

Preparing to lead or

How can aspiring leaders prepare themselves to lead and drive fundraising?

LEADERSHIP TRACK

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Margaret Scott & Associates



Leadership Track
Sponsored By:





Our agenda today:

- Setting up for good fundraising leadership
- CEO recruitment and fundraising
- Board member recruitment and fundraising
- Board induction & your part
- Preparing yourself for leadership



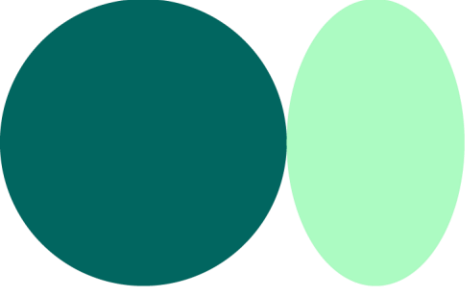
On your phone/device: PollEv.com/margaretscott191



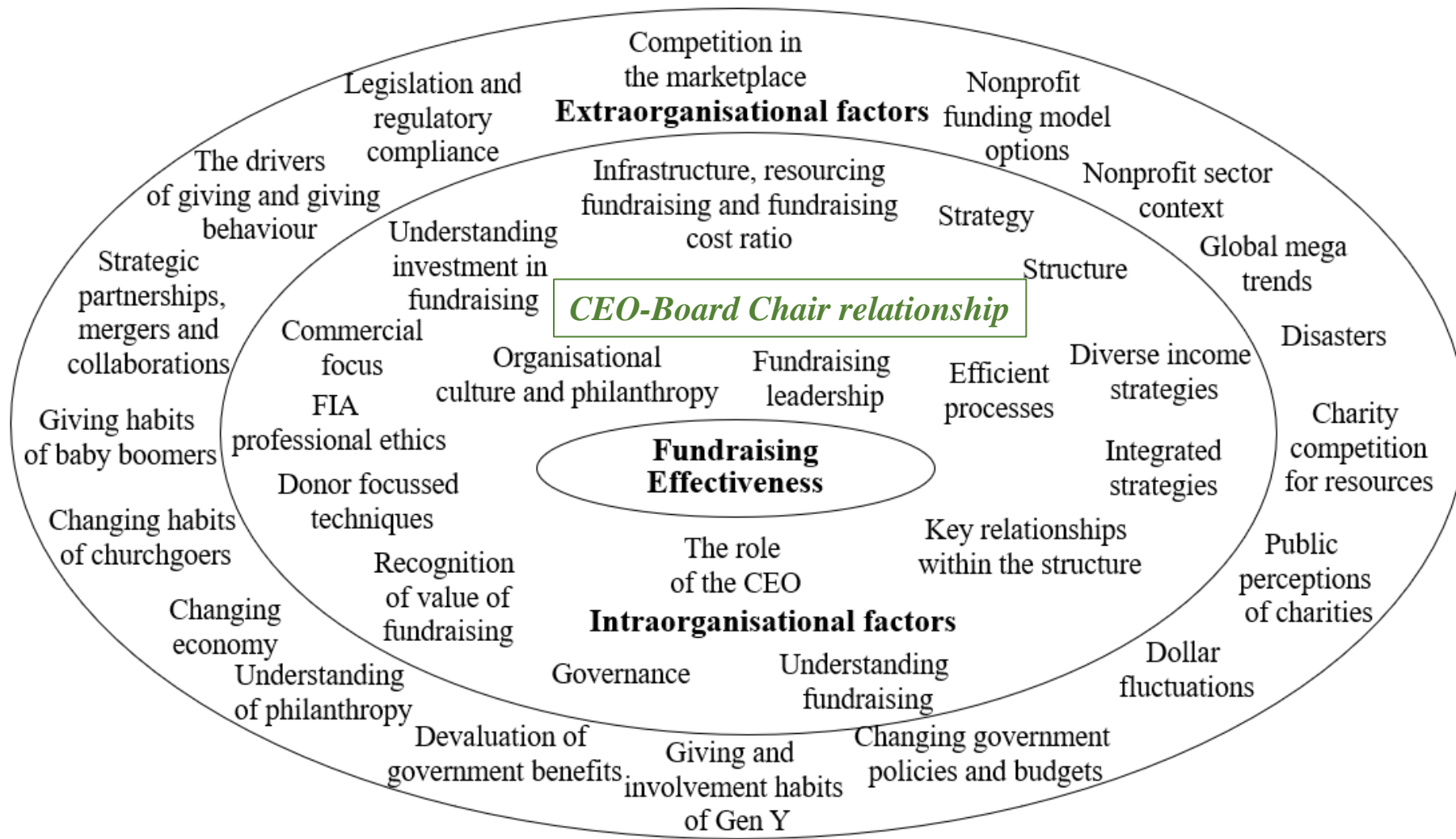
Fundraising leadership – grab a neighbour or two

