



## **Getting Your Board Members to Give, Get or Get Off** *A SMART Practices Report from Bristol Strategy Group*

### **GETTING YOUR BOARD MEMBERS TO GIVE, GET OR GET OFF**

Of all the questions we get asked about board service, this one is probably the most frequent: how do I get my board members to donate money? Sometimes it's framed like this: what's a good give-or-get policy? Not so long ago, I met a member of an effective local board, who told me that he and his fellow directors run their board on what he called the "3G Philosophy – Give, Get, or Get Off!"

This report explores a way to frame the conversation about your board's give-or-get policy so that you can gain consensus from all board members and come to a satisfactory conclusion.

### **DEFINING TERMS: WHAT IS A GIVE-OR-GET POLICY ANYWAY?**

It's pretty simple. Your board members agree to either donate (give) a certain amount of money every year, paid for out of their own personal resources, or agree to raise the equivalent amount from others (get). Depending on the monetary level you choose, the "give or get" amount might be just enough money to buy a table for eight at a gala event. On the other hand, it might be \$25,000. The amount is up to the board members and should not be dictated by the staff. Although, staff people, please feel free to add your opinions and recommendations about the size.

### **OK, BUT WHAT IF...?**

Now that we've defined our terms, this is when people start to throw out exceptions to the rule. But what if I can't afford it? But what if we bring indigent people on board? But what if (it's Tuesday, there's a thunderstorm, or any number of other excuses)?

Policies and procedures are designed to manage the majority of situations, not every possible exception. Managing "by exception" tends to mean that everything ends up as an exception, so there is no real rule or policy. Set your policy first. Then deal with the exceptions if, and only if, they arise. Linda Lysakowski, our Director of Nonprofit Sales besides being a major influencer in nonprofit circles, likes to remind people that the "give or get" amount should be flexible, and based on the individual's director level of comfort and capacity, rather than mandated from on high.

The most common exception you'll run is related to the depth of the director's pocket. That's one excellent reason for the board itself to discuss what the minimum giving level should be (or if they'll even have one), rather than just assigning it. If most of your board are affluent, they will probably set a relatively aggressive level. If your board includes representatives of disadvantaged populations, then

asking for minimum contributions in the tens of thousands is unrealistic, even intimidating, and it could be condescending to have a two-level strategy (another argument for no minimums).

When folks express anxiety about board giving, ease their minds by helping them learn how to raise the money from others. Selling tickets to an event, raffles, peer-to-peer fundraisers and parlor meetings, crowdfunding applications and many other techniques exist to simplify fundraising for inexperienced people. Board members, ask the staff for help!

### **WHY DO WE NEED SUCH A POLICY?**

One practical reason, one more philosophical one. In practical terms, most grant-making organizations like to see a level of financial commitment from the governing boards of their grantees, and so do many major donors and corporate sponsors. In philosophical terms, it's advisable for board members to question their commitment to the agencies they serve. If they care enough to occupy a seat on the board, then their level of caring really ought to be demonstrated by a meaningful investment of the director's time, effort and money. A good rule of thumb is that for any board on which you serve, that agency should be one of your top three charitable priorities.

If your directors don't care enough about the organization and its mission to put in the time, do the work of governing, leadership and maintaining accountability – and it is work – then they probably shouldn't be on your board in the first place. I feel uncomfortable when board members claim to be involved but miss more board meetings than they attend, rarely come to fundraising events, and make charitable donations to other nonprofits but not to their own.

The most effective way to demonstrate such financial and nonfinancial commitments is to establish a variety of governance policies. Should the board agree to have a board-member donation policy, they should craft one *and* show a high level of compliance with the policy. Make sure they keep track and report on their results.

### **I GET THE “GIVE OR GET” PART. WHAT ABOUT THE “GET OFF” STUFF?**

Some boards, but by no means all, are so committed to the idea of giving, they won't tolerate board members who fail to donate. Those who don't, won't or can't donate at the anticipated level just don't have much of a future at such board, and may be asked to step down. Or just slink away on their own.

But – and this is a *very* big but – it's dangerous to use the give/get policy as a way to punish or get rid of directors. Perhaps a director has challenges making it difficult to comply with the policy this year. This is where exceptions can and should be made, thoughtfully and with compassion. On the other hand, if the director consistently fails to meet financial and other expectations the board has set for itself, that director may no longer be qualified to remain.

This is one of the great advantages of having board term limits.

## **GIVE ME A SAMPLE BOARD “GIVE OR GET” POLICY**

I’ll give you two instead. One is in the form of a statement that could (should?) be part of the contract every board member signs upon recruitment. The other is in the form of a policy statement loosely based on the Carver model of Policy Governance®.

