INSIDE OUT FUNDRAISING

How to Create a Culture of Philanthropy by Treating Systems Instead of Symptoms

Foreword by
Robert Gass, Rockwood Leadership Institute & Social Transformation Project and Linda Wood, Evelyn and Walter Haas, Jr. Fund

Sea Change Strategies

FOREWORD

In *INSIDE OUT FUNDRAISING*, Mark Rovner and Alia McKee are calling for nothing short of a transformation in how fundraising is valued and held in organizations. Transformation is change that is profound, radical and sustainable—change that fundamentally and indelibly alters the very nature of something.

We agree that transformation is what's needed when it comes to raising resources to support social change. Fundraising and resource generation have long been pain points in a sector where there is real ambivalence about money and power. Many of us have experienced how fundraising is viewed as a "necessary evil" separate from the "real work" of making social change.

The stress of fundraising is cited by many executive directors as the number-one cause of burnout, and even a reason for leaving the sector entirely. [1] At the other end of the spectrum, emerging leaders often call out fundraising as one of the job responsibilities for which they feel the least prepared when stepping into the executive role. And in a recent national survey, leaders of color reported feeling at a disadvantage when it comes to fundraising compared to white respondents, even though they were more likely to see themselves as visionary and able to relate to their organization's target population. [2]

Social change leaders who feel powerful in other circumstances are often resistant to engaging in fundraising. We have deeply ingrained and cultural understandings of the propriety of asking for money, and these norms vary widely by race, ethnicity, class and gender. For some, asking people for money touches on personal experiences of scarcity. They confide that asking for money makes them feel like beggars. Meanwhile, fundraisers in social justice organizations report being treated like the "dirty money people" by their colleagues. This, no doubt, contributes to the high rates of turnover in the development position.

1 Marla Cornelius, Rick Moyers, and Jeanne Bell, *Daring to Lead 2011: A National Study of Executive Director Leadership*
2 Sean Thomas-Breitfeld and Frances Kunreuther, *Race to Lead: Confronting the Nonprofit Racial Leadership Gap*

It will take more than new tools and tactics to help organizations break out of these deep-seated, chronic challenges. A growing consensus has emerged that what's needed is a profoundly different stance towards fundraising. It's an approach that's captured in the concept of a "culture of philanthropy," where money and mission are aligned, responsibility for raising resources is shared, and fund development is not just a financial transaction with supporters.

But too little has been written about *how* to help organizations achieve the kind of transformation and culture change this entails.

Clearly, a key ingredient is leadership, and not just at the top level. Developing a culture of philanthropy involves building strong teams across functional silos and helping them find their place of power with raising resources.

Yet culture change is hard. It's difficult to even see what you're trying to change when you're inside it. And all systems have homeostasis. If you only push on one part, it may look like it's changing, but before long the new practices erode and the organization resumes its familiar grooves.

This is why so many fundraising tactics and plans fail.

In recognizing this, and turning their attention to what it takes to transform systems and culture, Mark and Alia are jumpstarting a much-needed conversation.

A common refrain in the social change sector is "be the change." How can raising resources to fund social change be part of the change? This conversation is long overdue.

Through their decades of experience coaching, training and partnering with scores of progressive organizations in their efforts to raise resources, Mark and Alia have learned a lot about what it takes. In this piece, they generously share these lessons, and extend an invitation to all of us to share ours.

Robert Gass

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INTRODUCTION

How many times have you heard that old saying “the definition of insanity is doing the same thing over and over again and expecting a different result?”

Much has been written about the dysfunctions of non profits. We all seem to “know” what the problems are, but we are making little progress in addressing them.

Maybe the real reason we keep getting the “same result” is because we’re *treating symptoms rather than treating systems.*

Both of us had epiphanies—an ‘aha’ moment—last year while attending Robert Gass’s remarkable workshop on transformational consulting. For going on 10 years, we believed it was enough to ply our craft— conduct donor research, develop strategic and creative plans, write copy, mentor clients, and bring in the dough.

In our view, the internal politics, communications breakdowns, backbiting and vague and conflicting leadership demands were just the inevitable background noise of working with non profits. Our approach was to ignore the noise and deliver the donor research, the fundraising strategy, the campaign ideas and the copy. We’d provide a shoulder to cry on and reassure clients that dysfunction happens across all organizations. But for the most part, those internal problems seemed like someone else’s wheelhouse.

Now we believe we had it backwards. Without tackling internal issues head-on, we believe the prospects for major fundraising progress are limited.

This is the thesis of this white paper:

In most organizations, fundraising is limited more by organizational culture and structure than by lack of strategic or tactical know-how.

We also believe that creating sustainable organizations that are primed for real impact is an imperative for non profits.

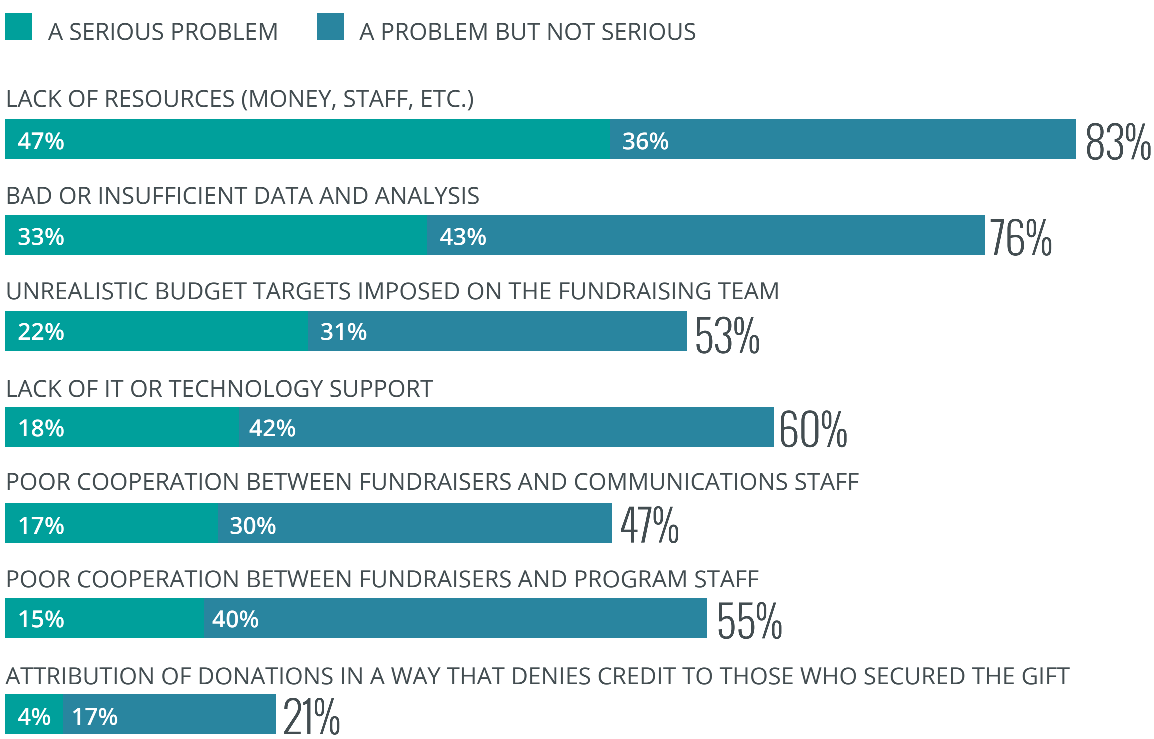
We've worked alongside front-line fundraisers for more than 15 years, and many of the roadblocks we discuss below are all too familiar to development and membership teams.

To confirm our suspicion that internal issues are a core driver of poor fundraising performance, we turned to the larger non profit community, sending a survey to development heads, communications directors, vice presidents, CEOs, consultants and other senior non profit stakeholders. The more than 300 people who responded reinforced our thesis and added quite a bit of texture to the conversation. We're also indebted to the 15 senior professionals who granted extended interviews; their names appear on the acknowledgments page.

Our aim is not merely to add one more whitepaper to the heap of conversations that conclude that fundraising is messed up. We aspire instead to amplify and deepen the discussion around potential experiments and solutions. However omnipresent and stubborn the internal impediments are, that doesn't mean things can't be different. We believe they can. And given the world we live in, must be.

From non profit community survey

Following are some challenges and concerns fundraisers have raised that get in the way of their effectiveness. How big a concern is each for you?



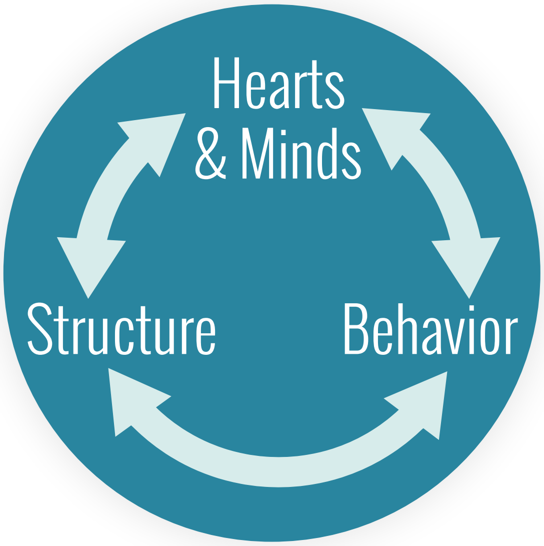
A systems problem requires a systems solution

Success will require *transformational* change. That means addressing the challenge systemically, working it from a variety of angles. Robert Gass has developed a "Wheel of Change" model that he applies to transformational change efforts. He argues that change comes only from working three interdependent spheres simultaneously:

- **Hearts and Minds**, which he defines as the attitudes, beliefs and judgments that are invisible, yet which drive a great deal of behavior. The belief among non-fundraisers that fundraisers are a little bit sleazy or are "selling snake oil," is a common example. Also common are deeply held and rarely articulated conflicting emotions about money and wealth.

- **Behavior**, which includes what people actually do. Who communicates with whom? How do people collaborate…or compete? Who's in the meeting and who's left out? How are conflicts resolved?

- **Structure**, which includes the organizational chart, strategic plans, technology infrastructure, spending budget, personnel policies, donation attribution rules, and, notably, fundraising targets.



Credit: Robert Gass and the Social Transformation Project

The dysfunction that hampers so many organizations' fundraising success is the product of all of these elements working together. Undoing them will require non profit practioners to open their minds to concerted, coordinated and ongoing change at all three levels.

The Gold Standard for Organizations: A Culture of Philanthropy

We are especially inspired by a pair of visionary reports commissioned by the Evelyn and Walter Haas, Jr. Fund. The first of these, *UnderDeveloped*[1], chronicled the mounting challenges facing development directors. In the second, *Beyond Fundraising: What Does it Mean to Build a Culture of Philanthropy*, author Cynthia Gibson spotlighted possible approaches to rethinking fund development at non profits. We embrace Gibson's definition for what constitutes a culture of philanthropy, and use it as a touchstone for transforming fundraising:

> "Generally, a culture of philanthropy is one in which everyone—board, staff and CEO—has a part to play in raising resources for the organization. It's about relationships, not just money. It's as much about keeping donors as acquiring new ones and seeing them as having more than just money to bring to the table. And it's a culture in which fund development is a valued and mission-aligned component of everything the organization does."