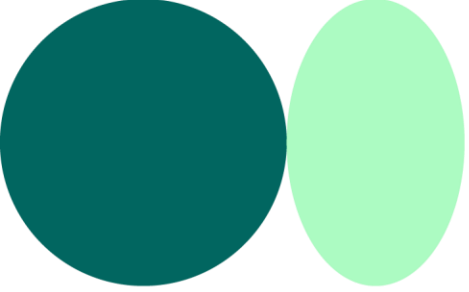
1. Who is leading fundraising in your organisation?
2. Who do you think should be leading fundraising in your organisation? Why?



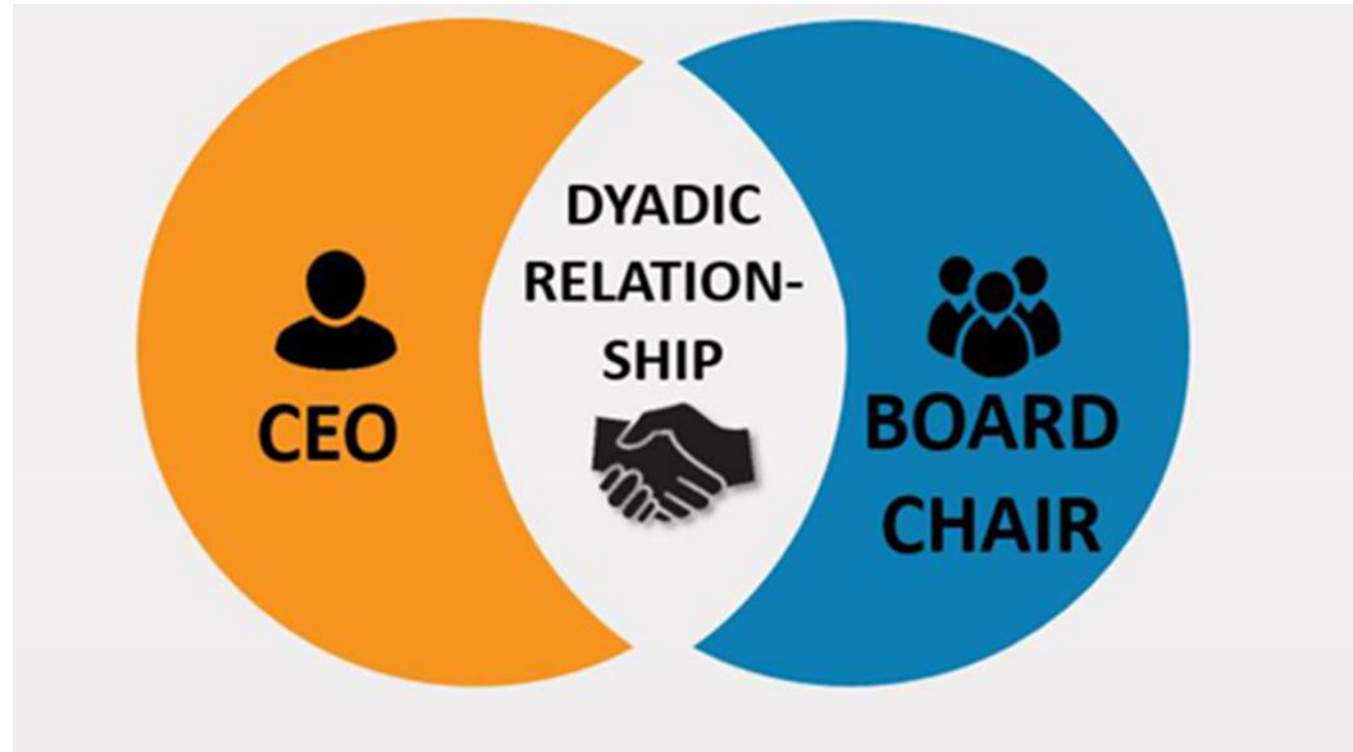


Leaders need to consider all these things!



