeant and Jen Shang. For the past 40+ years, annual U.S. giving is estimated to be only 2% of average household disposable giving. That percentage has not changed. Even in the economic boom years, that percentage doesn't grow. Giving remains static.

That's pretty sad. And we cannot blame our citizens. The nonprofit sector – its fundraisers and bosses and boards – just don't do fundraising that well. This is our challenge and our opportunity. Read the *Growing Philanthropy Report*. Compare your performance as a fundraiser, as an organization. Read *Underdeveloped* in partnership with the *Growing Philanthropy Report*.

Revolving door: instability in the development director role. It's bad enough to know that development directors often stay only briefly. It's quite another thing to read the actual numbers about length of vacancy in filling the position: 6 to 12 months or more. It's even more stunning to

³ See "Choosing Your Road," an article about technical fundraisers and organizational development specialists, posted in the Free Download Library on my website. Also a chapter in *Strategic Fund Development*, 3rd edition.

⁴ PDF posted in the Free Download Library on my website, www.simonejoyaux.com.

read that 50% of responding development directors plan to leave their jobs in two years or less. (Executive Directors plan to stick around longer!)

Why are development directors leaving? Some just don't like the work. It's just a job. So when you interview candidates, find this out. I recently helped an organization interview candidates for the chief development officer position. The organization used me to ask the right questions about fundraising body of knowledge and expertise and experience. But the organization knew the right questions to ask about commitment and leadership.

But I'm much more interested in the comments about how bad it is to work with some nonprofits. That's what I observe as a consultant: the dysfunction and lack of readiness on the part of bosses and boards to create a culture of philanthropy and a culture of fund development. I get regular calls and emails from fundraisers who are tired of fighting and trying to make change within their organizations.

So here are my various and sundry thoughts about why fundraisers leave their jobs. Read page 19 of *Underdeveloped*. Note that executive directors and development officers "often disagree about the fundraising culture in their organizations." No surprise: chief executives think there is a stronger fundraising culture than fundraisers do. I'm thinking that the fundraisers may be more right.

Mostly, I'm thinking: Has the organization (staff and board members) articulated a shared vision of a culture of philanthropy⁵ and a fundraising culture? Does the organization operate in a donor-centered manner⁶ and monitor its performance in this arena? Does the organization (staff and board members) understand that loyalty is the holy grail of fundraising?

Then I'm thinking: Does the fundraiser understand all this stuff? Because the fundraiser has to explain all this to her boss, to his board, to staff colleagues. I'm not explaining all this stuff in this blog. But I've been explaining this for years in my blogs, in my NPQ web column, in my *NPQ* articles, in my books. And I regularly recommend bloggers and books and e-newsletters that talk all about this stuff.

Then I'm wondering: How effective is the fundraiser (and the chief executive) at enabling⁷ others to understand. You can know something – but you have to make it real to others. You have to explain the "why" not just the "how" to others. You have to engage others to build their understanding and ownership and willingness to change.

You, the fundraiser and the executive director, have to facilitate others to participate. But far too many executives and fundraisers are not effective enablers. See the handout on enabling in my website's Free Download Library. Read all about enabling in my book *Strategic Fund Development*. The 2011 3rd edition⁸ of this book includes more enabling functions and more explanation.

In my experience, far too many fundraisers (maybe most?) leave their jobs because the organization sees fundraising as a means to get money for mission. Too many organizations don't understand philanthropy and fund development. Too many organizations – and the bosses and boards and other staff – devalue philanthropy, think of fund development as "dirty but necessary."

Too many organizations don't embrace systems thinking and learning organization business theories. Too many bosses, staff colleagues and boards don't realize that everything in the organization affects fund development and donors. Too many organizations isolate fundraising and the fundraiser.

⁵ PDF posted in the Free Download Library on my website.

⁶ See the Donor-Centered Pledge in the Free Download Library on my website. Read Adrian Sargeant's work. Check out *Keep Your Donors: The Guide to Better Communications and Stronger Relationships*, co-authored by Tom Ahern and myself.

⁷ PDF posted in the Free Download Library on my website.

⁸ John Wiley & Sons published my 3rd edition. Visit my website to see details about the expanded content.

Too many organizations see fundraising as a “necessary somewhat dirty activity” to allow the organization to fulfill its so very important mission. Too many organizations don’t understand that donors give *through* your organization to fulfill their own aspirations.

Here are my various and sundry thoughts about bad bosses and boards and board members.

Board members think just because they know their own business that they know the fundraising business, too. But effective volunteer fundraisers are, most usually, effectively enabled by competent fundraisers.

Fundraisers get real tired of fighting about fundraising with their bosses and boards and staff colleagues. So many fundraisers (and consultants, by the way!) are tired of disrespect. So many fundraisers are tired of learning the body of knowledge, developing the expertise, and gaining the experience ... only to be denigrated by bosses and boards that think their opinions trump expertise.