Among the 300 or so senior leaders we surveyed, only one respondent in five said they believed their workplace enjoyed a strong culture of philanthropy.

As the Haas, Jr Fund (and more recently Sea Change) found, the absence of a culture of philanthropy correlates with a number of internal ills, including:

- Poor relations between the CEO and the development director;
- High turnover among development director and other fundraising staff;
- Misguided income expectations by the board and CEO;
- Frequent conflict among fundraisers, communications and marketing staff and program staff;
- Infighting among fundraisers as to who gets credit for certain gifts; and
- No time or budget to carry out donor stewardship and a tendency to view donors as faceless sources of money which undermines donor retention.

At Sea Change, we have frequently witnessed all of the above. Many survey participants report similar challenges. We believe the net effect is an inefficient and highly distracted enterprise, where far too much time is spent reacting to localized flare ups and navigating political issues and too little time is spent building and maintaining donor relationships. That almost certainly leads to less money raised and therefore fewer resources available for organizations to accomplish their missions. And, at a time when non profit staff expectations

1 Marla Cornelius, Rick Moyers and Jeanne Bell, *UnderDeveloped: A National Study of Challenges Facing Nonprofit Fundraising*

for a high quality of work life are rising, these dysfunctions contribute to poor morale and high staff turnover organization-wide.

> One veteran fundraiser reports that she is often forced to spend up to 60 percent of her time managing internal politics rather than focusing on raising money and building donor relationships.

So how can we transform a poor—or nonexistent—culture of philanthropy? The remainder of this paper addresses what we believe to be five critical points of intervention for identifying problems and moving toward change. They are:

- Senior leadership
- Managing relationships among fundraisers, communications and program staff
- Getting the right information
- Organizational goal-setting; and
- Re-casting the donor as a true partner in the organization's work

Beyond each of these entry points is a host of potential corrections or interventions, all aimed at creating and maintaining a strong culture of philanthropy across the Wheel of Change (See Robert Gass Wheel of Change Planning Template in Appendix A), and in turn achieving greater long-term fundraising success. We offer this paper as a conversation starting point, a place to begin identifying, diagnosing and addressing internal structural and relational challenges that may be crippling your organization's fundraising future.

A final note: while we offer a variety of possible interventions throughout this paper, we offer them humbly. Organizational change is hard. There are no easy answers or replicable formulas for culture change. In that spirit, we invite you to view these solutions more as useful experiments or areas for further exploration, as opposed to detailed recipes. Approach these tactics with a spirit of curiosity and exploration—and don't try to do everything at once!

We also invite you to help shine a light on the bright spots—those organizations that exemplify healthy cultures of philanthropy. We know you are out there. We've met a few of you. Your success stories will pave the way for others.

The world needs to hear your story.

Alia McKee and Mark Rovner

October 2017

ENTRY POINT ONE:

SENIOR LEADERSHIP

Let's start with the obvious: to have a strong culture of philanthropy you have to have a strong organizational culture to serve as the foundation. That means staff understand where they fit into the larger vision and mission, are driven by a common sense of purpose, and are appreciated. Conflict (which is inevitable) is handled in a straightforward, transparent way.

The organization's senior most leadership, the CEO and the Board, are the drivers of the foundational organizational culture and thus, the drivers of a culture of philanthropy.

> "Only so much can be accomplished by managing up from below. If the CEO and the board don't support the idea that donors are important and that fundraising is part of the mission then there isn't very much you can accomplish to create a culture of philanthropy."
>
> –SURVEY RESPONDENT

There is little hope for successful transformation of an organization's fundraising efforts without the right kind of leadership from the CEO and the board. Many, perhaps most, of the obstacles that hamper fundraising have their origins at the very top. The CEO is by necessity also the keeper of culture for the organization they lead. Staff are extremely attentive to the CEO's attitudes and behaviors, and that inevitably ripples out and down to others.

CEOs have overwhelming jobs. They need to keep the lights lit, the board happy, the money flowing and at the same time they need to see that the organization is fulfilling its mission, now and in the future. "I am scheduled to within an inch of my life," said one veteran CEO. So, while the CEO bears a great deal of responsibility for fundraising success, and while many of the concerns surfaced by our research land on his or her desk, it's also important to have respect and compassion for the enormity of their jobs.

Roadblocks to Success

- **CEO doesn’t understand fundraising**

Where do CEOs come from? In our experience, most new CEOs fall into one of three categories: (1) Senior program staff who ascend to the role; (2) Foundation program officers and leaders; and (3) The private sector. These three categories share one glaring quality—they have no reason to know how fundraising works or what will be expected of them to make fundraising successful.

CEOs with no fundraising experience are prone to destructive misconceptions. We have seen CEOs view their development director as a sort of ‘bounty hunter’ who is expected to go off and ‘bag some donors.’ Others may give their development team inflated ‘stretch goals’ that lead to short-term thinking and donor abuse. It’s not necessarily the CEO’s fault—there may be nothing in their work history that prepares them for the reality of their fundraising responsibility.

CEOs often also exhibit what we lovingly called “Spock syndrome,” an erroneous belief that logic and data will persuade people to give, even after reams of studies and decades of experience show that nearly all charitable giving is rooted in emotion. This can lead to long and tedious tousles over fundraising copy and often results in less effective communications.

“In my experience how invested the leadership of the organization is in fundraising and what their attitude toward fundraising is has an enormous impact on internal politics. When presidents and CEOs are really engaged with the fundraising team I find there tends to be less internal politics around fundraising because there tends to be more of a culture of giving.”

—Megan Contakes, Founder and CEO, Integrated Direct Marketing

“We know people don’t care about facts so yes, I think it can be very difficult to convince a CEO who is really all about the facts and the stats and ‘if people just had the information they would do the right thing’ that story-based fundraising is really the way to go. That is a constant battle that sometimes you win and often you lose.”

–SURVEY RESPONDENT

Another manifestation of this is a belief by a CEO that fundraising is a 'necessary evil.' Also a common occurrence, this attitude can filter down through other divisions, and can embed itself in the organization's culture. When this happens, every internal battle a fundraiser faces becomes an uphill one.

Here's how one survey respondent described their situation:

"Very little support or resources are directed to our fundraising efforts. I am expected to just 'get it done.' It's frustrating because we could do so much more, and do it better, but neither the board nor the CEO place a great deal of importance on it."
—Survey respondent

- **Poor relationship between CEO and development director**

It's almost impossible to envision a scenario in which a dysfunctional partnership between the CEO and development director leads to good fundraising outcomes. While many of the survey participants give their CEO high marks, a third give their boss a C or below for their fundraising performance. And the distrust apparently goes both ways. The Haas report *Underdeveloped* identified a lack of trust by CEOs in their development directors, and we found evidence of that as well.

Mark had a client recently who had gone through five development directors in four years. None, it seemed, was up to the job of meeting the organization's fundraising target. And how were those targets set? Arbitrarily by the board and ED. And based on what? This is a direct quote from the chairman of the board development committee: "because that's how much we needed."

- **Unclear priorities and conflict aversion**

Often the root of conflict between fundraising and other organizational divisions is unclear guidance or reluctance by senior management to step in to resolve disagreements. This is a common cause of clashes and miscommunication among fundraising, communications and programs teams, as staff pursue unaligned objectives. We address this in greater detail in the section entitled The Golden Trio.

- **The Board**

Literally and figuratively, the buck stops with the board. Both Alia and Mark have served on non profit boards, and can attest to the extreme variation in board attitudes, culture and accountability. Small wonder that in our research, the board was frequently cited as a major contributor to fundraising difficulty.

"I know very few CEOs who have the degree of involvement and delivery that they would hope for from their boards on the fundraising front," reported one experienced CEO.

Survey respondents were harsh in their assessments of their board. Asked to assign a grade of A to F, nearly 70 percent of the fundraisers gave their boards a grade of C or lower. More than a third gave their board a D or F.

"The major thing the board did wrong was to set unrealistic and not well thought out growth goals. They thought they had a strategic plan, but there was no clear plan and nothing particularly strategic about it."

–SURVEY RESPONDENT

Boards are often a key source of 'big goals' that sound wonderful and visionary on paper, but distort priorities, take up time, and end up costing money. Mark was a VP at a large national nonprofit when a new board chair came in, eager to make his mark. He suggested a "Big Hairy Audacious Goal" of growing the membership by 10-fold in 5 years. It took the development team many many hours to persuade him that such a goal was improbable at best and that the effort might well bankrupt the organization.

Culture of Philanthropy Experiments

For each entry point, we provide some ideas for interventions that could shift an organization toward a culture of philanthropy mindset. Pick and choose from the interventions that both seem doable and that might make a difference given the specifics of your situation.

1. Clearly enumerate fundraising expectations for the CEO

Sustaining a culture of philanthropy should be in the CEO's job description (and should be clearly articulated as a board responsibility as well). Among every CEO's core responsibilities are:

- Actively and visibly engaging in fundraising;
- Communicating and modeling a positive attitude toward fundraising and toward donors;
- Personally stewarding some donor relationships; and
- Ensuring adequate investment in fundraising infrastructure.

2. Training and coaching for the CEO

There is an art and science to fundraising that is learnable. If the CEO is motivated and receives the training and resources needed to become fundraising-literate, there is no reason she or he cannot master this part of their job.

"There are certain things that the CEO of an organization must do, needs to do, must learn, must master. I think boards take too much for granted that the leader is ready to step up and doesn't recognize that they need a support system around them when they come in."

–SURVEY RESPONDENT

What is less excusable is a new CEO who does not treat fundraising as central to their job, does not recognize their own gaps in knowledge, and is unwilling to learn or grow.

3. 'Marriage counseling' for CEO and development director

This relationship is absolutely critical to fundraising success. The CEO and development director need to work hand in glove. Where that is not happening, outside consulting can help identify and eliminate any obstacles to the partnership.

4. Get the board on board

- Clarify and enumerate board responsibilities for fundraising and maintaining a culture of philanthropy.
- Invest in board training and coaching. Board members are a varied lot. Most come from fields or backgrounds that give them limited exposure to the realities of fundraising.

5. Hold the CEO accountable for maintaining a healthy fundraising culture.

The board must include a healthy fundraising culture as a key performance indicator of the CEO.

Senior Leadership and the Wheel of Change

The challenges of leading a culture shift highlight all three areas of the wheel of change.

Hearts and Minds:

If the CEO does not either understand or respect fundraising, that will echo through the organization's culture. And it's not only what senior leaders express outwardly. Their inward degree of comfort with fundraising is what will change their behaviors and set the tone for everyone else.