### ***The Contract Model***

Create a contract that is to be signed by every member of the board, and ideally renewed every year. If you want to establish your board give-or-get policy in the contract, then a paragraph of your contract would include language something like this, edited for legalities and other niceties:

I will donate a minimum of \$XXX annually\*, an amount which I may give from my own resources, or will raise from others. I may give this as a one-time donation, or I may pledge to give a certain amount several times during the year. If I believe this amount is beyond my means at this time, I will give the amount I can, as approved by the Board Chair.

The rest of the contract would spell out most other expectations, such as showing up at board meetings, handling assignments or responsibilities in a timely manner, attending and/or volunteering at the organization’s special events, and so on.

Board contracts are marvelous creatures, because they reduce the risk that the board member “didn’t know” what was expected. We think that the board members themselves are the ones who should craft the terms of the contract with input from the CEO; this reinforces the notion the directors’ duty of care, duty of loyalty, and level of authority.

This approach keeps everybody on their toes.

### ***The Formal Policy Model***

If you and your board prefer the more formal and lengthier model of a policy statement, you might craft something that looks like this. Feel free to copy it. The format is based loosely on that utilized in the model called Policy Governance®. You will find many other great examples of board policies in John Carver and Miriam Mayhew Carver’s excellent book *Reinventing Your Board*, not to mention Board Source and many other places.

POLICY TYPE: GOVERNANCE PROCESS

POLICY TITLE: BOARD MEMBER CONTRIBUTIONS

*Because board service implies a commitment of the board member’s skills, time, talent and treasure, it is accepted that all board members will make financial contributions to [this institution]. Accordingly,*

1. All board members will make every effort to meet the minimum amount of financial contribution, currently \$\_\_\_\_\_, every year.
  - a. Contributions may be made from the board member’s private resources, or may be raised in any manner that does not conflict with Executive Limitations or otherwise compromise the organization.
  - b. Contributions may be scheduled in a series of smaller gifts or payments.

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- c. In the case of financial hardship, a board member who is unable to meet the minimum requirement may contribute to the best of his or her ability with the approval of the Board Chair.
2. Recognizing that major funding sources take the board's financial contribution into account when assessing our organization as a potential beneficiary, the members of the board commit to achieving 100% compliance with this policy every year.

## **WHAT ELSE KEEPS THE BOARD INVOLVED IN FUNDRAISING?**

Always remember this: the board's primary job is to make sure the organization is worth raising money for in the first place. (Thanks for a second time, John Carver!) If you think of your board as a "fundraising" board, then that probably means your board willingly becomes involved in peer solicitation. It means that your board also addresses the five other key roles of involvement in the fundraising effort, for which you should read another SMART Practices Report [The Board's Role in Fundraising](#). We hope it also means that your board provides excellent governance, represents the community you serve appropriately, and challenges you and your staff to ever higher levels of results and accountability.

The board has several obligations that revolve around establishing fundraising goals and objectives – high enough to meet the strategic objectives of the organization and facilitate advancement of the mission, low enough to be achievable, prioritized appropriately to reduce risk and enable success.

Badgering your board to give money, punishing board members for their failure to give, and some other equally distasteful things may happen from time to time. I've certainly heard my share of war stories. But staff and board must understand that board service is a privilege, an honor and a serious responsibility. If you all talk about the big questions enough, you'll end up with a better board, a better staff, happier clients and better results all around.

## ELLEN BRISTOL



Ellen Bristol, president of Bristol Strategy Group, works with nonprofit organizations to improve the effectiveness of their fundraising efforts, improve total income and fund diversification, involve board and staff members more effectively, reduce turnover in the development office and maintain desired levels of quality and services.

Ellen and her team redefine the ways that fundraising teams and initiatives are designed, deployed and managed. They ensure that fundraising is tightly aligned with the mission and values, ensuring that marketing, outreach, programs and operations will produce the best possible outcomes while managing costs and shrinking cycle times. In addition to their work in strategic fund development planning and processes, the team also provides consulting services for strategic planning, board development, and leadership training.

Some typical results include:

- Moved a major player in community development from financial struggles to a healthy surplus, by making changes in governance policy
- Launched a fund diversification program for a housing agency for the first time in its history
- Built a process for defining the agency's performance goals that produced measurable gains in overall performance over a five-year period, for an economic development agency focusing on at-risk youth

"After many years in the sales business, I realized that many of the lessons I had learned are just as important to nonprofit development professionals. It's my mission to help you and your agency improve your funding through strategic means that will help you to work *less* - and raise *more!*"

Ellen is the creator of the [Leaky Bucket Assessment for Effective Fundraising](#), developer of Fundraising the SMART Way™, the methodology for effective fundraising based on the continuous improvement model, and the author of several books on the use of business analytics for nonprofits. Her work has been accepted and endorsed by the Alliance for Performance Excellence, the national association of state and regional agencies that promote the Malcolm Baldrige Criteria for Performance Excellence. She is a sought-after consultant, mentor and keynote speaker.

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