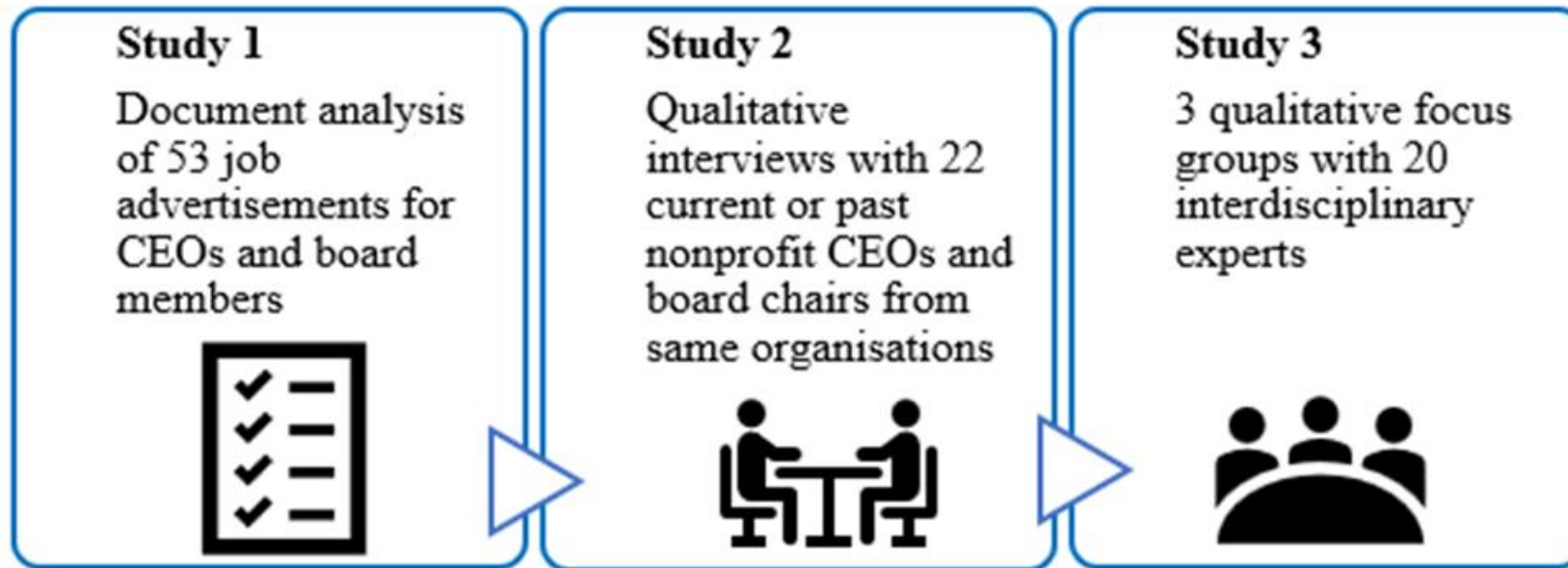


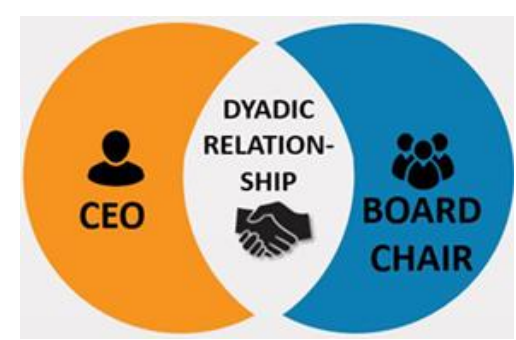
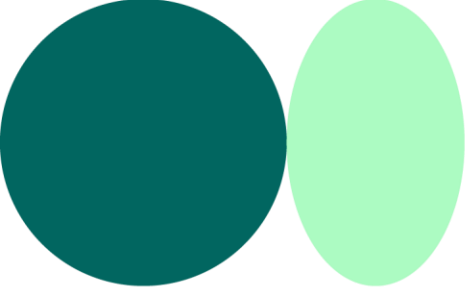
CEO-Board Chair relationship



What influences the dyadic relationship between the nonprofit CEO and Board chair that drives fundraising and mission?