Behaviors:

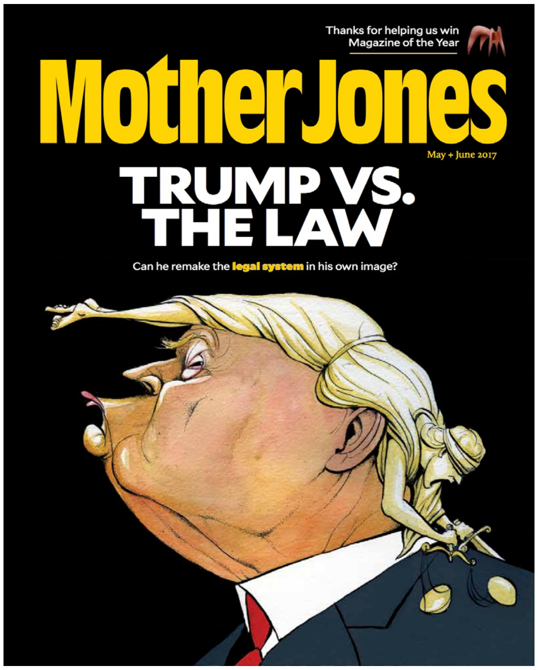
If the CEO does not embrace fundraising and prioritize it with her board and development team, behaviors that sideline fundraising will likely emerge. Fundraising will not be a central part of an organization's strategy and will become an afterthought. Seth Godin calls this a "meatball sundae" when your marketing is out of sync with your "product" or programs in the cases of non profits.

Structures:

Unless the CEO commits to the investments needed to fundraise, there is an ever present risk that unrealistic expectations and insufficient resources will play a negative role in creating the structures of the organization. Technology and database administration will go underfunded. Investments needed to retain and acquire new donors will be stretched thin. Professional development for fundraising staff will get cut.

LEADERSHIP BRIGHT SPOT

How Curious Minds Can Build a Culture of Philanthropy



Senior leadership teams up with Marketing and Membership to rethink fundraising and build a sustainable reader-supported model for journalism at Mother Jones.

Zen teacher Shunryu Suzuki says, “In the beginner’s mind there are many possibilities, in the expert’s mind there are few.”

At Mother Jones, senior leadership embraces the beginner’s mind and the possibilities it brings.

An attitude of openness, eagerness and lack of preconceptions kept surfacing again and again during our discussion with Mother Jones CEO Monika Bauerlein, Publisher Steve Katz and Marketing and Membership Director Brian Hiatt.

Monika, who became CEO in 2015 after serving as co-editor with Clara Jeffery for nine years, summed it up: “If you had to describe me in three words, curious would be right up there. It’s why I gravitated to journalism. I often find myself thinking that this job as CEO feels like a reporting assignment. I wake up in the morning and confront things I know very little about—things like fundraising. It’s my job to learn about things I don’t know.”

Steve, who guides development efforts, adds, “During my career, I’ve worked with artists, lawyers and reporters—they all go through a process for coming to terms with the way money rolls into an organization and how to work with the staff charged with making that happen. It’s really great when the CEO is supportive of what Brian and I do in terms of fundraising and can translate that back to the rest of the staff. Monika has the chops, curiosity and credibility within the editorial department to share that story."

Brian emphasizes that the understanding has to go both ways. "One of the core strategies that we've done with fundraising content is to apply the same values of journalism to fundraising—be transparent and substantive."

Steve adds, "The donors I work with pride themselves on being astute, smart and discriminating. But their hearts drive everything. I don't see conflict [between the rational and emotional]."

When discussing the board, Monika says, "We are engaged in creating more opportunities for board members to function as ambassadors for Mother Jones to the larger community. The campaign we launched last year "The Moment for Mother Jones" has been a big part of that. It's redefining how we raise money and the role the board plays.

So what are the biggest pain points?

Monika says, "Much of it has to do with resource allocation in terms of real estate on the site and emails we send to readers. Historically, there is resource competition between advertising and fundraising because both are important revenue streams for Mother Jones. In the last few years, with the help of Brian, Steve and senior advertising staff, we've developed a voice and channels on the site and via email that allow us to speak to our readers without competing amongst ourselves."

Steve says, "It also used to be a struggle to get the attention of the editorial team in terms of how to talk to our community. But that's not the case anymore. We're having conversations together."

And it's working.

Brian says, "Last December, I worked directly with one of our reporters who had covered some big scoops relating to the Trump campaign to develop an appeal. He wrote the email himself. That was a breakthrough."

So where are their sights set now?

Monika says, "We have a really smart organization and we know we have an enormous opportunity to do transformative things that would put Mother Jones on a path to grow and sustain itself. Unlike our commercial competitors, we don't have the capital to throw down on an opportunity. But the campaign we're embarked on is a remedy to that."

BOARD BRIGHT SPOT

This agreement is given to board members at PAI to clearly identify their responsibilities in building a culture of philanthropy.

CHAMPIONS OF GLOBAL REPRODUCTIVE RIGHTS
pai.org

PAI "TRIPLE A BOARD" SURVEY
BOARD OF DIRECTORS MEETING
NOVEMBER 29, 2016

BOARD MEMBER: ______________________________

WHAT IS A 'TRIPLE A BOARD'? A board with an AAA Rating is one where every board member is motivated to be an Ambassador, Advocate and/or Asker—these boards thrive when there is a culture of philanthropy throughout the organization.

THE CULTURE OF PHILANTHROPY
• Involves the full 'development team'—board, other volunteers, staff and highly engaged donors
• Commitment to mission, vision and values
• An understanding that each interaction with anyone in the community is part of the development process
• Everyone thinks "development"
• Staff, board and other volunteers understand the importance and purpose of the organization
• Visitors, employees, donors and volunteers feel the culture when they interact with our organization

THE AMBASSADOR
• Has made a financial commitment to the organization
• Is a role played by everyone
• Has key roles in cultivation of prospective donors and stewardship of continuing donor-investors
• Needs to be well oriented and coached in the message
• Has developed and mastered the "elevator speech" (and the "elevator question")
• Is a catalyst for donor-investor renewal

THE ADVOCATE
• Has made a financial commitment to the organization
• Accepts assignments for strategic information sharing (formal and informal) about the organization
• May advocate on a formal basis with elected officials, foundation officers and/or another organization with which the organization is partnering or informally with colleagues or potential board recruits.
• Is informed about the case for support and understands the strategic plan and vision
• Is coached on desired results of personal advocacy and handling objections

THE ASKER
• Has made a financial commitment to the organization
• Enjoys sharing his/her enthusiasm for the organization and asking for investment
• Is well informed, well trained
• Is "matched" with prospective donors (or current donor-investors) for maximum possibility of success
• Teams with another board 'Asker' or staff leader
• Collaborates with staff on the ask so the Asker's focus can be on the single purpose of getting (or renewing) the gift
• Benefits from the work of the Ambassadors and Advocates

PAI aspires to have a "Triple A Board." They define this as one where every board member is motivated to be an Ambassador, Advocate and/or Asker. They write, "These boards thrive when there is a culture of philanthropy throughout the organization." This approach is based on a survey presented by fundraising consultant Kay Sprinkel Grace in her book The AAA Way to Fundraising Success. (www.kaygrace.org). PAI worked directly with Ms. Grace on their Board development.

ENTRY POINT TWO:

THE GOLDEN TRIO/ DEVELOPMENT, PROGRAMS AND COMMUNICATIONS

Drums, bass and guitar
Life, liberty and the pursuit of happiness
The Dude, Walter and Donny

Three is indeed a magic number. And it goes beyond sequels, stooges and strikes.

We believe that there's no trio more important to building a culture of philanthropy than development, programs and communications.

- Without programs, an organization doesn't have the strategy and resulting impact to achieve its mission. Further, there's nothing for communications to tell and nothing for fundraising to sell. An organization without programs is just a front.
- Without fundraising, an organization doesn't have the resources to fund its programs to achieve its mission. Further, there is no funding for a communications strategy—or anything else for that matter. Without resources, everything comes to a halt.
- Without communications, an organization doesn't have the brand awareness and credibility to raise money and promote its programs. Without a communications platform, an organization is just talking to itself.

We call these interdependent departments the golden trio. But for many organizations the trio is out of tune and for some, the band is on the verge of breaking up.

We've worked with organizations where leaders of the trio wouldn't even speak with one another. They would jockey for power in team meetings and volley stinging emails instead of finding common ground. Have you experienced this tension in your workplace? Why would mission-driven staff focus on politics rather than impact? What roadblocks are getting in the way?

Roadblocks to Success

- **Lack of leadership**

The golden trio needs a skilled leader. We believe CEOs must take responsibility for bridging the divides that inevitably arise among programs, fundraising and communications. There will be tensions among these teams—alignment on messaging and priorities being one for example—and the CEO must take responsibility for alleviating these tensions for the good of the organization.

We believe that building a strong culture of philanthropy is a way to align all three areas of expertise around a shared vision. One CEO we interviewed said it this way: "We must improve our programs and messaging to consistently and effectively connect to fundraising."

> It is worth emphasizing that 100% of CEOs we surveyed said that having a culture of philanthropy is "hugely important" and "critical" for creating sustainable organizations. But half of them say their organization does not have such a culture.

Notably, a majority of CEOs cite building bridges between programs, development and communications as an area of opportunity, but one that has been neglected.

"I want to create a process by which program, communications and development communicate better and in meaningful ways."
—Survey respondent

CEOs also say:

> "We need a well crafted and coordinated strategic plan that bridges departmental silos and puts an emphasis on financial stability."
> —Survey respondent

Yet CEOs cite lack of trust in development professionals, lack of support from the board and lack of their own time and interest as the primary barriers to engaging in fundraising.

> "The development director has not provided a strategic fundraising plan that I can champion."
> —Survey respondent

> "I have yet to find a development team that adequately manages up to me."
> —Survey respondent

> "I prioritize program work over funding work. It's what I prefer to focus on."
> —Survey respondent

As noted previously, despite tenuous trust from the CEO, half of fundraisers give their CEO an A or B grade in regards to their efforts to raise funds for the organization.

> "He is just a natural at asking for money, and getting a yes."
> —Survey respondent

> "She is the face of the organization and represents it extremely well. She builds fundraising prowess through relationship-building, and it is indispensable to the team's success."
> —Survey respondent

> "I have a fabulous CEO who loves the art & science of fundraising. She's willing to make the calls, write the letters, attend meetings—and truly respects the fundraisers for their knowledge and expertise. She also believes wholeheartedly in creating a culture of philanthropy, from the board to the person at the front desk."
> —Teri Blandon, VP for External Relations, PAI (see an extended interview with Teri at p. 49)

> "The CEO must help build a culture of philanthropy and could do a better job of ensuring all our staff is clear on this ideology. Our program staff would certainly support that as long as it was clearly articulated."
>
> –SURVEY RESPONDENT

Nonetheless, fundraisers believe CEOs can do more to create a culture of philanthropy:

> "He hates fundraising and won't even approach the board with an ask."
> —Survey respondent

> "Our ED is incredibly smart. He's also an "idea guy" who throws a million ideas at you and leaves you—and everyone else—to figure out which he actually wants to do."
> —Survey respondent

> "She is an academic lawyer and thinks that fundraising is beneath her."
> —Survey respondent

Building a culture of philanthropy is a change initiative and according to a study in the *Harvard Business Review* 70% of change initiatives fail.

