

# Secrets to Creating a Board that Makes Cash Gifts

Do you wish every one of your board members would give money to your organization? You can make that wish come true.

By Karen Eber Davis

**Y**ou might believe that asking board members to give a cash gift to your organization is too much. After all, your board members do so much for you. They promote you. They give oodles of time. They willingly offer expertise. Asking them to give money as well is excessive, right?

Unfortunately, this belief can hurt your organization. Most nonprofits need the cash. They need donors, and people are more apt to give if the board gives. Also, your board members will likely make more thoughtful decisions when they know their own money is involved.

Your board already has a standard about giving money. Make it your goal to replace the existing standard about optional giving with one where every board member makes a yearly cash gift. This article shares several tools that ingenious nonprofit leaders, like you, can use to create this standard.

## Do Them a Favor

By asking your board members to give, you do them a favor. Do you believe this? I mean *really* believe it? Research shows that giving gifts to others is one of a few actions that make us happy (<http://greatergood.berkeley.edu>). Giving gives back. People get more happiness from giving to others than buying bigger homes, new cars, or more stuff. Giving people the opportunity to give is not too much. It's a gift.

Unconvinced by research? Make it personal. Take the Hundred Dollar Challenge. Over the next seven days, give five gifts from your personal funds. Give \$20 gifts in five different places. For instance, place \$20 in a street musician's cup. Send a check to a nonprofit you admire. Insert another \$20 into the mailbox of a neighbor experiencing financial difficulties. When you visit your coffee shop, give the barista

“People decide differently when their money is involved.”



\$20 to pay it forward. You get the picture. Watch what happens. Notice your happiness.

It's counterintuitive, but true. Giving changes lives for the better — including the life of the giver. Receiving cash gifts from your board begins with this mindset.

## Help Them Belong

Another ingenious method to improve your board's giving standard involves the herding instinct. Herding is an ingrained human instinct, and it's all about belonging. Since we desire to belong, we adopt the behaviors of others. We constantly compare our behavior to that of those around us and seek to match it.

To create a cash-giving standard, herd your board members so that making a yearly cash gift becomes common, expected board behavior. To visualize what this looks like, imagine a shepherd herding sheep with the help of several dogs, or helpers. The shepherd gives instructions and begins to move. The sheep slowly follow. The helpers work at the edges and gently (or not — some nip) move the rest of the herd in the desired direction.

Find helpers willing to move others in the direction of the new gift standard. Who might these friends be? For one, board members who do give. Another helper? Foundations that inquire about board gifts in their applications. With few exceptions, what foundations mean by these questions is that requests from groups without a cash-giving standard are futile. Other helpers are videos, articles — like this one — and other media that share the importance of yearly board gifts.

You don't have to shout from the top of the hill to be a shepherd. Just decide where the board needs to go and guide them.

How can you herd? It depends on your starting place. Here are several scenarios and recommendations for each:

### 1. IF YOU ALREADY HAVE A GOOD NUMBER OF BOARD MEMBERS WHO GIVE

The path is straightforward. To increase the percentage of givers, you might design an activity that creates 100% giving with one swoop. For instance, ask a donor (helper) to

“A yearly cash gift from every board member is a proven best practice.”

make a major gift, but only if *all* the board members give a gift, too. Also create more gifts using one-on-one requests, such as, “Audrey, would you be willing to fund \$100 to see your new initiative? If yes, we could start it tomorrow.” People give because they are asked. One-to-one requests make the best asks.

Once you reach the 70% participation level, create an accountability chart. On the chart, list board activities (attending meetings, leading a committee, and the like). Include “giving yearly cash gifts” as one of these activities. Give each board member a copy of the chart — with this very important caveat: Don’t name names. List members by code. Hand out the chart in sealed envelopes. Replace the code with the board member’s actual name and highlight the board member’s board activities *only* on that person’s personal sheet. These charts will show them exactly how their activities stack up against everyone else’s and give them the information they need to truly belong.

## 2. IF YOU HAVE ONLY A FEW BOARD GIFTS

Your task is harder. In truth, if you’re a CEO or development director, the board probably doesn’t consider you a member of their herd. Much of the time, they consider requests from you, like those of other outsiders, to be ambient noise, not on their radar the way appeals from their herd members are.

Stop talking at them. Work one on one instead. First, find helpers. Look amongst those who give already. Seek or create board champions who “get” the importance of giving. Don’t overlook the people who might have resisted initially but participate later. In one recent case, a new board member grudgingly gave the required \$500 donation the first year. Year two, he made a motion suggesting that the minimum be increased to \$1,000. During subsequent years, he persuaded his fellow members to give larger and larger gifts until \$10,000 became the standard.

## 3. IF YOU HAVE NO GIFTS

If you can’t find a champion to promote board giving, your work’s cut out for you. But don’t despair! Find a bigger, different herd to join. One group did this by merging — which is pretty extreme — with a group with a giving board. Less extreme, but still effective, is claiming your membership in a bigger herd of successful nonprofits. Since you probably already talk about “other nonprofits” with wishful sighs, encourage your board to see your organization as about to

join this wonderful herd. Bring your board information about the ways you’re already part of this herd. Also, share ways you need to grow. Will anyone on your board be surprised that the nonprofits in your big new herd, among other behaviors, all have a standard of 100% cash gifts? Probably not, but they’ll like being part of success.

## Recruit with Giving in Mind

Recruiting board members solely on the basis of their willingness to give cash gifts would be absurd. However, it’s informative and useful to ask candidates what their attitudes are about giving. In board interviews, include questions regarding their beliefs and experiences about giving. Inquire about personal giving and past participation as board members. Share your personal goal of 100% board giving. Explain that this standard will support the success of the nonprofit and be meaningful to each board member.

## Don’t Give Up

A yearly cash gift from every board member is a proven best practice. Imagine the joy of writing in your future grant applications, “The board contributed over \$200,000 during the last fiscal year. Every member gave. The gift range was from \$1,500 to \$25,000.” A short time later, when your grants are quickly approved, you’ll know that creating your new board standard was well worth the effort. 

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## 100% Board Giving by Design (NonprofitWorld.org)

**How to Talk to Your Board** (Vol. 23, No. 1)

**Reciprocal Board Agreements: What Do Board Members Give? What Do They Receive in Return?** (Vol. 28, No. 1)

**Does 100% Board Giving Matter?** (Vol. 35, No. 1)

**How to Solicit Your Board: Rules for Success** (Vol. 35, No. 4)

**Why You Need a Prenuptial Agreement** (Vol. 13, No. 1)

**How to Create a Strong Board-CEO Partnership** (Vol. 27, No. 1)

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