Overview of studies





CEO-Board Chair relationship

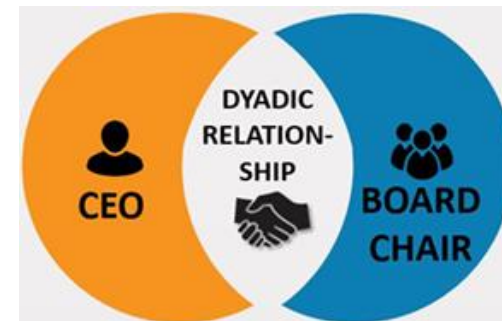
- **Sharing fundraising leadership**
- **Fundraising leadership is enabled by this relationship**

A great CEO-Board Chair relationship is fundamental to great fundraising outcomes: BC



The CEO-Board Chair relationship in supporting/driving fundraising and mission

- is more critical than assumed
- is based on a willingness to understand fundraising and be involved in fundraising activities
- involves jointly valuing donors and supporters and interacting with them
- is key to leading the organisation and its fundraising

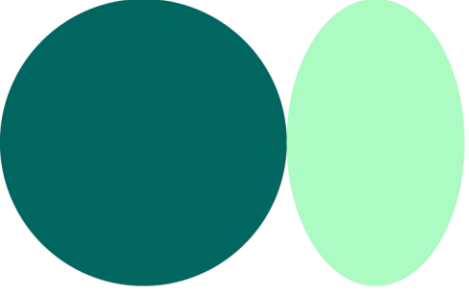




The CEO-Board Chair relationship in supporting/driving fundraising and mission

- is based on mutual **trust** and **respect** e.g., personal, professional, and ethical conduct, supported by good communication i.e. timely and appropriate communication, ***underpinned** by fundraising and sector knowledge* e.g., fundraising principles, trends, and benchmarking
- is unique to the sector and dependent on confidentiality and emotional intelligence
- is aligned on strategy, process, and priorities, often using similar leadership styles e.g., democratic, servant leadership, transformational or collaborative

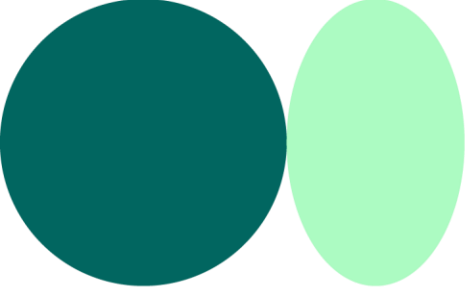




**I also found out about aspiring leaders,
who want to be CEOs or Board members as
fundraising leaders**

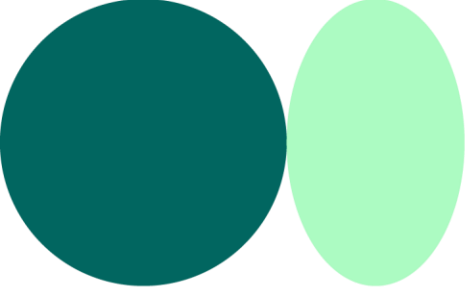
And that's you!!!





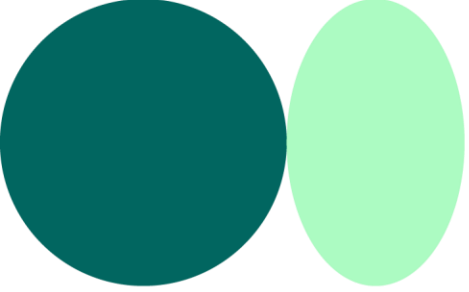
How do you FEEL about fundraising leadership?
What about being a CEO or Board member?





How do you WANT to feel
about fundraising
leadership?
And being a CEO or Board
member?





A culture of philanthropy



A culture of philanthropy = absolutely everyone in the organisation must be proud of their charitable status and understand what that really means.

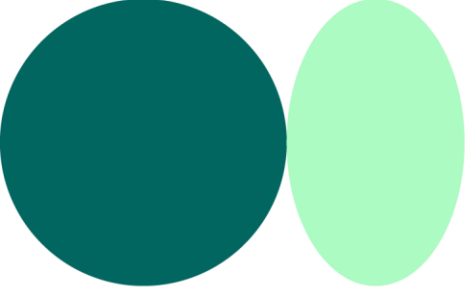
Everyone in the organisation understands and supports a culture of philanthropy.

Everyone is prepared to play their part (making a positive impression, delivering key messages, helping out with events, identifying prospects, making asks, making donations, making the case become reality).

Mallabone and Balmer, 2010

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A culture of philanthropy



The strength of an internal culture of philanthropy contributes to organisational fundraising success AND a barrier to successful fundraising is not having a **fundraising-oriented culture or wanting to build one.**

Scott, 2014

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Characteristics of Leaders Harris, 2001

- vision
- integrity
- ability to relate to people / communication
- empathy
- teamwork (ability to foster)
- courage
- sense of self (self-actualisation)
- persistence
- inspiration/motivation
- delegation



Fundraising & leadership in Australian nonprofits

Scaife, Williamson & McDonald, 2013

CEOs were overwhelmingly seen as their organisation's fundraising champions
and

The most significant benefit of having fundraising expertise at CEO and Board levels was strategic direction/oversight.