One of the biggest mistakes made in change initiatives is conflicting messages from leadership and managers. The only way to avoid this mistake is to get complete and clear buy-in on building a culture of philanthropy from the executive team and board, which then gets filtered down through VP's and mid-level managers. Without that, proceed no further.

- **Lack of understanding of each team's strategic job functions**

Without the steady hand of a bridge-building CEO, the trio tends to compete for authority, funding and visibility. A lack of understanding of each team's strategic functions creates dysfunctional trios.

Program staff say:

> "Fundraising makes me feel dirty."
> —Survey respondent

> "I don't understand why fundraisers won't highlight the work I'm doing. We need to educate our donors about this crisis—then they'll care."
> —One-on-one interview subject

> "I feel overworked and I get frustrated when I see my efforts dumbed down."
> —Survey respondent

> "The issue for me is time. There's not enough time to do my job and review all fundraising and communications messages."
> —Survey respondent

Meanwhile, fundraisers say:

> "The programs team is out of touch with what raises money and think people on the fundraising side don't know what we're doing."
> —Survey respondent

> "Most program staff think they understand fundraising (They might understand foundation fundraising) but they don't understand direct response." —Survey respondent

> "Without a directive from the top, we've had to rely on the kindness of individual colleagues we've been able to build relationships with. Our organization needs a culture shift."
> —Survey respondent

> "They are very busy with programmatic work. I don't think they understand that everyone is an ambassador for the institution, including them."
> —Survey respondent

> "The symbiotic relationship between fundraisers and program staff is not well understood. The result of this tension is a struggle to demonstrate impact to donors—which in turn affects our ability to fundraise, which then leaves fewer resources available for delivery of programs."
> —Survey respondent

Communications staff say:

> "Fundraising staff want to treat communications as adjuncts or technical experts rather than creating an integrated strategy."
> —Survey respondent

> "There are differences in team working style and approaches; Teams do not have shared understanding of what 'integration' and 'collaboration' mean."
> —Survey respondent

And fundraisers respond saying:

> "Communications staff … are often focused on the technical accuracies of communication, rather than conveying emotion."
> —Survey respondent

> "The communications staff is usually at odds with the needs of development. They pick their messages and campaigns to satisfy what the president wants to hear rather than what donors want to hear."
> —Survey respondent

But there are bright spots:

> "We've seen great movement, thanks to our CEO combining development and communications into one External Relations department a year ago. It's been a learning curve of course, but we're figuring it out."
> —Survey respondent

> "We all do work to help create opportunities to report successes to donors, but we're doing more to fully integrate to ensure the programmatic work we do meets goals of helping fundraise, and fundraising activities tap into our ability to advance our mission so we can message that."
> —Survey respondent

- **Lack of clarity on roles and responsibilities**

Even when teams understand their strategic job functions, lack of clarity on roles and responsibilities can erode trust. Critical questions include:

- Who is identifying strategic program priorities? Do those program priorities reflect issues donors care about?
- Who is identifying large-scale campaigns? Do they showcase credible angles for impact? Are there clear reasons why donors would want to fund these initiatives?
- Who is in charge of messaging and branding for each audience?
- Who is in charge of writing and editing for each audience?
- Who has final sign-off on creative?
- Who is helping to find stories that showcase the work the organization does?

Fundraisers say:

> "There's confusion about who is in charge of messaging—development or communications. No one knows who ultimately calls the shots."

> —Survey respondent

Communicators say:

> "There is disagreement on messaging and framing and disagreement on use of brand standards."
> —Survey respondent

Programs staff say:

> "We should ultimately have a say on what messages are out in the world, but lines of authority are unclear."
> —Survey respondent

One communications staffer said it like this: "We need the ED to clarify roles, responsibilities, expectations, and strategies so that it's clear and transparent who is supposed to do what."

- **Unrealistic goals**

Each member of the trio has their own stress and anxiety in relation to achieving their goals. However, the pressure for fundraisers to hit unrealistic goals eats away at their relationships with both programs and communications.

Having a realistic fundraising goal (see The Right Goals), while also giving every department a fundraising-related goal can alleviate this tension. For example:

(1) Program teams must identify 3 fundraising stories per month.
(2) Communications teams must recruit 1,000 qualified donor leads per month.
(3) Science teams must vet copy within a 48 hour time frame and only make factual changes.
(4) Culture of philanthropy metrics are incorporated into performance reviews across teams.

- **Culture of Philanthropy Experiments**

Consider one or more of the following strategies as part of your change initiative.

(1) Train Executive leadership in aligning the Golden Trio

Boards, CEOs and VPs must understand the inherent tensions among departments and be trained on how to bridge those divides. If you do one thing in this section, focus on training executive leadership to align these crucial departments.

(2) Development, Program and Communications need to integrate more effectively

Golden Trio members must understand each other's strategic job functions and meet quarterly to discuss projects through the lens of interdependencies.

(3) Executive leadership must direct the trio

Either the CEO or VP-level managers must clarify roles, responsibilities, expectations, and strategies using tools like DARCI (see Appendix B) and every person in the Golden Trio should have a fundraising goal and responsibility.

The Golden Trio and the Wheel of Change

You could have a field day trying to sort out what's driving what when applying the wheel of change to these relationships. Clearly there is a lot going on.

<u>Hearts and Minds:</u>

The hearts and minds piece is significant. Program people tell each other stories about fundraisers that discourage close cooperation. Fundraisers tell each other stories about communicators. And so on. One key here, in addition to getting the leadership piece right, will be to surface the negative beliefs and deal with them in a forthright way.

<u>Behaviors:</u>

Once the CEO helps surface beliefs and attitudes about fundraising and has discussed their impact on the organization, the leaders of the golden trio must meet—in some fashion—to adjust "business as usual" behaviors and to keep lines of communication open. Without ongoing communication, bad habits will resurface.

<u>Structures:</u>

This is where fun with organizational charts comes in. Based on your organization's needs, how should fundraising, communications and programs be structured? Who reports to whom and why?

Further, applying the DARCI model in Appendix B can help establish clear accountability for roles across teams, making integrated projects less fraught.

GOLDEN TRIO BRIGHT SPOT

What Makes Gary Langham So Cool?

Gary Langham is the Chief Scientist at the National Audubon Society. He manages a 12-person science team, which produces the data that Audubon relies on to realize the most effective conservation outcomes.

As fundraising consultants, we've worked with Gary frequently and we often ask ourselves, "Why is our relationship with Gary so much more productive than our relationships with program staff at other organizations?"

Gary Langham and the Audubon science team released a groundbreaking report that shows a flight plan for birds in a warming world.

We interviewed him to find out.

He cut to the punchline immediately, yet humbly—as is Gary's way.

"Here's the secret sauce. I tell all my new science staff, 'You have an academic point of view and you've been taught to think that point of view is truth. But's it's just a point of view. Don't stop being an academic in your job, but when you work with communications and fundraising, you must realize that their currency of success is different than yours. Not less valid. Just different.'"

Still, Gary understands the tension that arises.

"Even though I tell my team this, they are so trained as scientists, it's hard for them to change. As a scientist, you are trained to never say anything that is not true. That's why we always seem so boring. We don't want to say anything that might expose ourselves to accusation of falsehood."

"I understand that the job of fundraising is to say something thrilling and exciting that will motivate someone to join or give. But exciting messaging is the opposite of scientific truth. That's where seeing and balancing the different points of view must come in."

In regards to capacity for supporting fundraising and communications, Gary says,"It's part of the culture shift. My science team costs Audubon a lot of money and being an asset to communications and fundraising is part of our job. We have to care about fundraising. We have to make the time. And of course, we have to push back on fundraisers if they give us insufficient time to review or collaborate or stray too far from the facts."

Gary believes so much in building this capacity, he has two staff who are experts on bird biology that fundraisers have direct access to. "Fundraisers send content to both of them with me cc-d. I've picked the right staff who like talking about birds in an accessible way. And I've made it part of their job—even in performance reviews."

Candid Conversation

Despite bright spots, there is still a lot of trust building that needs to happen between these teams. One well known marketing and communications strategist told us,

"I'm so fed up with fundraisers. Their appetite for risk and innovation is so low. They say, 'We can't afford to play around with our list. We can't afford to play around with our donors. There are always a million reasons why they shouldn't be doing something different. I hope I get to retire before it all implodes."

Still tensions arise because of each team's process and goals. Gary says,"The pacing and timing of things are very different between science and fundraising teams. Science might take five years to finish something, while fundraising is looking for content much more frequently."

"Collaboration needs to be cleared by the CEO. But for us, we've had to negotiate the real partnerships at the VP level. We trust the personalities. There is a record of working together well. We have established relationships and a track record of success."

So how did Gary learn to collaborate so well?

"My first degree was in English. That makes me appreciate the different points of view. One is not more valid than the other. They both have their place and they both are potential liabilities. We don't want high flying language that's not true. But we don't want science that's not compelling."

"Also, when I was in California, I was doing a full cycle of projects. I would think them up, write them up, sell them, fundraise on them, report on them and interact with different specialists within the organization. That helped me learn quickly."

What about small organizations?

We believe this paper applies equally to small, medium, and larger non profits. We often say it takes a really large organization, where departmental silos lead to tribal competition and enmity, to manifest the worst symptoms of dysfunction.

The beauty of a smaller organization is that it potentially takes fewer people and less time to effect a big change. Silos are non-existent where people wear multiple hats. For instance many of the development directors at smaller organizations are also responsible for marketing and communications. It's still a systems issue, and we would guess change at a smaller organization still requires a systems approach. But the optimal mix of interventions and experiments may differ based on the size and complexity of your organization.

ENTRY POINT THREE:

THE RIGHT INFORMATION

Fundraising without good data is like taking a cross country road trip without a map or GPS. You might meander and see some interesting sights, but if you get to the Grand Canyon, it's by chance and not design.

Nearly half of fundraisers and fundraising consultants we surveyed said bad data or insufficient data and analysis is a serious problem that hinders successful fundraising.

Fundraising professionals say,

> "Poor internal processes result in bad or incomplete data."
> —Survey respondent

> "Understanding your donors is key to fundraising, and that depends on data integrity."
> —Survey respondent

Communications staff also cite data as a point of discord between communications and fundraising departments.

> "Leaders of each team are not on the same page. They prefer to work separately instead of understand each other's work goals and performance metrics."
> —Survey respondent

Interestingly, lack of or insufficient data was not cited as a concern by CEOs. This points to an operations gap between what CEOs hope to achieve and the data and analysis support their staff need to achieve it.

> Further, in this digital age, we are swimming in data. The onslaught of trackable metrics distract from the few core metrics that are essential to fostering a culture of philanthropy. When you focus on superfluous data and metrics, donors get neglected.

The Search for the Data and Technology Goldilocks Zone

Data and technology are a lot like porridge. You don't want them too hot or too cold. You want them just right.

