



# What's the Key to Raising Money in a Tough Economy?



**Does your board raise the funds your organization needs? If not, it may be time to make some changes.**

By David H. King

“Our board wasn’t built to be a fundraising board.”

If I had a quarter for every time I’ve heard that statement, I’d be a philanthropist rather than a fundraising consultant. When organizations contact our consulting firm, we ask, “How involved are your board members in raising money? What are their roles as leaders and donors for your fundraising campaign?” It’s becoming alarmingly frequent for people to answer that their board isn’t a fundraising board, wasn’t recruited to give and get money, and will be of little help as donors or solicitors for the campaign. Many of these people believe that the first step in undertaking a campaign is conducting a feasibility study. In fact, the first step should be to build the board’s fundraising awareness, ability, and strength.

I do live in the real world and

Far too many “nominating committees” meet once a year.

realize that it’s not easy to recruit smart, talented board members who have resources, are willing to solicit others of means, and have a passion for your cause. I too hear every year that “people are busier than they’ve ever been.” (Sooner or later we have to reach the point where people are as busy as is possible and we can remove that phrase from the vernacular.) I also realize that we’ve been through rightsizing, downsizing, and an economic downturn that continues to reduce the size of the corporate volunteer corps — the corps that has long been a major source of

nonprofit board members. However, these factors make the work of building a strong board all the more important.

So, what’s the key to raising money during a tight economy? The answer: a strong board. In fact, a strong board can overcome virtually any challenge an organization may face.

But creating a powerful board doesn’t happen by accident or luck, nor does it happen overnight. Building an effective board requires a well-defined strategy, a dedication to change, an understanding of the current board’s strengths and weaknesses, and a commitment to spend time and resources to identify, cultivate, recruit, and orient good board members.

There’s no easy or quick way, but it can be done, and it’s one of the greatest investments you’ll ever make in strengthening your

organization for the future. Here are the steps to take.

**Step 1: Change your nominating committee** from a group that simply fills empty board seats to a Committee on Trusteeship charged with evaluating the performance of the overall board and each individual board member. This committee must work to identify and correct board weaknesses.

Make your strongest board member the chair of this committee. This gives the committee the clout to get its job done. Far too many “nominating committees” meet once a year — an hour before a board meeting — to decide whom they can get to serve on the board. The Committee on Trusteeship, by contrast, is a year-round, working committee that is constantly evaluating the organization’s needs and the board’s ability to meet those needs. This committee’s members should identify, cultivate, and recruit prospective board members who have the needed skills.

**Step 2: Make sure new board members** have their eyes wide open. The recruitment process should include a frank explanation of what’s required of the board as a whole and of the specific member being recruited. If you’re recruiting people because of their ability to give and get money, tell them so. If they agree to serve on the board knowing what’s expected of them, you’ll likely have good board members who will serve you well over time. If they don’t agree, then they wouldn’t have done the things you needed even if you had lured them onto the board.

Don’t bargain with your expectations. I routinely encounter organizations that have created side deals with board members during recruitment. We hear comments such as “Bob is on our board, but we promised him he didn’t have to come to meetings,” “Betty is on our board but we promised her she didn’t have to ask for money.”



The first step is to change the role of your nominating committee.

These side deals often lead to boards in which everyone has basically agreed to do nothing, and therefore nothing can or will get done.

**Step 3: Approach board recruitment** just as strategically and thoroughly as you would the cultivation of a major gift prospect. Begin with research to determine if prospects have the talents you need on your board and an interest in your area of service. If you want to build fundraising strength, check whether they’ve regularly given to and solicited gifts for other organizations. Then begin cultivating them. Thoroughly educate prospects about your organization. You don’t want board members who agree to serve simply because they couldn’t refuse the solicitor. You want board members with a genuine interest in your mission.

## A Tutorial for Your Board

For more guidance on identifying, cultivating, recruiting, and orienting board members, see these *Nonprofit World* articles at [www.snpo.org/members](http://www.snpo.org/members):

- **Fundraising with Your Board** (Vol. 13, No. 5)
- **Why You Need a Prenuptial Agreement** (Vol. 13, No. 1)
- **Building Your Nonprofit Dream Team** (Vol. 14, No. 5)
- **Where Can You Find Good Board Members?** (Vol. 17, No. 5)
- **Learning the Ropes: Orienting New Members** (Vol. 7, No. 5)
- **Don’t Make Deals!** (Vol. 20, No. 3)
- **How Much Should Each Board Member Give?** (Vol. 21, No. 4)
- **Building a Board with a Passion for Mission** (Vol. 21, No. 2)

Also see Learning Institute programs on-line: Board Governance ([www.snpo.org/li](http://www.snpo.org/li)).

## Step 4: Meet with prospects.

After you’ve cultivated and educated prospects, it’s time to meet with them and ask them to join the board. This meeting should occur face to face, just like any good solicitation. A team of people who have a relationship with the prospect should lead the meeting. They should provide a job description that describes the responsibilities of board members and any specific skills the prospect is expected to bring to the board.

If prospects agree to serve, with eyes wide open, you have board members you can count on. If they decide not to serve, you’ve avoided frustration for both parties. ■

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