

## **What Every Executive Director Needs to Know About Fundraising**

Most nonprofit executives especially new ones lack the necessary fundraising skills when they reach the top of the organizational chart. To most in this new position, asking potential donors for financial support seems foreign and quite scary.

**Executive Directors as well as their staffs need to know their agency's story and mission as it relates to the organization and community.**

Most all ED's need to embrace and understand the importance of major gift giving and assume a significant role along with their development staff in nonprofit fundraising.

As outside resources are shrinking, especially in today's competitive environment, JCC's, Y's and other nonprofits should be committed to philanthropy. The ED's time is essential to identify and cultivate those potential donors who possess influence and affluence, while working alongside with their development staff, in order to help shape a potential gift.

Today an ED not having skills and experience in raising money would be unwise and unthinkable. Generating operating revenues from membership income and program fees is often not enough for financial sustainability.

There is an expectation that fundraising will remain a significant part of the ED's job. During the search process that expectation is often well defined upfront.

Yet cultivating donors is not always natural for executives. Nonprofit leaders may have very different skill sets than the attributes that make development professionals successful. ED's are accustomed to supervising staffs, developing and marketing their programs, imparting their knowledge and sharing their expertise. But successful fundraising depends on being a good listener and asking the right questions to understand donor's motivations and passions.

The executives experience has probably not included fundraising fundamentals: identifying prospective donors, the process of soliciting gifts, or having an understanding of the most effective ways to reach and secure donors (for example, spending time making face-to-face visits to potential donors versus having a special event and making small talk with a lot of people).

Despite the learning curve many executives may face, they can have a significant influence on the amount of individual giving an agency can acquire. Usually they are the ones who can best articulate the mission and what a major gift could do to advance it. It is the executive donors want to meet with to discuss their passion for a specific need or program. "Kings relating to Kings". Some, of course, turn out to be natural fundraisers.

Not Long Ago, I had the opportunity to consult with the Bernikow Jewish Community Center in Staten Island, NY, which recently completed a major gift giving campaign, former CEO David Sorkin was instrumental in raising the bulk of the dollars.

For those executives just getting started in fundraising and for others who aspire to be ED's one day — here are key tips on how to secure the gift.

### **Listen**

Talking with potential donors is not the time to show how much you know about a particular subject. Rather, it is a time to ask good questions that get to the heart of what motivates people to give. Most important, listen to their answers.

"I gained a better understanding of what the donors had in their hearts when they decided to give," Sorkin says. His advice to executives interested in fundraising: "Get to know their interests. What kind of impact do they want to make?"

Donors want to have a big impact and leave a legacy, Sorkin says. Spending time listening to their desires and motivations goes a long way to connecting them to your agency. "We're facilitators," Sorkin says. "Our goal is to assist and understand what they're wanting to accomplish, what kind of legacy they want to leave."

"Selling is really listening," he says. For executives with more traditional management or social work backgrounds, the shift from speaker to listener may not be so easy. Donors don't want to be lectured at like a room full of students. Rather, they expect a give-and-take conversation where they do much of the talking.

Listening pays off, as does knowing when to speak up to share the vision of your agency. It's a balance. Donors want to be heard, and they also want to get behind a clear vision.

### **Collaborate**

One way that executives can maximize their time and effort in fundraising is to work hand in hand with their development staff. These professionals can help develop strategies that maximize money raised and an executive's efficiency in doing it. ED's who go it alone may find they are spending more time than they need to securing a gift or not raising as much money as they could.

When David Sorkin embarked on a fundraising campaign three years ago, he described himself as a fundraising novice. While he understood that raising money was about building relationships, he wasn't sure how to go from talking to potential donors to bringing in a gift.

### **Have Clear Goals**

Executive Directors need to have more than a good story to tell prospective donors.

That story needs to fit into the agency's vision and mission.

David Sorkin started his fundraising work by first stepping back and figuring out what he wanted to say and needed to do to advance the JCC.

"Fundraising is, at the end, a strategy to achieve a set of objectives," he says. For the JCC, that meant looking for ways to recruit and retain the best staff and creating "an outstanding and unique experience for our JCC and community members."

"The important thing is having a clear set of objectives and understanding what you need to achieve those objectives," he says.

### **Be Patient**

Cultivating donors takes time. For executives and nonprofit agencies, larger gifts often start as smaller ones. Stewarding those smaller gifts well, and showing how they are improving the community and strengthening lives, is key to obtaining larger, transformational gifts.

### **Start Small**

One of the biggest challenges for executives is to find time to do fundraising. While some executives at larger agencies with sophisticated development operations say they spend 50 to 60 percent of their time fundraising, a new executive can find that commitment overwhelming.

Any complaints from staff or lay leaders about the time an executive spends away from the agency subsides quickly when the gifts are secured.

### **Build Credibility**

One important way to build trust is to have credibility. If you are nervous about fundraising, that is not unusual. If you are going to be successful at fundraising, you need to have credibility, that you know what your agency is about and who your constituents are.

For Sorkin, that meant spending time getting to know people. "By knowing the agency, the community, knowing the staff, knowing our members, when I go out to fundraise, I have credibility," he says. "I know what's going on."

Another way to add to your credibility is to donate yourself. "If you're going to ask people for money, especially large amounts, and tell them you really believe in that particular cause, you ought to put a little money up yourself," Sorkin says.

It shows donors he believed in the project. It also gave him insight into how donors feel. "I'm proud that we did it," Sorkin says "It gave me an opportunity to understand from

the donor's point of view, because I wanted to make a difference. My wife and I wanted to make a difference."

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