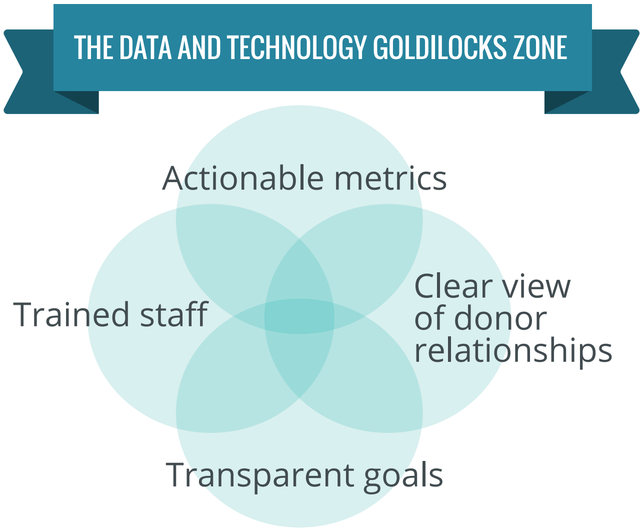
We spoke to data and technology expert TJ Griffin who describes an ideal technology ecosystem as one that does three things:

1) Focuses on syncing only actionable data between systems. TJ says, "When asked the question "What information do you want to sync?" the response is "All of it." Instead, ask, "What information do I need to do X, Y and Z?" followed by "How can I get that information where and when I need it?"

2) Provides an accurate representation at any given time of an individual donor's relationship with the organization, both from a financial perspective and a touchpoint perspective.

3) Shows the right data in an actionable format. TJ says, "Just because you can produce a report of people who made a gift in the last six months doesn't mean you can act on it easily."

This ecosystem can support what we call the Data and Technology Goldilocks Zone that is essential to building a Culture of Philanthropy.



Roadblocks to Success

- **No Guiding Metrics**

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Organizations that lack a culture of philanthropy monitor a myriad of metrics, some that even conflict with each other.

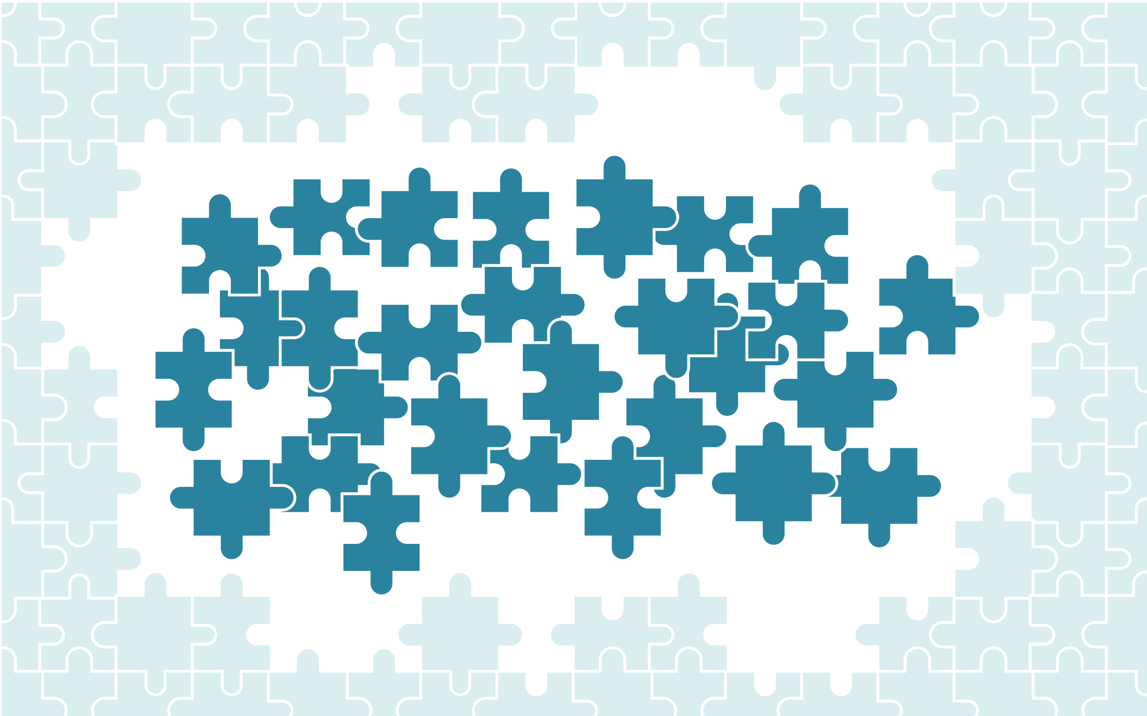
In a culture of philanthropy, the organization will decide on a handful of high-level guiding metrics that showcase the overall health of the organization's relationship with donors. Think of this as a Culture of Philanthropy Index—a Dow Jones or S&P for the non profit set.

These metrics should be shared on a monthly and annual basis with all leadership stakeholders, who can then disseminate them to their teams. We explore specific retention and donor satisfaction metrics we recommend in the section called The Right Goals on page 36.

- **Seeing Donors by Channel Instead of Relationship**

This seems like a no brainer, but with a handful of exceptions, few organizations we know analyze and report activity across channels well.

If you are looking at your supporters through the lens of one channel, they'll look like this.



You must look at donors by relationship vs. channel and your staff must be resourced to sync your online CRM frequently with your database of record and generate corresponding reports.

Further, groups that already have integrated systems must learn to look at their metrics holistically. TJ says, "I had a client that had a fully integrated online/offline database, but the online marketing folks wouldn't look at previous offline giving when making their calculation for gift strings."

> In a true culture of philanthropy, teams are looking at overall donor behavior vs. channel.

Here are some pitfalls of single-channel thinking:

- Trying to determine the return on investment of an online acquired donor via your online CRM without looking at your integrated database of record.
- Inability to measure multi-touch attribution—the numerous touch points across channels and platforms that add up to donor conversion.
- Not syncing online actions taken to your database of record donor profiles to better communicate with donors in the mail.
- Limiting lifetime value of donors to the direct response silo as opposed to showing cradle to grave metrics that showcase true lifetime value from direct response to major giving to planned giving.
- Segmenting your online file based on online data alone and not appropriately stewarding donors (e.g. sustainers who give offline may be flagged as non donors online).
- Not syncing unsubscribe (do not contact, do not email) from offline to online in a timely manner and vice versa.

- **No Willingness to Share**

In addition to the Culture of Philanthropy Index metrics noted above, individual departments should share their monthly, quarterly and annual goals with one another.

We were once in an integrated meeting with the programs team, communications team and fundraising team of an organization. The fundraisers had clear fundraising targets—total revenue for the month, number of sustainers, number of new donors. But no other team could or would share their goals.

We call interdependent goals “having a shared mountain to climb.” Everyone knows they are heading for the same peak even though their job functions lend specific expertise to the trek. Some might excel at ice climbing and technical work. Some might excel at food preparation. Some might excel at pre-prep strategy. But without that shared peak, there’s no reason for them to come together at all.

Further, when resources are scarce, having transparent and shared goals can help sort out who gets what resources, and when and why.

*Not all program goals will be part of the external communications strategy. An organization is like an iceberg. Only the tip – what is most interesting to donors and prospects – will show above the water.

- **Not Investing in Data Operations and Staff Training**

Van Halen sings, "Everybody wants some. I want some too!" This lyric aptly applies to your data operations team.

There's no department more in demand than the team that holds the data. Sadly, they are often understaffed and under-resourced. When I've put in data requests with some clients, I've been asked, "Can I get that to you in three months?"

Further, there is little staff training on database management so they can design and generate reports that highlight actionable data without needing the advanced help of the operations team.

TJ sighed, "This is huge and it's not a one time thing. Ongoing staff training both in terms of professional development and to deal with turnover is a major hurdle. Plus, staff in marketing and development need to be tech savvy. You can't foist all of your reporting needs onto development operations."

Culture of Philanthropy Experiments

Consider one or more of the following strategies as part of your change initiative.

(1) Set out for true north.

Create a multi-channel Culture of Philanthropy Index that the CEO shares with all teams monthly or at a minimum quarterly. This Index should track retention and donor satisfaction. Increases and decreases across the Index should be noted and acted upon across teams. If you do one thing in this section, prioritize finding your true north.

(2) Look at behavior, not transactions.

Create actionable reports that help show a donor's relationship to your organization as opposed to merely listing out their transactions with your organization.

- Who are your super activists?
- Who are your most loyal donors?
- Who are your donors at risk?
- Who are your relationship seekers?
- Who are your all-business transactional donors?
- Who are your hot prospects?

Determine what actions place individuals into what group. Report on that group's behavior. Develop tactics to retain and upgrade members from each group. Measure those groups over time.

(3) Share goals.

Teams should create and share interdependent goals across departmental silos. For instance, communications wants to achieve X. Development wants to achieve Y. How are they interrelated?

(4) Get the technology and training right.

No one loves their database. But find one that meets most of your needs, then invest in training staff—across all teams—on how to use it. Also, invest in a data operations team that can handle advanced data maintenance, deep data analysis and data governance.

The Right Information and the Wheel of Change

The path to focusing on the right information begins with hearts and minds.

Hearts and Minds:
If you haven't yet won over hearts and minds, do not pass go. You will never create a multi-channel Culture of Philanthropy Index or true north to measure. Go back to senior leadership and the golden trio.

Structure:
Once hearts and minds are in the right place, your data infrastructure, will strongly influence behavior. Driving a fundraising strategy with incomplete or inaccurate information is a like navigating with a broken GPS. A thoughtful, strategic and well-resourced data infrastructure will lead to better operations of those systems, which should result in stronger results.

Behavior:
Do not underestimate the need to train staff in managing the data infrastructure and reviewing the performance regularly.

ENTRY POINT FOUR:

GETTING THE GOALS RIGHT

Assuming you can overcome the data hurdles outlined previously, the next big objective is to set core goals that are consistent with a strong culture of philanthropy.

Easier said than done.

It’s a given that in nearly every non profit, there’s more to do than there are people, resources or time to do it. In an environment like that, the Peter Drucker maxim ‘that which gets measured gets done” holds especially true.

In a healthy culture of philanthropy, fundraising goals and objectives are clear, consistent and shared across the organization. Budget expectations reflect strategic thinking from the board on down. Donors are respected partners. Long-term goals are weighed equally with short-term ones.

But a familiar set of roadblocks gets in the way. And the pernicious effect of these roadblocks, while sometimes invisible, can seriously hamper fundraising success.

Roadblocks to Success

- **Show me the money**

Fundraising is about relationships as much as it is about money. When money becomes the only measure of success, trouble ensues. This is especially true of short-term expectations, such as income within a month, a quarter, or even a fiscal year.

Unrealistic budget expectations ranked high among survey respondents’ concerns. Among fundraisers, 51% cited this as a problem in their workplace.

"The CEO is all about the money and not where the support is coming from," commented one respondent. Another said "there is no support for donor-focused anything. The ED and board still regard donors as ATMs and as a source of ego gratification."

Fundraisers talk about how important retention is, but then we get caught up doing other things."

Fundraisers are goal-driven people. Unreasonably high goals or too much focus on near-term targets creates an enormous sense of pressure and urgency among the fundraising staff. Most people do not do their best thinking in that kind of environment. Fundraisers are more likely to cut short or ignore alternative perspectives within the organization. They're also more likely to engage in donor abuse. And tragically, stewardship flies out the window as the next urgent deadline approaches.

