



Should Your CEO Be Involved with Fundraising?

What should the CEO's fundraising role be? Top nonprofit leaders provide answers.

BY BILL J. HARRISON

In a perfect world your organization would have a large board made up of enthusiastic community leaders; generous contributors would always be sitting in your office; and your CEO would be a dynamic fundraiser, knocking on doors, making speeches, and bringing home big philanthropic checks.

Dream on. The reality many charitable groups face is a weak board, few major gifts, and a top administrator who would rather have a root canal than make a solicitation call on a wealthy prospect.

There's a way to change those realities. You need to convince your CEO to become a team player with your fundraising department. Or, if you're the CEO, you need to assess your own fundraising involvement. As the top administrator, you set the fundraising climate.

Why Should the CEO Spend Time Raising Funds?

"There are two very important reasons for the CEO to be involved in the fundraising process," explains Tom Sadvary, senior vice president of Scottsdale Memorial Hospital-North in Scottsdale, Arizona.

"First, as the CEO you have to be aware of the bottom line. There is a financial need to get involved in fundraising even if you disdain this kind of activity. For many organizations the revenue stream from operations is diminishing, so there is a strict business need to help raise funds.

"Secondly, you really can't separate your duties as a CEO from fundraising because it fits right in with your responsibilities as a communicator, facilitator, and community leader. It's simply a part of your job."

Dr. Diana Kuntz, president and CEO of the Volunteers of America in Denver, Colorado, agrees. "There are many people, either individuals or corporate donors, who will feel slighted if the solicitation doesn't come from the CEO or board chair. I believe that as the president and CEO I have several major functions, one of which is to facilitate fundraising. It really is an important part of what I do. I can help the fundraising department by responding directly to any request they have of me, mobilizing the board as appropriate, and putting leverage on other parts of our organization to respond quickly.

"We have a group called the 'VO A-Team' that meets once a week. That's the development staff and myself. We look at where we are with our programs, make assignments, decide who would be the best person to be involved with what activities. We also decide what kind of support may be needed from other programs or divisions. For example, if we need to submit a grant we might need program data, statistics, brochures, and wish lists. This meeting helps us plan for the wishes and dreams of our various programs. We also meet once a year with all the project directors to go over short and long term fundraising goals."

Dr. James Powell, president and director of the Los Angeles County Museum of Natural History, is such a staunch supporter of the CEO's role in

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fundraising that in his recently published book, *Pathways to Leadership*, he specifically addresses this issue. “If you’re not willing to raise money, you shouldn’t be in the CEO position,” he asserts. “It’s part and parcel of the job.

“I believe the CEO has to spend a significant amount of time in direct fundraising. To be successful I depend on the fundraising staff to do the research and leg-work so that when I go out on a solicitation call there’s a high probability of getting a yes. It’s definitely a team effort. Fundraising is actually a part of my job description. It’s my job to help establish a fundraising process and hire the people who can help me raise significant amounts of money. If I don’t do that, then I’ve failed in my responsibilities.”

What Does the Development Director Need to Do?

Most development directors would enthusiastically welcome the CEO’s fundraising assistance. In many cases, however, they don’t know the best way to involve the CEO in fundraising.

The problem may be that they’re waiting for the CEO to make the first move. Successful fundraising organizations report that the development director takes an active stance, letting the CEO know exactly what is expected and making the CEO’s fundraising job as easy as possible.

“I need the development department to put me in a position where, without spending any more time than I

Sadvary has worked closely with his fundraising department for nearly a decade. “We have a very successful fundraising program. It helps subsidize a number of important capital projects,” he says.

“Fundraising personnel spend a great deal of time developing background information and conducting research on projects that need donor support. They give me insight through formal and informal briefings about potential donors we’re planning to solicit. They continuously brief me to make sure that when I’m in front of a potential donor I’m well versed about the situation and the individual I’m soliciting.”

Kuntz agrees that a team effort is vital. “In our 100 year history we’ve always had some type of successful fundraising activity and of course we, as a team, need to do more and more all the time. I really want to know about the success of our fundraising programs. I receive written reports at the end of every event and campaign because I need to know if we’re on target and if the fundraising department needs additional assistance and why. For example, if there are any problems, shortfalls, or political situations, I need to be aware of those types of things as soon as possible.

“I’ve asked my development director to manage me, tell me when my help is necessary and where I can be the most useful. She will tell me about contacts I need to make, and advise me on how to do it and when to do it. If she thinks I’m the most appropriate person

Are You Living Up to Your Fundraising Responsibilities?

