

Leading Effective Nonprofit Change through Engaged Leadership

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- 27%** of board members do not think their colleagues have a strong understanding of their mission and strategy.
- 65%** do not think their board is very experienced, and about half do not think their colleagues are very engaged in their work.
- 46%** have little or no confidence that the performance data they review accurately measures the success of their organizations.





How Do We Define Engaged Leadership?

What do **WE** need?

- TIME** to attend meetings and events
- TALENT** and skills to understand and adhere to the complexities of nonprofit administration and a willingness to share your expertise.
- TREASURE** to give and or raise towards the mission.



SEVEN KEY AREAS OF RESPONSIBILITY

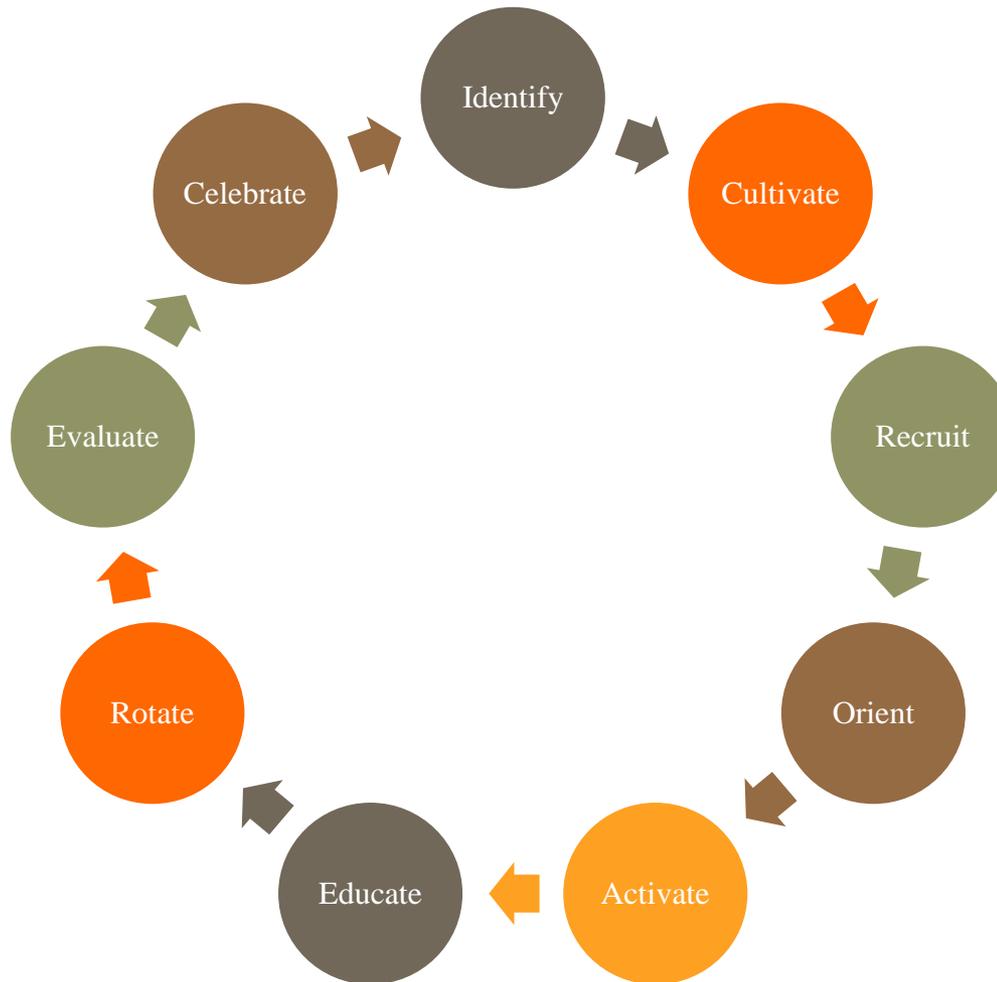
- **Attendance:** Participate in board meetings and committee work.
- **Mission:** Define the mission and participate in strategic planning to review purposes, programs, priorities, funding needs, and targets of achievement as they relate to fulfilling the mission.
- **Chief Executive:** Approve the selection, compensation, and if necessary, dismissal of the CEO and assure regular evaluation of the executive's performance.
- **Finances:** Assure financial responsibility by approving the annual budget and overseeing adherence to it, contracting for an independent audit and overseeing the investment policies and management of capital or reserve funds



SEVEN KEY AREAS OF RESPONSIBILITY

- **Program Support:** Ensure the well being of the organization's programs, support the staff and be an advocate in the community.
- **Fundraising:** Contribute personally and annually, participate in identification, cultivation and solicitation of prospective supporters
- **Board Effectiveness:** Assure the board fulfills the foregoing governance responsibilities and maintains effective organization procedures and recruitment.

Board Building Cycle





CONSTRUCTING AN EFFECTIVE EXECUTIVE DIRECTOR AND BOARD PARTNERSHIP

Success Predictors:

- Clear Expectations
- Strategic Thinking
- Culture of Candor

Failure Predictors:

- Ineffective Division of Labor
- Lack of Trust
- Poor Communication

Once the CEO and board members demonstrate mutual respect, communicate well, and are comfortable being vulnerable, they can ascend to the highest level of trust.