The two greatest challenges facing fundraisers were related to Board engagement in fundraising:

- Lack of **Board understanding** and leadership in fundraising, and
- Lack of **resourcing** to undertake successful fundraising.



Shared leadership: CEO and Board

Sargeant, Shang & Day, 2018

- CEOs and Boards, working together is a key component of **organisational fundraising leadership**
- Board-Executive leadership in Australia plays a strong role in supporting the fundraising function and **facilitating success**
- Successful organisations appear to be those who enjoy the CEO's involvement in the fundraising process and where **genuine expertise in this domain is present on the Board**
- Effective leadership at Board level can drive the cultural change required to transform organisations with **Board, staff and donors**

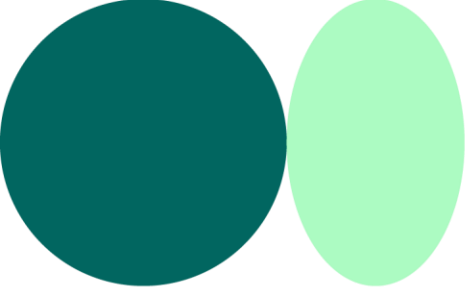


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– all working together





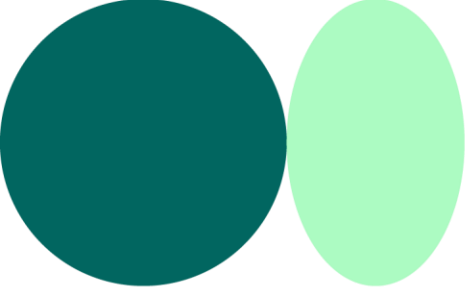
Leadership styles



Transformational and servant leadership (Sargeant, Shang & Day, 2018; Sargeant & Day, 2018) distinctive in nonprofit sector

How about **collaborative** and **democratic** leadership styles?

How would you describe your leadership style?



Previous studies and my research
say a few things about fundraising leadership

Aspiring leaders take note!



Mobile phone/device:

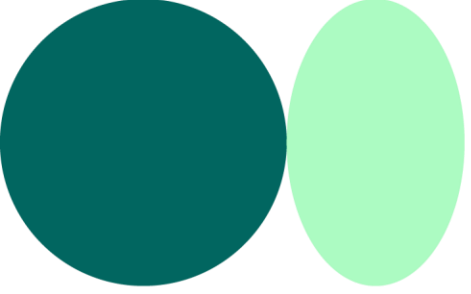
1. Go to Pollev.com

2. Username: margaretscott191

3. Don't need to put your name in – skip that

4. It should take you to the first poll





1. CEO as the fundraising leader

Poll 1 (CEO#16): The CEO is the chief fundraiser

Agree

Disagree

Poll 2 (BC#15) The centre of fundraising is the CEO and the Chair and Board facilitate and assist that

Agree

Disagree

Poll 3 (CEO#7): CEOs should be encouraged to build donor and partner relationships because fundraising often follows

Agree

Disagree

Poll 4: (CEO#2) The CEO needs a good, strong, working relationship with the Board Chair that doesn't stifle CEO motivation to find fundraising and funding opportunities

Agree

Disagree



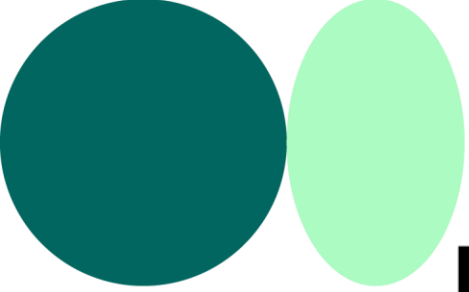
Board chairs ...on CEO recruitment

*We'd be looking for somebody who is **articulate**, who is **intelligent**, who is **experienced** both in managing organisation and teams of people and **reporting to a board**, but also as someone who's got particular focus and experience in the area of **fundraising**.*

*We need someone with that ability to **position the organisation** in the hearts and minds of supporters.*

*Our (desired) CEO is effectively, our **chief rainmaker**.*

*Someone who is more **relationship based** rather than transactional. Someone who is a **team player** and can **encourage others**. Someone who can **play well with the board**.*



Chief Executive Officer Driving fundraising

- **Amazing salary**
- **Our organisation**
- **Fundraising leader**

Work closely with the board to develop the organisation including fundraising strategic plans, driving a positive, value-based culture aligned to the mission