"I think it is primarily the pressure to bring in the budget. It is also uncertainty around 'what does a good donor experience actually look like?' It's very time consuming to figure that out … and I have to choose between spending my time on the thing that is going to bring in immediate money to meet my goals."
—Tricia Hart, Director of Membership, Amnesty International USA

- **Attribution hunger games**

Figuring out what triggered a gift has become a nightmare in the digital age. If someone gets a direct mail piece and goes online to make their gift, is that a direct mail gift or a digital one? If a new donor goes online and makes a four-figure gift, who gets credit for that – direct marketing or development?

When each fundraising unit – digital, direct mail, midlevel, major gifts – has its own income targets, conflict blossoms within the fundraising shop over who gets credit for what. That sows seeds for competition and conflict with precisely those folks who need to work as one team to succeed.

We had a client, a digital fundraiser, who refused to send emails asking donors to become monthly sustainers. Why? Because all sustainer income went to the direct mail budget line, and therefore she felt she was cannibalizing her own file. Maybe that sounds selfish, but this individual was being held accountable not for one big bottom line, but for her unit's. What gets measured, gets done.

"At an organization where I used to work we all had to get in the room and explain our numbers, which made you territorial because you didn't want to be dressed down in front of your peers for not making your numbers."
—Megan Contakes, Founder and CEO, Integrated Direct Marketing

- **Unicorn hunting**

Good fundraising takes time, discipline, patience, collaboration and adequate investment in staff and money. If there are real and dependable shortcuts, they have yet to be discovered.

But for an ED that finds fundraising distasteful, or to a board that is unacquainted with how fundraising works, unicorns are deliciously alluring.

Here are two recent ones:

1. Millennial donors. Giving is largely a function of life stage. Millennials are just starting out in life and may be contending with education loans and other debts. According to the last Blackbaud study of giving by generations, millennials were contributing roughly 11 cents of every donated dollar. That's compared with a whopping 69 cents contributed by baby boomers and their parents. If you want the green, you have to go to the grey.

2. Using social media to 'get rich quick.' The ALS ice bucket challenge has become the bane of every development director's existence. Shiny object syndrome meets ginormous payday. We would assess the odds of staging 'another ice bucket challenge' for your organization as only slightly better than buying a winning Powerball ticket.

Social media does have an important and growing role to play in fundraising. We have seen Facebook in particular emerge in the past year as a key part of a mature multichannel strategy. But some EDs and Boards still see social media as some sort of magical easy button. That gets in the way of fully harnessing social media's potential for community building, activism and public engagement.

- **Donor Abuse**

Donor abuse happens when pressure is intense to meet short-term budget goals. We have all experienced the onslaught of fundraising emails from political organizations in the day or two before the end of a quarter. While that's an extreme example of donor abuse, it's easy for many fundraisers to fall into the trap of viewing donors as ATMs. And generally, when donors feel like they are being treated as walking wallets, they are far less likely to renew their support.

Culture of Philanthropy Experiments

Consider the following strategies as part of your change initiative.

1. Redo the dashboard, with retention front and center.

Retention is the perfect organization-wide metric. It aligns with a 'hearts and minds' goal of organization-wide respect and concern for donor relationships and 'behavior' goals of creative collaboration. And as fundraising guru Roger Craver has patiently reminded us a million times, it raises more money. At a minimum, track and closely watch first- and multi-year retention.

Megan Contakes would go a step further. She counsels looking specifically at retention upgrades—habitual givers who are increasing their gift amounts. In either case, make retention a central job performance criterion in annual reviews of fundraising staff.

2. Measure and track donor happiness.

Many consider this to be a 'soft metric,' but many experts believe it's a critical predictor of future success.

Speaking about the private sector, *In Search of Excellence* author Tom Peters says, "in the customer arena, we believe that regular, quantitative measurement of customer satisfaction provides a much better lead indicator of future organizational health than does profitability or market share change."

> "Retention is by far the most important metric I track. I almost ignore revenue..."
> —Director of a multimillion dollar mid level program

There are a number of donor happiness measures to choose from. At Sea Change, we use the Net Promoter Score, a measure developed in 2003 by Bain Consulting. After 12 years surveying dozens of organizations' donor bases, we have found Net Promoter correlates reliably with donor loyalty and generosity. See Appendix C for more information about Net Promoter Score.

The key is to pick one metric, stick with it over time, and report it organization-wide. Donor happiness is everyone's job in a healthy culture of philanthropy.

3. Stop pitting fundraisers against one another.

Clumsy attribution models foster needless and wasteful competition within fundraising teams and eat up time that might otherwise be spent in collaboration and creative experimentation. More and more, we are hearing of organizations adopting a ‘one big pot’ model, in which the only income target that is watched is the sum total of what’s coming in. That may frustrate a CFO or two, but it’s the most reasonable solution for most organizations.

Goals and the Wheel of Change

If the organization does not believe retention and donor satisfaction should be a primary metric, revisit senior leadership’s willingness to promote a culture of philanthropy.

<u>Hearts and Minds:</u>
Again, if you haven’t won over hearts and minds, getting the goals right will be a frustrating conversation.

<u>Structure:</u>
Structure plays a major role here. The organizational chart, budget expectations, how staff are evaluated, and other factors create powerful behavioral incentives. As seen above, those incentives often lead to unproductive unintended results. Donors can be the real losers here.

<u>Behaviors:</u>
The enormous stress of high budget goals makes it difficult for fundraisers to take the time they know they need to take to make stewardship a priority. Shifting the focus to retention could reverse that tendency.

ENTRY LEVEL FIVE:

TREATING THE DONOR AS A REAL PARTNER

Donors are not property. We are people—with insights, passions, struggles, joys and worries.

Engaging with non profits should be a meaningful way for donors to make a difference in a world that often feels unstable and chaotic; to connect with a like-minded community; and, to instill a sense of personal identity and core values.

Some organizations have a “Donor As Property” lens. They see donors as dollar signs; inquiries as irritations; relationships as replaceable.

Others begin with a Culture of Gratitude. They see donors as serious partners. They surprise and delight their donors. They build a strong internal culture that skillfully choreographs every interaction a donor has at any touchpoint.

Sounds daunting, right? We believe it isn’t. A Culture of Gratitude begins with one simple noun: intent.

Excuse us while we drop a little Buddhism here (Mark and Alia are both practitioners of Tibetan Buddhism). In Buddhism, there’s a roadmap to help humans break out of life’s never ending cycle of suffering. It’s called the Eightfold Path and the second direction on this path is to have Right Intention.

People tend to think that thoughts don’t count; only what we do actually matters. But the Buddha said that our thoughts are the forerunner of our actions. “All that we are is the result of what we have thought: it is founded on our thoughts, it is made up of our thoughts.”

So building a culture of gratitude begins with everyone in the organization expressly intending to be grateful. You might not nail it all of the time. But the intention is there and will ripple outwards.

Intention can be set through inquiry and alignment. Some questions to ask your teams are:

- How can we earn the trust of our donors?
- How can each member of the organization—from the volunteers to the ED—help gain this trust?

- How can we thank our donors frequently and genuinely?
- How can each member of the organization—from the receptionist to the SVP of Communications—help thank donors?

- How can we streamline a donor's experience?
- How can each member of the organization—from the IT lead to the Volunteer Coordinator—help with the donor journey?

- How can we talk to donors about what they care about most?
- How can each member of the organization—from the Field Director to the VP of Development—help curate the donor's experience?

After setting your intentions, you must prioritize tactics and operationalize them into staff/volunteer roles and responsibilities.

Roadblocks to Success

- **Lack of a Donor First Attitude Across the Golden Trio**

When asked, "If you could wave your magic wand and change one thing at your organization to increase your effectiveness, what would that be?" a large percentage of fundraisers cite improving donor relationships across teams.

> "If we thank consistently, show impact, and put the donor first it will increase donor satisfaction and revenue. It will help build a culture of philanthropy."
>
> "Many people in our organization just expect that the gifts will happen. They lack a donor-first perspective."

CEOs echo this wish:

> "I want to make sure our team knows that not everyone is the right person to make an ask, but everyone has a role to play that is valuable."

> "We need more fundraising training and strategizing with the board and staff. We have tons of folks that lean in, but we don't take it to the next level as intentionally as we should."

Non profits can take lessons from two customer-centric company cultures.

Zappos

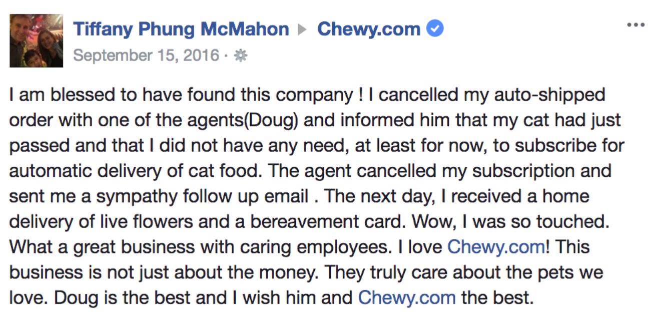
Yes, we're going to highlight Zappos because you can't talk about customer-centric cultures without mentioning them. One practice we especially love is this.

At Zappos, all employees—no matter what their title—get first-hand experience in the customer call center. Regardless of whatever job they will hold after the four-week training, Zappos puts all trainees on the phones so they can interact with the company's customer base and learn the Zappos standard of customer service.

You might not be able to get all your staff to work the phones in Membership Services, but you can get your staff more connected with donors. See the next section about "listening to donors across the golden trio" for ideas.

Chewy.com

Chewy.com was started in 2011 by pet lovers who wanted to create a personalized pet-buying experience.



Early on, when the company began offering automatic shipments of food, they received a call from a woman who had to cancel her service due to the death of her pet.

The agent on the phone wanted to do something. Their VP of customer service said, "We thought of sending a sympathy card, but we knew we had to do more." That prompted the company, which contributes a portion of profits to no-kill animal shelters to open a WOW department that sends out packages including cards and floral arrangements to customers that experience life events ranging from deaths of pets to illnesses to weddings.

While non profits naturally need to manage the cost of "wow" moments, you can still surprise and delight in affordable ways. One client sends handwritten notes (some penned by volunteer donors) thanking every new donor for their gift. A theater (full disclosure Alia serves as board chair) has board members call every gala attendee to thank them for their attendance and support. Another client sends anniversary cards to commemorate the date of a donor's first gift.

- **Not listening to the donor across the golden trio**

The difference between a conversation and a lecture is that both sides are listening in a conversation.

We believe that in order to create a donor first culture, you must:

(1) Pro-actively listen to your donors and share what you learn with them
(2) Respond to donors warmly and quickly
(3) Share donor feedback within organizational teams.

Pro-actively listening could include launching surveys, doing in-depth interviews (IDIs) with a select group of donors, or launching online focus groups that are facilitated discussions with a handful of donors. After engaging in a listening activity, it's helpful to share what you learn with the donors who participated.

Responding to donors includes having well-trained donor service staff answering phone calls, responding to email inquiries and communicating with donors on social media. It also includes having contact information easily accessible via your website and email footers.