ACTION STEPS TO AN EFFECTIVE EXECUTIVE DIRECTOR AND BOARD PARTNERSHIP

- **STEP ONE:** We are in this together
- **STEP TWO:** Update Job Descriptions
- **STEP THREE:** Flip your Board Agenda
- **STEP FOUR:** Actively Seek Ways to Develop Trust and Partnership
- **STEP FIVE:** Develop a collaborative annual review process

Instead of beginning every meeting with the customary list of routine committee reports, start your board meetings with a lively discussion of focus, direction and strategy.



**POSITION YOURSELF FOR EFFECTIVE FUNDRAISING
BY CREATING A CULTURE OF PHILANTHROPY**

The Development Team

The Mission

The Board

The Staff

Which is the weakest part of your team?

Which will be the strongest part next year?



A Donor Must Have

Linkage

Ability

Interest

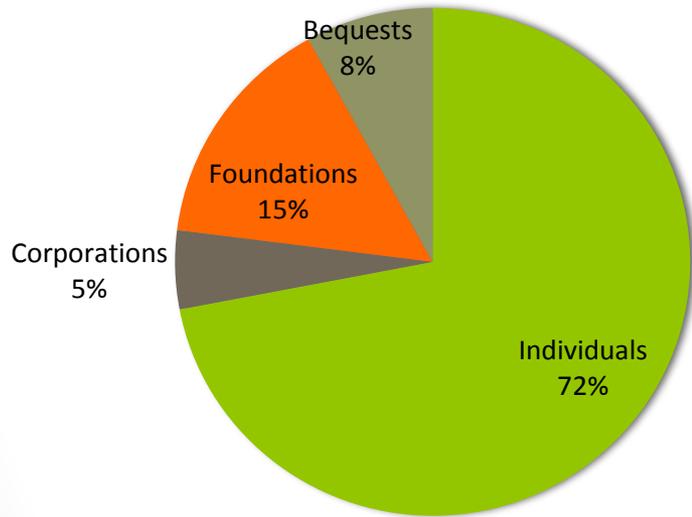
Are you soliciting people with linkage and ability, but no interest?

How are you measuring ability?

How are you creating interest?

BE RESPONSIBLE IN DIVERSIFYING YOUR REVENUE

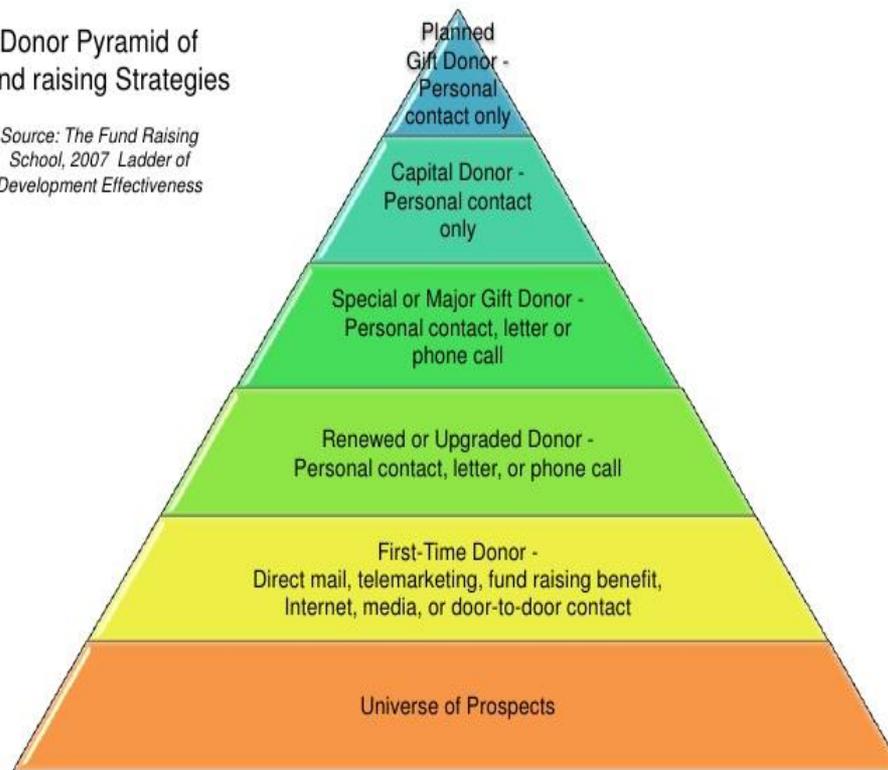
National Giving By Source 2015



Giving Pyramid & Diversification of Revenue

Donor Pyramid of Fund raising Strategies

*Source: The Fund Raising
School, 2007 Ladder of
Development Effectiveness*





Board Member Activities: What You Can Do

- Make a personal contribution.
- Write thank you notes for gift acknowledgement.
- Participate in strategic and development planning.
- Provide prospective donor information.
- Add names to mailing lists.
- Write personal notes on solicitation letters.
- Introduce potential donors to members of the organization.
- Write a letter of support to a government agency, foundation or corporation.
- Assist with a special event.
- Cultivate relationships with potential donor.
- Make solicitation calls with Executive Director, other volunteers and/or board members.