Bosses and board members don’t do what the fundraiser tells them to do. Instead, bosses and boards confuse their personal opinion⁹ (which is useless unless that personal opinion is based on the fundraising body of knowledge) with expertise. (And, board service does not mean knowledge or expertise!)

Too often, executive directors deny their fundraisers access to board members. And sometimes the development director isn’t allowed to attend board meetings. (If this non-contact and participation is because the executive director doesn’t trust the fundraiser... I understand. But then get rid of the fundraiser! Get someone you trust.)

About your board members: Every single one of them should be required to help identify those who might be interested in your cause, help nurture relationships, help carry out specific fundraising tasks. I’ve written a lot about this in my NPQ web column and in my years of blogging.

If you want successful fundraising, then you have to recruit board members who will adhere to such performance expectations. You have to screen candidates¹⁰ and secure their commitment to performance expectations¹¹ prior to nominating them. The governance recruitment and training program has to be pretty darn good. The organization has to enforce consequences for non-performance, e.g., fire lousy board members¹².

If all this isn’t in place, you cannot expect your fundraising program (or your development officer) to be successful.

Here’s another one of my pet peeves: how you prepare your budget and how you define your charitable contributions goal. How many of you organizations set the charitable contribution goal based on how much money you need to do your great work? And then hand the goal (e.g., the gap!) to the fundraising department? Wrong! Setting the charitable contributions goal doesn’t depend on how much you want. See my NPQ columns and blogs about this topic. Don’t create unreasonable expectations for your fundraiser.

Read *Underdeveloped* to learn about executive director skills¹³ and interest in fund development. Hey, I get it that you might not have much experience in fundraising and you have so much else to do (all that agency management stuff), and, you don’t much like fundraising anyway. Too bad! Tough luck. The competent development officer will guide and train you and direct you to participate in fundraising activities. Yes, your development officer will be your boss when it comes to fundraising.

⁹ See my article about personal opinion or expertise...one of my blogs in “Simone Uncensored;” also posted in the Free Download Library on my website.

¹⁰ See the overview of recruitment and screening in the Free Download Library on my website.

¹¹ See the board member performance expectations in my Free Download Library.

¹² See my article in the print edition of *Nonprofit Quarterly*. Get a copy of my book *Firing Lousy Board Members – And Helping the Others Succeed*.

¹³ See the job description of the executive director in the Free Download Library on my website.

When I read page 16 of *Underdevelopment*, I got so angry that I wrote “criminal and stupid!” in the margin. I’m talking about you, Mr. Executive Director. You don’t let your development director influence key organizational activities. And you set goals in the wrong way.

Here are my various and sundry thoughts about fundraisers who don’t know the body of knowledge. I’m always surprised and disappointed when I mention key names in the fundraising world – authors and experts and researchers – and fundraisers don’t know whom I am talking about. I’m disappointed that so many consultants and fundraisers aren’t reading research. The bottom line: I’m worried that professionals in fundraising aren’t continuing their professional development.

I think fund development¹⁴ is a difficult field. You have to know the body of knowledge about fundraising. You have to know the body of knowledge in management and governance and communications and... You have to know “why” not just “how.” You have to know strategy and tactics.

Hiring the right development officer. Read about executive director dissatisfaction on pages 8 and 9 in *Underdeveloped*. Yes, development officers should be able to conduct prospect research, solicit gifts, enable volunteers to successfully participate, etc. Executive directors should use the CFRE International role delineation (described in the Test Content Outline), to verify what fundraisers need to know.

So don’t hire an inexperienced development officer. Or, if you cannot afford a knowledgeable and experienced fundraiser, consider developing someone from within.

I have successfully helped development officers acquire the skills and expertise to perform better within their institutions. I have helped organizations find a high-performing current staff person who wants to become a development officer. Then through a consultancy and private coaching, that reliable employee becomes a good development officer.

A few final thoughts

Did you know that professions dominated by women are typically paid less than jobs held by men? Too often, professions dominated by women are disrespected.

I’m curious: How many female development officers are fighting male CEOs and boards often dominated by men? So maybe there is a bit of sexism playing out. I wonder, do bosses and boards listen better to male development officers?

Do you have a decent fundraising database with a relationship-building focus? Do you have the right policies and procedures and systems in place to support fundraising? Does your organization understand the *Donor Bill of Rights* and *AFP Code of Ethical Principles and Standards of Professional Practice* – and adhere to them?

In summary

See page 22 of *Underdeveloped*. Very nice diagram of the vicious cycle. Good summary of the conditions for success. And pages 23 to 27 list 10 calls to action to “spark conversation and provoke action.” Compare these 10 calls to action with the calls to action in Sargeant and Shang’s *Growing Philanthropy in the U.S Report*.

We can do this – all of us organizations and executive directors and fundraisers. We can do this. More importantly, we have to do this. Otherwise, there won’t be sufficient loyal donors who give gifts. If we don’t do this, the nonprofit sector will flounder. If we don’t do this, organizations will die.

Come on. Let’s get it together. We can make change.

¹⁴ See my “Basic Principles of Fund Development” in the Free Download Library on my website.