Many organizations we work with do one and two well, but don't necessarily communicate what they learn across organizational teams. Creating a monthly donor "feedback" report that programs and communications teams can read can help connect them more deeply with the mindset of donors.

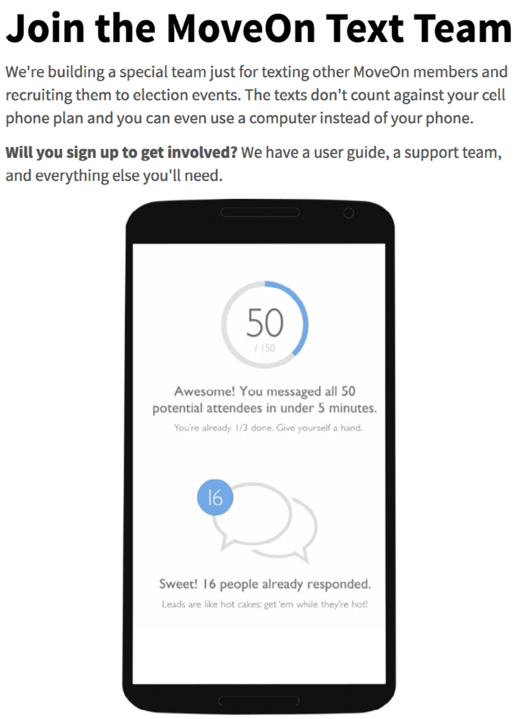
- **Skimping on meaningful ways for the donor to engage—beyond giving money**

Some donors just want to give. Others want to engage with your organization in additional ways. Creating campaigns with multiple engagement points can meet all donor needs.

As you create campaigns, working across the golden trio can help you incorporate volunteer opportunities, advocacy asks, corporate social responsibility engagements and other ways donors can make a difference.

Some of these activities can be relatively light lifts—including telephone town halls, social media Q&A's, advocacy lobby days etc...

Others can be more labor intensive. For example, MoveOn.org created a mobile text team that donors can join to help recruit other members to vote and get involved in election events. Mark participated and spent happy hours mobilizing other MoveOn.org supporters and potential voters with his phone.



- **Not reporting back**

Finally, we believe the most crucial thing you can do to create a donor-first culture is report back to your donors on the impact their giving is having.

Culture of Philanthropy Experiments

Consider one or more of the following strategies as part of your change initiative.

(1) Create a donor bill of rights.

One easy way to kick start this effort is by creating a "Donor Bill of Rights." What can donors expect from your organization? How will they be treated? How does the organization see their role in the mission?

(2) Create a cultivation strategy that has budget and resources.

Create a multi-channel calendar of cultivations including some "remarkable" activities. If cost is a concern, focus high-investment cultivations on loyal donors and high dollar donors.

The cultivation strategy should include some level of listening and reporting back. It should include some engagements beyond giving. It should not get cut due to staff capacity or budget. If you do one thing from this section, prioritize donor cultivation.

Donors and the Wheel of Change

In cultures of philanthropy, the donor plays a central role. How you show authentic gratitude to your donors is part of the entire wheel of change.

Hearts and Minds:
Establishing a culture of gratitude and a sincere recognition that donors are true partners in the work should be a key organizational priority.

Behaviors:
If the organization believes that fundraising is a central mission-driven core of the work, new donor-centric behaviors will emerge naturally, throughout the organization.

Structures:
We have already discussed the role organizational structure can play in causing fundraisers to give donors short shrift. Address those barriers and donors will become a stronger central player in your organization.

Candid Conversation

When Donors Attack

Treating donors like true partners is essential to long-term success, but it has its challenges.

Not all donors are angels. Every fundraiser has a horror story or two of a donor who seemed to believe his or her gift came with wide-ranging power and influence over most every aspect of the organization's operations and strategy. A culture of listening and respect for donors could increase the likelihood of these kinds of intrusions. But that doesn't give a hedge fund manager the right to dictate your organization's social media strategy.

As is the case between boards and staff, a collaborative relationship with donors requires clarity and respect for roles and responsibilities. Occasionally, it also means turning down a large gift if the donor's expectations are unrealistic.

WHEEL OF CHANGE RECOMMENDATIONS

ENTRY POINT	HEARTS & MINDS	BEHAVIORS	STRUCTURES
SENIOR LEADERSHIP	If the CEO does not either understand or respect fundraising, that will echo through the organization's culture. And it's not only what senior leaders express outwardly. Their inward degree of comfort with fundraising is what will change their behaviors and set the tone for everyone else.	If the CEO does not embrace fundraising and prioritize it with her board and development team, behaviors that sideline fundraising will likely emerge. Fundraising will not be a central part of an organization's strategy and will become an afterthought.	Unless the CEO commits to the investments needed to fundraise, there is an ever present risk that unrealistic expectations and insufficient resources will play a negative role in creating the structures of the organization.
THE GOLDEN TRIO	With help from senior leadership, fundraisers, communicators and program staff must surface any negative beliefs about fundraising and deal with them in a forthright way.	Once the beliefs have been surfaced, the leaders of the golden trio must meet—in some fashion—to adjust "business as usual" behaviors and to keep lines of communication open. Without ongoing communication, bad habits will resurface.	Based on your organization's needs, how should fundraising, communications and programs be structured? Who reports to whom and why? Further, applying the DARCI model in Appendix B can help establish clear accountability for roles across teams.
THE RIGHT INFORMATION	If you haven't yet won over hearts and minds, do not pass go. You likely won't create a multi-channel Culture of Philanthropy Index nor make a case for stronger data infrastructure. Go back to senior leadership and the golden trio.	Training staff in managing the data infrastructure and reviewing performance regularly should result in stronger results.	Driving a fundraising strategy with incomplete or inaccurate information is a like navigating with a broken GPS. A thoughtful, strategic and well-resourced data infrastructure is imperative to changing behaviors.
GETTING THE MEASUREMENTS RIGHT	Again, if you haven't won over hearts and minds, getting the goals right will be a frustrating conversation.	The enormous stress of high budget goals makes it difficult for fundraisers to take the time they need to make stewardship a priority. Shifting the focus to retention could reverse that tendency.	Structure plays a major role here. The organizational chart, budget expectations, how staff are evaluated, and other factors create powerful behavioral incentives.
TREATING THE DONOR AS A PROGRAM PARTNER	Establishing a culture of gratitude and sincerely recognizing that donors are true partners in the work should be a key organizational priority.	If the organization believes that fundraising is a central mission-driven core of the work, new donor-centric behaviors will emerge naturally, throughout the organization.	See structural points above. Address those barriers and donors will become a stronger central player in your organization.

CONCLUSION

Recognizing a problem is the first step to solving it. We hope this white paper has kickstarted another conversation about how organizations can transform into cultures of philanthropy.

If you'd like to get a better sense of where your organization stands, take the quick self assessment on page 52 to see where you shine and where you have room to grow.

CULTURE OF PHILANTHROPY

BRIGHT SPOT CASE STUDY

What Does a Healthy Culture of Philanthropy Look Like?

If you think a healthy culture of philanthropy can only exist in theory, meet Teri Blandon. She was one of only 19 fundraisers out of 170 who responded that she enjoyed a strong giving culture at her organization, although she hastened to add that it is a work in progress. We sat down with her for a follow-up interview.

Blandon is Vice President for External Relations at PAI. Blandon and her team. are implementing a strategy focused on donor engagement, drawing in all parts of the organization, from the Board to Programs and Communications to Finance.

Of course Blandon and PAI have their challenges too. They are currently wrestling with the same database problems that plague many nonprofits. There are the issues around competing priorities that vex all organizations. But on other key factors, we have met few development directors who get to check as many boxes as Teri Blandon.

1. CEO is committed to fundraising and is a lifelong learner: CHECK

"[President and CEO] Suzanne Ehlers is someone who really loves fundraising. She appreciates that there is an art and science to it, and she is always eager to learn more. She wanted to bring on someone [as VP of development] who could help her in her own growth as a fundraiser."

2. Close working relationship between development director and CEO: CHECK

Blandon and Ehlers hit it off during the search process for Blandon's job and forged a close working relationship from Day One.

3. Engaged Board: CHECK

Ehlers began revamping the board before Blandon started. Working with consultant Kay Sprinkel Grace, Blandon, Ehlers and the Board chair developed a consultation process with every board member that resulted in each member having an individual fundraising plan reflecting his or her time and interests. See page 17.

4. Close and cooperative relationship with communications: CHECK

When Blandon started, Ehlers merged communications and development into one external relations department and asked Blandon to be VP of both.

Since then, she's been working to foster a spirit of collaboration and mutual respect that melds communications and fundraising into one united team. She quickly points out that the success of this is entirely due to team members buying into the strategy and the process.

"Our director of communications is fantastic and is the key reason why the integration of the two teams has been progressing," says Blandon. She respects the fact that in an advocacy organization, communications plays an integral role in program work and the majority of the communication staff's time is necessarily focused on those objectives. But with Blandon's encouragement, the two teams have developed ways to collaborate when their work aligns.

5. Gratitude strategy in place: CHECK

"Let's say you are a new donor. Every two weeks my individual giving manager and I make calls to anyone at any level to say thank you that they began supporting PAI..."

"For Giving Tuesday, instead of doing solicitations we did a thank-a-thon with PAI staff who wanted to participate. We had 600 donors and wrote thank you notes to all of them, including to our board of directors, including to staff who gave to the organization."

6. Culture of respect for donors: CHECK

It's about lighting donors with that passion for the cause and figuring out how they can then light the passion of others about what you do.... That is the only way you are going to achieve any kind of scale and make your life easier.

"We have a discovery process in the beginning of phone calls and emails to try to talk to [new donors] and find out 'how are you engaged? What do you like about us? What is challenging you about this?' and then figuring out how we bring them into the process; where do we 'touch' them? What are ways they want to be engaged and how do we do that and really get to know them too."

"We are not focused on getting money to us; we are focused on a broader thing. Obviously my bottom line is we need to raise the money, but my belief is that will come if people are engaged with us."

7. Healthy overall work culture: CHECK

"People's work/life balance is critically important here and it is respected. For example, every other Friday – all year round – is a flex Friday, when people can choose to take the day off if they've worked sufficient hours in the two weeks leading up to it."

Culture of Philanthropy Self Assessment

(1) Do your CEO and development director have a strong and trusting relationship?

☐YES

☐NO

☐SOMETIMES

(2) Does your organization use accurate and relevant data to set realistic goals based on investment and staff capacity?

☐YES

☐NO

☐SOMETIMES

(3) Do your board chair and CEO skillfully engage the full board in philanthropic endeavors?

☐YES

☐NO

☐SOMETIMES

(4) Are you tracking donor retention?

☐YES

☐NO

☐SOMETIMES

(5) If so, are your retention rates above industry standard? [Industry first-year donor retention is 25%]

☐YES

☐NO

☐SOMETIMES

(6) Does your organization have low staff turnover—particularly in development?

☐YES

☐NO

☐SOMETIMES

(7) Is conflict between departments resolved quickly and responsibly?

☐YES

☐NO

☐SOMETIMES

If you answered no or sometimes to more than three questions, you likely have culture of philanthropy work to do.