Things to Remember

- The number one reason people do not give is that they were not asked.
- Involvement invites investment.
- The board must role model giving behavior for other prospects and donors to follow.
- All fundraising is local.
- You seldom get more than you ask for.
- Fundraising is about building and maintaining relationships.
- It is easier to get more money from an existing donor than \$1 from a non donor.

How Are You Effectively Managing Change?

Change is the only constant.

– Heraclitus, Greek philosopher





Step 1: Create Urgency

For change to be successful, 75% of the organization's management needs to “buy into” the change.

How can you do this?

Through the Strategic Planning Process

Sources of Complacency



Ways to Raise Urgency

1. Eliminate examples of excess in the budget through a strategic plan that uses S.M.A.R.T. goals
2. Send out more data on outcomes and financial performance.
3. Have more honest discussions among leadership and senior management.
4. Increase flow of information on future opportunities and rewards for capitalizing on the opportunities and the liabilities if not pursued.
5. Use consultants to force more relevant data and honest discussion.

Step 2: Form a Powerful Coalition (Board and Leadership Team)

- Find the right people.
- Create **trust** through communication, planned events and activities.

Three things to avoid at all costs:

- Egos that fill up the room.
- People who create mistrust to kill teamwork.
- Reluctant players.

Four Key Characteristics to Guide A Coalition

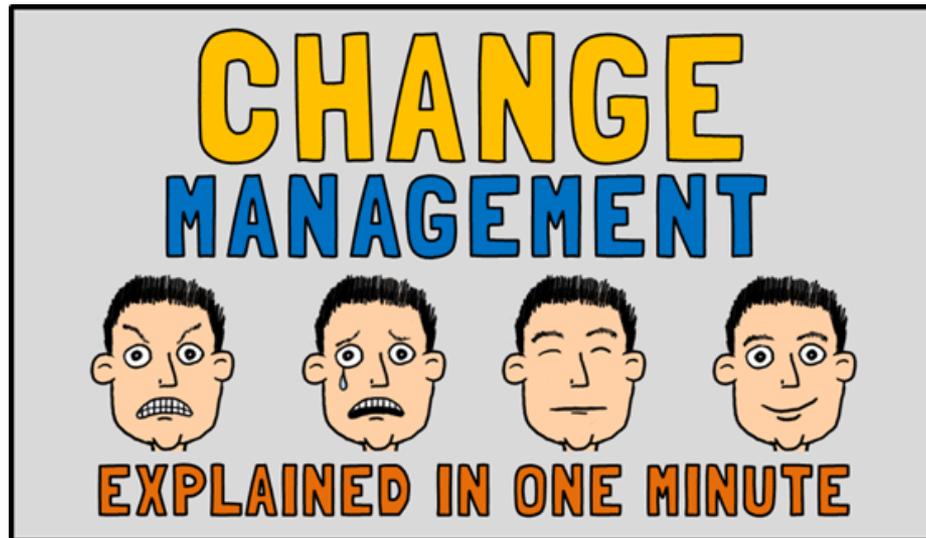


Step 3: Create a Vision and Strategy for Change



- Determine the values that are central to the change.
- Develop a short summary (one or two sentences) that captures what you "see" as the future of your organization.
- Create a strategy to execute that vision.

Step 4: Communicate the Vision



Step 5: Remove Obstacles

- Identify, or hire, change leaders whose main roles are to deliver the change.
- Look at your organizational structure, job descriptions, and performance and compensation systems to ensure they're in line with your vision.
- Recognize and reward people for making change happen.
- Identify people who are resisting the change, and help them see what's needed.
- Take action to quickly remove barriers (human or otherwise).



Step 6: Create Short-Term Wins

Nothing motivates more than success.

- It is visible
- It is unambiguous
- It is clearly related to the change effort
- Share the progress

Step 7: Build on the Change



- After every win, analyze what went right, and what needs improving.
- Set goals to continue building on the momentum you've achieved.
- Keep ideas fresh by bringing in new change agents and leaders for your change coalition.



Step 8: Anchoring The Change in Your Culture

- Include ideals and values when hiring and training new staff.
- Publicly recognize key members of your original change coalition, and make sure the rest of the staff .
- Create plans to replace key leaders of change as they move on.



RESOURCES

Nailing Down a Nonprofit Board, Charles Caldwell Ryrie, Kregel Publications

Joining a Nonprofit Board: What You Need to Know, Marc J. Epstein, F. Warren McFarlan, Wiley, Ebook

The Ultimate Board Member's Book: A 1-hour Guide to Understanding and Fulfilling Your Role and Responsibilities, Kay Sprinkel Grace, Abe Books

Questions?

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Facilitating positive change for your organization.™