- Have a broad vision as to fundraising efforts required for the organisation, the elements of successful fundraising and the skill to recruit appropriate staff
- Ensure the vision and purpose of the organisation is well captured and understood by the community
- Build and manage key relationships with donors and partners in liaison with professional staff

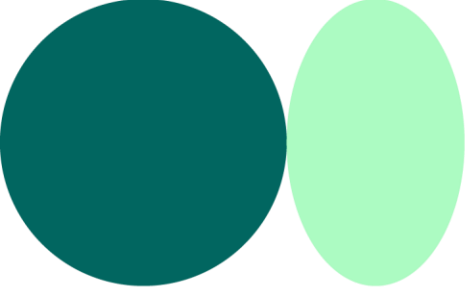
Knowledge:

- Possess commercial acumen and fundraising investment knowledge including risk management
- Be aware and keep up to date with what's happening in the community, the fundraising sector and marketplace

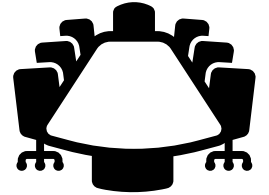
Please email your confidential CV and letter outlining your suitability for this position to Margaret Scott or see <https://www.linkedin.com/in/margaret-scott-cfre-ret-ffia-18071314/> for more information.

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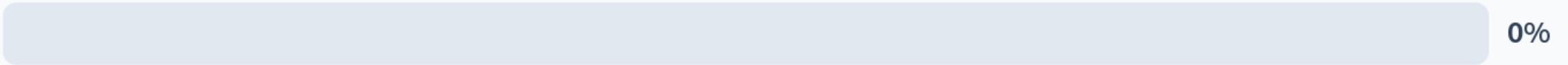


2. Board members and fundraising

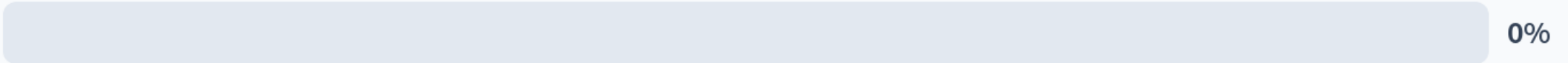


Poll 5 (BC#22): Board members need to be advocates and share stories of impact

Agree

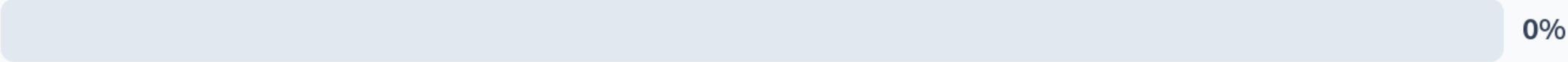


Disagree

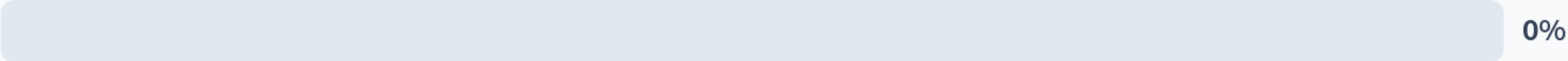


Poll 6 (BC#11): If Board members believe in the organisation they will want to donate and participate in the organisation

Agree



Disagree



Poll 7 (CEO#4): Every Board member should have a willingness to get involved in fundraising in some respect

Agree

0%

Disagree

0%

Poll 8 (CEO#17): Best Boards work side by side with management, knowing where each other sits

Agree

0%

Disagree

0%

Board members and fundraising



David Fishel (2003)

Many board members are alienated by fundraising and feel uncomfortable at the thought that they are expected to bring and use their connections.

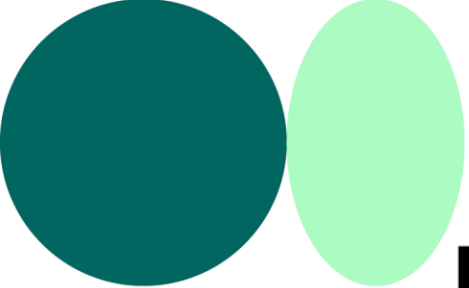
However, every organisation should require a fundraising strategy and Board members should choose some level of involvement.



CEOs ... Board member expectations around fundraising

It's always been about having appropriate members who both understand the philanthropic space and are donors themselves, (and) I think it's very important to be able to say, as a CEO, my entire Board think this organisation is worthy enough that they give their money to it.

I don't believe anyone should be on a 'profit for purpose' Board unless they are committed to being philanthropic and you have to have that magic combination.