See keys to transformation in each of the five entry points above for ideas.

ACKNOWLEGEMENTS

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Special thanks to Linda Wood and Rachel Baker of the Evelyn and Walter Haas, Jr. Fund. Haas has been a pioneer and an influential advocate of the importance of fostering a culture of philanthropy, and we are grateful for their advice and help with this report.

We are also deeply indebted to Robert Gass, our Yoda, who challenged us to bring a transformational approach to our fundraising practice.

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Finally, we thank our exceptional business manager and research manager Sann Knipple, without whom Sea Change would not exist.

INSIDE OUT FUNDRAISING APPENDIX A

ROBERT GASS WHEEL OF CHANGE PLANNING TEMPLATE

Attribution: Robert Gass and the Social Transformation Project

What it is

A series of questions to consider in planning organizational change

What it can do

This tool can assist you to:

- Bring transformational change perspective to planning organizational change.
- Supplement the data gathered through formal assessments.
- Ensure a comprehensive and systematic approach to implementing change.

When to use it

When contemplating the initiation of an organizational change process

How it works

The digital version of this PDF form can be filled out using Adobe Reader. It can be downloaded at: http://www.stproject.org/resources/tools-for-transformation

NOTE: Depending on the nature and scope of the change process, various questions will be more or less relevant, but there is potential value in considering each of the following guide questions.

Step 1 Review the items listed in the template that follows.

Step 2 For each item, identify what is currently in place or will be needed to ensure successful transformation in each of the three domains of the Wheel of Change.

ROBERT GASS WHEEL OF CHANGE PLANNING TEMPLATE

Attribution: Robert Gass and the Social Transformation Project

Hearts & Minds

What is currently in place or will be needed to ensure that:

Purpose/Vision

- ☐ People can connect the change to their deeper purpose for doing this work.
- ☐ People share a clear and compelling vivid picture of what success would look like.
- ☐ People are committed and aligned with the change process.

Beliefs

- ☐ People believe that they have some power to influence the change process.
- ☐ Potentially limiting beliefs and assumptions are named and addressed.
- ☐ Conditions are created for creative thinking, breakthroughs and new paradigms to empower the change.

Emotions

- ☐ Feelings such as cynicism, resistance to change, anxiety, and anger that might potentially impede or derail the change are skillfully surfaced and addressed.
- ☐ Positive emotions are inspired to help fuel the change process.
- ☐ There is ongoing support and development of individual and collective emotional intelligence.

Belonging

- ☐ There is a collective sense of ownership over the change process throughout all levels of the organization, beginning with top leadership.
- ☐ The trust and partnerships necessary for change are cultivated within and across organizational silos.
- ☐ Safe spaces are created to name and successfully address significant barriers to trust and peoples' sense of belonging – including issues around social identity, inclusion, power and privilege.

ROBERT GASS WHEEL OF CHANGE PLANNING TEMPLATE

Attribution: Robert Gass and the Social Transformation Project

Behavior

What is currently in place or will be needed to ensure that:

Norms

- ☐ Clear norms/team agreements are established that are tied to the success of the change.
- ☐ There is shared commitment and ownership of the norms (especially among top leaders)
- ☐ Everyone at all levels of the organizations understands how they need to act (and not act) to help implement the change.

Communication

- ☐ Top leaders model authenticity and transparency, especially regarding the change process.
- ☐ There is an excellent communication plan for the change process that keeps people well-informed and well-engaged.
- ☐ There is a flow of honest, timely feedback throughout the organization to ensure the learning critical to the success of the change.

Habits

- ☐ There is conscious, sustained practice of new habits (consistent with the new norms).
- ☐ There is adequate time for the reflection and evaluation needed for learning.
- ☐ There is an environment of acceptance for "mistakes" that is integral to learning.

Skills

- ☐ There is a thorough assessment of what skills will be needed to develop or acquire in order to implement the change.
- ☐ There is sufficient training in the critical skills needed for successful implementation of the change, both technical skills as well as personal and interpersonal mastery.
- ☐ Adequate support is available for those playing key roles in the change process (mentoring, professional coaching, peer coaching, etc.)

Structures

What is currently in place or will be needed to ensure that:

Strategies

- ☐ There is a well thought-out plan for the successful launch and implementation of the change process
- ☐ Plans include performance metrics to support successful implementation of the change plan
- ☐ Implications of the proposed changes for existing organizational strategies have been thoroughly explored and addressed

Organizational Structures

- ☐ Structures that best support implementation of the changes are in place or created as part of the change process
- ☐ Existing organizational structures are assessed for their alignment with the proposed changes
- ☐ Potential implications of the changes for existing organizational structures have been thoroughly explored and addressed

Processes

- ☐ Processes that best support implementation of the changes are in place or created as part of the change process
- ☐ Existing organizational processes are assessed for their alignment with the proposed changes
- ☐ Potential implications of the changes for existing organizational processes have been thoroughly explored and addressed

Technology

- ☐ Existing technology has been assessed to ensure maximum support of the proposed changes.
- ☐ New forms of technology have been explored to empower the change and offer possibilities of breakthroughs.
- ☐ The potential role of technology in the transformation is fully integrated into the change process.

DARCI ACCOUNTABILITY TOOL

What it is

A tool for establishing clear accountability in teams and organizations

What it can do

This tool can assist you to:

- Quickly clarify accountability for virtually any organizational activity
- Clarify specific roles for everyone involved in a project
- Create a shared language for assigning and tracking accountability
- Enhance organizational efficiency
- Deepen trust by improving follow-through

How it works

With regard to a specific project, assign clear accountability as follows[1]:

- **DECIDER/DELEGATOR**: Holds the ultimate power re. the project. Power can be retained as the right of final approval/veto, or delegated to the **A**. The **D** might be an individual leader, or it could be a group such as the management team or Board.
- **ACCOUNTABLE**: The single person fully accountable for making the project happen. The **A** must be given sufficient decision-making power and room to learn/adjust commensurate with accountability. It is possible for a **D** to also be the **A**. There should never be more than one **A**. This is an invitation to lack of clear accountability. If no one is willing to be the **A**, do not proceed.
- **RESPONSIBLE**: Those responsible for doing the work on the project. There may be a number of **R**'s on a project. **R**'s are responsible for dealing with roadblocks, raising questions, etc. – not just being "good soldiers."
- **CONSULTED**: Those from whom input will be solicited.
- **INFORMED**: Those to be kept apprised of relevant developments. This is an FYI role. **NOTE**: *__I__'s may not use the information to undermine the process. Unless someone is officially an __I__, consider not cc'ing them on emails. This is a good way to cut down on unnecessary emails.*

[1] Create a DARCI Grid appropriate for your situation using the examples on the following pages.

DARCI ACCOUNTABILITY TOOL

PROJECTS	D **D**ECIDER/ **D**ELEGATOR Holds the ultimate power re. the project. Power can be re-tained as the right of final approval/veto, or delegated to the A.	A **A**CCOUNTABLE The single person fully accountable for making the project happen.	R **R**ESPONSIBLE Those respons-ible for doing the work on the project.	C **C**ONSULTED Those from whom input will be solicited.	I **I**NFORMED Those to be kept apprised of relevant developments.

Things to Consider/Additional Benefits

- **DARCI** becomes a quick shorthand for groups to assign roles: (i.e., “Who’s the **A**? Who are the **R’**s?”)
- Posting a chart of all **DARCI** assignments in the team workspace (electronic or physical) helps keep everyone sharp on their accountabilities.
- This system does not imply hierarchy. These roles can rotate in a flattened organization. In some cases where there will be consensual decision-making, the **D** can even be the whole team.
- Look at all grids over time to help determine needs for staff development and power analysis of staff.
- **DARCI** is fabulous for clearing up the unclear accountability that is endemic in coalition work! The steering committee is often the **D**.
- But, *always* make sure that one person is the **A**. Multiple **A**’s are often a source of breakdowns in coalition work.
- Always have a DARCI grid for every project!

This tool is available online at stproject.org/resources/tools-for-transformation

DARCI ACCOUNTABILITY TOOL

Example 1: DARCI Grid for multiple projects

PROJECTS	DECIDER/ DELEGATOR	ACCOUNTABLE	RESPONSIBLE	CONSULTED	INFORMED
	Holds the ultimate power re. the project	Person fully accountable for making the project happen.	Those responsible for doing the work on the project.	Those from whom input will be solicited.	Those to be kept apprised of relevant developments.
Develop new training curriculum	Jorge	Jennifer	Esther, Barbara, Eli, Sophia, Henry	Dave	Wilma, Jim
Enroll allies in legislative fight	Wilma	Mary	Mary, Gustavo, Pamela	---	Sam, Jorge
Create high donor campaign	Jorge	Ernesto	Sarah, Mercedes	Ephraim, Mark	Board finance committee
Recruit new organizing director	Wilma	Ben	Ben, Sophia	Jane	Jorge
Develop new performance	Jorge	Ben	Kenny, Mercedes	Wilma	---

Example 2: DARCI Grid for Complex Project – Develop Training Curriculum

PROJECTS	DECIDER/ DELEGATOR	ACCOUNTABLE	RESPONSIBLE	CONSULTED	INFORMED	DUE DATE
	Holds the ultimate power re. the project	Person fully accountable for making the project happen.	Those responsible for doing the work on the project.	Those from whom input will be solicited.	Those to be kept apprised of relevant developments.	
Research existing programs	Jennifer	Esther	Esther, Gustavo	---	---	
Create curriculum	Jennifer	Esther	Esther, Gustavo, Eli	Bruce	Jorge, Helen, Mike	
Create training materials	Esther	Barbara	Gustavo, Eli, Sophia	Bruce	Jennifer, Helen, Mike	
Market and enroll trainees	Jennifer	Mary	Mary, Arthur	Maximilian	Esther, Henry, Arthur, Sophia	
Secure site & manage	Jennifer	Pamela	Henry, Arthur, Sophia	---	Esther	

Example 3: Tracking DARCI Roles by Person

PERSON	PROJECT 1 Training	PROJECT 2 Enroll Allies	PROJECT 3 High Donor	PROJECT 4 Hire Director	PROJECT 5 Performance Mgt. tools
Jorge	**D**	**I**	**D**	**I**	**D**
Wilma	**I**	**D**	**D**	**D**	**C**
Jennifer	**A**				
Ernesto			**A**		
Mary		**A**	**R**		
Ben				**A**	**A**
Sophia	**R**			**R**	
Mercedes					**R**
Gustavo	**R**	**R**			

NET PROMOTER SCORE

The Basics

Boiled down to its essentials, a Net Promoter System has just three requirements. Net Promoter organizations:

- Regularly sort their donors and prospects into three simple groups: promoters, passives and detractors by using this question:

  On a 0-to-10 scale, how likely is it that you would recommend us (or this product or service) to a friend or colleague? What is the primary reason for your score?

- Donor responses to the first question allow you to classify them as promoters (9–10), passives (7–8) or detractors (0–6). The responses also enable you to create a Net Promoter Score (NPS®), which is simply the percentage of promoters minus the percentage of detractors.

- You can analyze this score by segment, and you can track it from quarter to quarter to see how your loyalty-building efforts are working.