Questions for the CEO:

If you’re the CEO, you ought to be able to answer “yes” to all the following questions:

- Is fundraising part of your job description?
- Do you, your development department, and your board work as a fundraising team?
- Do you go out on solicitation calls frequently?
- Do you keep your development staff informed about what’s going on throughout your organization?
- Do you meet with your development staff regularly?
- Do you work with your board and development staff in making presentations to foundations and corporations?
- Do you consider fundraising to be a key part of your job?
- Do you set a positive fundraising tone for your whole organization?

Questions for the Development Director:

If you’re the development director, you should be able to answer “yes” to all these questions:

- Do you make it clear exactly what fundraising tasks you want your CEO to perform?
- Do you let the CEO know when you need help making a contact or motivating a board member?
- Do you provide a written list of fundraising duties for the CEO and a timetable outlining when each should be done?
- Do you meet with the CEO regularly to report on fundraising activities and needs?
- Do you respect the CEO’s time constraints and understand that fundraising is only one of many CEO duties? At the same time, do you continually reinforce the importance of fundraising for the CEO?
- Do you brief the CEO on potential donors and the best way to solicit them?
- Do you treat the CEO as a crucial member of your fundraising team?
- Do you give the CEO written reports at the end of each fundraising event and campaign?
- Do you take the time to help the CEO become more and more comfortable with the role of asking for money? Do you act as fundraising coach and educator for the CEO?

have to, I can raise money from prospective donors,” explains Powell. “We have to work as a team to be successful. I need input, advice, and a great deal of education to be a dynamic part of the fundraising team.”



CREATIVE FUNDRAISING IDEAS

Redeem Cereal & Coffee Certificates

Cereal and coffee certificate books make a great fundraiser. Each book costs \$30 and contains 30 coupons. Each certificate is redeemable for a free box of cereal or can of coffee. Thus, each box or can costs only \$1 (and there are over 100 brand names from which to choose). Sell the books to your constituents, and they will save money by using the certificates, while you raise funds (up to \$10 per book). For more information, contact National Council of Young Israel, 3 West 16th Street, New York, N.Y. 10011 (phone 212-929-1525 or 800-617-NCYI; fax 212-727-9526).

Use Auction Software

Auctions offer a predictable, repeatable fundraising device which you can use year after year. The key is in the planning. Use a database program to organize, prepare, and operate your auction. Such a database can be passed along each year to the new committee, making planning easy. It can also help you prepare your catalog, bid sheets, and reports. For information on a new benefit auction management system for nonprofits, contact MaestroSoft, Inc. (See the *Directory*, page 31, for this and other creative fundraising ideas).

Get Ready Now for Holiday Fundraising

Many nonprofits have raised funds during the holiday season by asking stores and other gathering places to let them display boxes of Forest Fresh—a product that keeps people's Christmas trees fresh for up to six weeks. Each counter display box holds 24 colorful packages, and each Forest Fresh package sells for a suggested price of \$1.99. Your group makes 150% profit on every \$1.99 sale. For more information on this easy fundraising idea, contact Unifinium Ltd., P.O. Box 5502, Madison, Wisconsin 53705 (phone 608-233-8334; fax 608-233-7432).

to make a contact or motivate a board member, she'll let me know."

How Do You Create a Fundraising Team?

Sadvary is quick to point out that teamwork between the development department and the CEO is not a one-way street. He knows he has a major responsibility to work closely with the fundraising department. "Potential donors are looking for someone on the administrative side with whom they can develop a relationship—someone who can explain our needs and communicate how their support will be of help to our institutional goals. I can be that person. I participate in presentations to the foundation board as well as in targeted potential donor meetings.

"I try to give the fundraising department as much of my time as possible. I have a responsibility to alert them to specific kinds of projects that might have some donor appeal. I give them as

much technical information as they want. There are also times when they ask me to translate technical materials into layman's terms so the information can be used to solicit a donor.

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what's going on in the organization," Sadvary continues. "When they're out in

the community they have to have a general understanding about what's going on internally."

Although most CEOs find the fundraising team process rewarding, raising funds may never be one of their favorite tasks. It will probably take some time and coaching before they become comfortable with the process.

"Fundraising is not something I greatly enjoy," admits Kuntz, "but many times I'm the person who has to make the contact. If my 'VO A-Team' decides that I'm the person to make the contact and maintain the linkage, I do it.

"To tell you the truth, when I was a small child my brother had to sell my Campfire Candy for me," Kuntz confesses. "It's hard for me to pick up the phone and ask for money. But it's real easy for me to talk about what we do. I suppose that's a major part of fundraising, so I guess I do enjoy many parts of the process. I have found soliciting gifts is far more effective if I go with a board member. We have an excellent board



chair. He has no problem making the ask, so we're a very good team."