Any Board members, driving fundraising

- **Volunteer with Rights**
- **Our organisation**
- **Fundraising leader**

Understanding:

- The principal purpose of the organisation for fundraising from a governance perspective
- Have or develop an understanding of the organisation strategic plan including fundraising plans and targets
- Develop an understanding of the sector and what it takes to fundraise

Willingness:

- Tell a compelling story about the work of the organisation and show where fundraising or philanthropy fits in
- Be an ambassador or advocate in communities and workplaces, looking for fundraising or philanthropic opportunities
- Contribute towards a culture of philanthropy, having a positive attitude and belief towards fundraising

Ability:

- Have or develop an ambition for the organisation and its fundraising within the board risk appetite
- Open doors, make introductions and spot opportunities for revenue raising within the agreed fundraising strategy

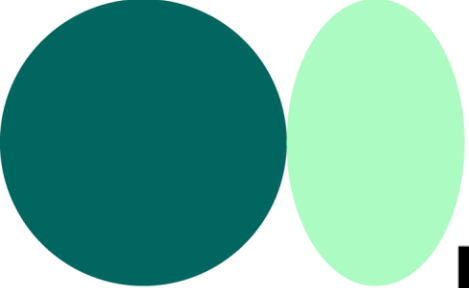
Provide:

- Commitment, passion, and dedication to the mission through a financial contribution

Please email your confidential CV and letter outlining your suitability for this position to Margaret Scott or see <https://www.linkedin.com/in/dr-margaret-scott-ffia-cfre-ret-18071314/> for more information.

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A Board member with fundraising experience

- **Volunteer with Rights**
- **Our organisation**
- **Fundraising leader**

Understanding:

- What it takes to fundraise
- The value of building trusting relationships

Knowledge:

- Of the sector
- Governance

Willingness:

- Tell a compelling story about the work of the organisation
- Lead a fundraising committee

Ability:

- Open doors, make introductions and spot opportunities for revenue raising within the agreed fundraising strategy
- Build trusting relationships

Provide:

- Analysis of the annual fundraising plan
- Insightful review of fundraising reports in relation to performance
- Professional fundraising qualifications or accreditation

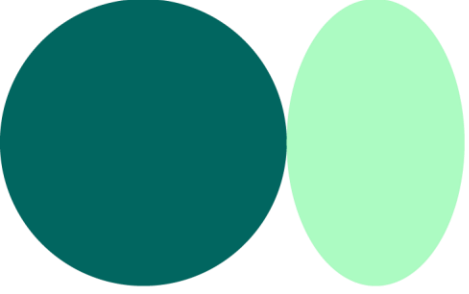
Desirable:

- Professional fundraising experience or expertise in an organisation that fundraises
- Philanthropic support within capacity

Please email your confidential CV and letter outlining your suitability for this position to Margaret Scott or see <https://www.linkedin.com/in/dr-margaret-scott-ffia-cfre-ret-18071314/> for more information.

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Feeding into a culture
of
philanthropy

Nonprofit Board Bill of Rights

(Scott, 2023)

1. To participate in induction that includes fundraising investment, strategy, activity, effectiveness, and impact
2. To benefit from professional development, understanding fundraising principles, techniques, and risk management
3. To participate in a culture of philanthropy that celebrates philanthropy and fundraising strategy, success, and impact
4. To communicate with executive leadership and learn of stories of impact
5. To act as an advocate and supporter of fundraising appeals
6. To communicate and engage with donors & supporters, building relationships
7. To donate to the organisation
8. To be informed of and attend fundraising events

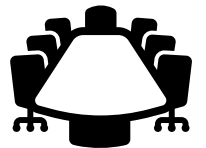
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What to look for in a Board member to drive fundraising

- Participate in induction and prof dev that includes fundraising
- Participate in culture of philanthropy
- Act as advocate and supporter of fundraising appeals/events
- Engage with donors/supporters
- Donate





What to look for in a Board Chair as fundraising leader

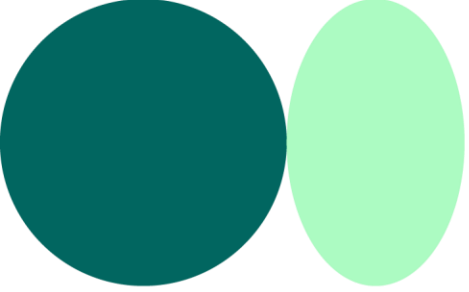
- Willing to lead by example in a fundraising context
- Seek opportunities for fundraising and bring to CEO
- Wanting to have a good, strong, working relationship with the CEO, to inspire CEO motivation to find fundraising and funding opportunities.



Comparing small orgs to large orgs

CEO or board candidates require fundraising skills and/or experience, particularly in small organisations and those with greater reliance on fundraising

Small organisations – CEOs	Large organisations – CEOs	Small organisations – Board members	Large organisations – Board members
Require fundraising skills	If fundraising is a key aspect, the CEO needs to understand fundraising	Recruited for fundraising skills because no fundraising staff	Less or no hands-on work, but fundraising skills useful to question fundraising team and CEO
Culture of fundraising teamwork with the board	Guides fundraising where there is a fundraising team	Culture of fundraising teamwork with the CEO	Support the CEO and fundraising team
Writes grants	May still write grants as not always sufficient expertise in the fundraising team	Fundraising committee may be required when board is management v governance board	Need governance oversight with compliance issues
Fundraising skills often required in CEO rather than board members	KPIs around fundraising should be part of CEO role	Should not propose to be experts without fundraising skill and experience	Need understanding of complex income generation strategies
Less fundraising expertise required as organisation grows (and a fundraising team is recruited)	If a function, other than fundraising, needs more focus in future organisation strategy, then the CEO needs to concentrate on that area e.g., disability services		Introductions, connections, and advocacy assistance is more important



CEOs → Board induction

presented by CEO, senior staff (fundraisers), Board chair

- How money is raised
- Sources of income, mix of revenue streams
- Major campaigns coming up
- High level fundraising policies
- The business including fundraising program
- Fundraising challenges
- How fundraising contributes to organisational purpose
- Income generation, including fundraising, in great detail
- Importance of fundraising revenue
- Governance documents, including detailed fundraising reports
- Strategic plan, including fundraising strategy
- The complicated fundraising aspects and important elements of fundraising

New Board members attend orientation and develop a relationship with the fundraising manager to understand what they do and the challenges they experience (BC).

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I believe that induction is really important and fundraising is mentioned (BC).



Future factors for organisations and leadership

- **internal** factors such as lack of fundraising/sector knowledge or negative effects from management or board
- **external** factors such changes in the marketplace, government, or technology
- **Fundraising** factors such lack of expertise or regulation changes.

What does the market say? (late 2023)

With an organisation reliant on fundraising if you are a fundraiser or Fundraising Director, what are you facing in the marketplace if you are an inspiring CEO and/or Board member?

CEO role:

Organisations are looking for:

- seasoned CEOs, broad experience, people who can relate to and have **related to Boards**
- Lately there has been an emphasis on fundraising experience and ability to diversify funding including **diversifying** away from government funding for organisation to have more **financial sustainability**;
- Typical salary for small organisation (\$2m) salary around \$160k
- Someone to champion the cause/grant writing

Many people entering the market (because of cost of living, increased salary), dealing with dysfunctional Boards, unsustainable income streams, looking for a fresh start.

Board role:

Organisations are looking for:

- Business Development/fundraising experience; income diversification; quality
- Well-rounded people with multiple skills including governance/strategy/worked with Boards to help make the organisation financially viable
- **Affinity with the cause** (much interest in some and no interest in others)

Not many fundraisers applying for these roles. Others are wanting to 'give back'.





How can aspiring leaders, prepare themselves to lead and drive fundraising?

Learn about fundraising benchmarking

Be knowledgeable about fundraising and sector trends

Share your knowledge with the Board and especially Board Chair

Participate in Board fundraising induction if you can

Consider your leadership style – how you present to others and lead others



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How can aspiring leaders, prepare themselves to lead and drive fundraising?

(Cont'd)

Aspiring CEOs:

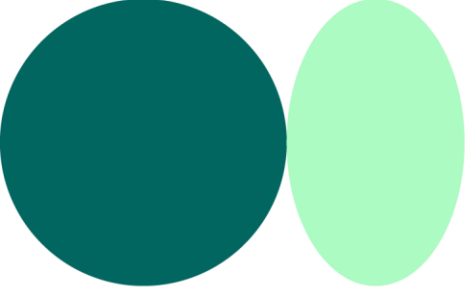
- Builder of donor and partner relationships
- Want to be the centre of fundraising
- Be prepared to be the Chief Fundraiser
 - but understand about staff delegation and hiring



See CEO and Board adverts

Think about future factors that orgs are planning for and need leadership with

And check the marketplace for what organisations are looking for



My questions for you



What type of fundraising leader do you aspire to be?

- CEO
- Board member

How will you prepare yourself?

- Experience
- Knowledge
- Qualifications
- Education
- Mentor

Your time starts now!



Get going!!!

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Thank you