Powell concedes there are parts of the fundraising process he dislikes. "I really don't enjoy doing the background work and researching donors. I simply don't have the time to do a proper job. I depend on the fundraising department for that kind of assistance."

Sadvary has found fundraising to be a very rewarding experience. "I enjoy fundraising a great deal, I really do. Number one, our fundraising department is very sensitive to my time demands and they don't involve me in activities unless they think that my presence is needed. Secondly, I really enjoy working with donors and potential donors. These people honestly seem happy to contribute to our organization. Many of these individuals have used our services and are willing to support our efforts.

"I've discovered another benefit associated with fundraising," adds Sadvary. "Some of the donors are community leaders who can help us in ways not directly related to fundraising. They can assist us with strategic programs and activities that we're dealing with as a system. Fundraising is one of the more positive experiences I have."

As charitable organizations look to their future financial needs, they must face some tough realities: Competition for philanthropic dollars will be fierce, donors are demanding more input into the use of funds, and raising money can no longer be the sole job of the fundraising department.

"The CEO must be a part of the fundraising process," states Kuntz. "I believe there are only three things that are my responsibility as the president and CEO: supervision and management of our agencies and programs; board

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development; and fundraising. Fundraising is critically important for charitable organizations. My staff and I spend a great deal of time and effort to be successful."

Powell couldn't agree more. "The raising of money is ultimately the responsibility of the CEO. Today nonprofit institutions are really hurting for new sources of revenue. We have more need than ever to be out raising dollars for our institutions. The catch is, always looking up at us from our desks are dozens of jobs we can do instead of going out and making development calls. We have to force ourselves out of our desk chairs and out the door. With the support and assistance of a competent fundraising department, the CEO will be able to confidently solicit gifts in the offices of philanthropic foundations and the front rooms of individual prospects." ■

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*Starred publications are available through the Society for Nonprofit Organizations' *Resource Center Catalog*, included in this issue, or contact the Society at 6314 Odana Road, Suite 1, Madison, Wisconsin 53719 (800-424-7367).

Fundraising Software Resources

Chronicle Guide to Grants, 1255 23rd Street, N.W., Suite 700, Washington, D.C. 20037 (202-466-1000).

Donor Development, Samuelson Computer Services Company, 350 South Schmale Road, Carol Stream, Illinois 60188 (708-668-1598).

Donor Perfect fundraising software, SofterWare, 540 Pennsylvania Avenue, 2nd Floor, Fort Washington, Pennsylvania 19117 (800-220-8111).

Enterprise fundraising software, Access International, 432 Columbia Street, Cambridge, Massachusetts 02141 (phone 617-494-0066; fax 617-494-8404).

Executive Data Fundraising, Executive Data Systems, Inc., 1640 Powers Ferry Road, Building 27, Marietta, Georgia 30067 (phone 800-272-3374; fax 770-955-3374).

Federal Money Retriever, access to all Federal Assistance Programs, IDI Magic Technologies Corporation, available through the Society for Nonprofit Organizations' *Resource Center Catalog*, 6314 Odana Road, Madison, Wisconsin 53719 (phone 800-424-7367; fax 608-274-9978).

Fund-Master 7.0 fundraising software, Master Software Corporation, 5975 Castle Creek Parkway N. Drive, Suite 300, Indianapolis, Indiana 46250 (phone 800-950-2999; fax 317-849-5280).

Manage!, Omega C.G. Limited, 377 East Butterfield Road, Suite 975, Lombard, Illinois 60148 (phone 800-443-3481; fax 708-969-8690).

ParaGon planned giving software, Blackbaud, 4401 Belle Oaks Drive, Charleston, South Carolina 29405-8530 (phone 800-443-9441, Ext. 307 or 803-740-5400; fax 803-740-5410).

Planned Giving Manager (PGM) software, PG Calc Incorporated, 129 Mount Auburn Street, Cambridge, Massachusetts 02138 (phone 617-497-4970; fax 617-497-4974).

The Raiser's Edge fundraising software, Blackbaud, 4401 Belle Oaks Drive, Charleston, South Carolina 29405-8530 (phone 800-443-9441, Ext. 307 or 803-740-5400; fax 803-740-5410).

Special Events software, Lifeline Information Services, 1776 Woodbine Place, Oceanside, California 92054.

TARGET 1 Fundraising software, Echo Management Group, 1620 Main Street, Center Conway, New Hampshire 03813 (phone 800-635-8209; fax 603-447-2037).

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