



Use Fundraising to Measure — and Maximize — Your Return on Leadership

BY SCOTT C. BALL

Because we live in a metrics-driven world of measurable outcomes, valuation and benchmarking, the demand for data to justify our strategic — if not daily — business decisions has never been greater. As such, smart associations measure their return on investment and return on objective for everything from marketing to membership to meetings. When was the last time, however, that your association quantified the impact of its volunteer leadership?

Measuring your “return on leadership” is easy and could help your organization’s bottom line by

encouraging you to more effectively leverage one of your organization’s greatest assets: its board of directors.

Association boards typically are responsible for setting strategic priorities, governing and lending their industry knowledge to advance the association’s mission. While these roles and responsibilities are essential, however, they often fail to maximize leaders’ potential.

If you’re wondering how to get the most from your volunteer leaders, the answer is simple: You measure their contributions — in pennies, not brownie points.

Strong Ledgers, Strong Leaders

Unfortunately, many associations over the last 24 months have been forced to make difficult budget decisions. “We don’t have the money,” or, “We have to decide what we are going to cut,” are now part of many organizations’ board meeting scripts, as the order of the day has been maintaining operations rather than building strategies for growth. Consequently, new programs are on hold and existing programs are in deadlock.

The “bunker mentality” of both corporations and individuals has further fueled the financial pinch. In many cases, companies have been spending less on advertising, exhibiting, sponsorship and travel while individuals have reconsidered annual meeting registration as well as membership renewal. Given these circumstances, it is easy to understand why some associations are stuck in survival mode.

To move from stagnation to growth, associations must proactively engage and develop their volunteer leaders. Because strong ledgers produce strong leaders, the fundraising process offers a mutually beneficial opportunity to do exactly that, developing your board while enabling your organization to realize the benefits of healthier total annual revenue.

No Excuses

Indeed, because it holds volunteers accountable for meeting measurable performance goals, involving leadership in the fundraising process improves both your association’s board and its bottom line.

Just because it’s good for the organization doesn’t mean that leaders will be on board, however. If you worry your board will resist, consider the following responses to the most common board excuses:

1. The board’s already too busy: Board members typically are industry leaders who were appointed or elected because they have demonstrated, over many years, the ability to get things done. Furthermore, they likely have a strong network of contacts within your association’s profession or industry. Finally, many of them likely subscribe to the philosophy of, “If you don’t ask, you won’t receive.”

So, before concluding your board does not have the time to help, remember: It never hurts to ask.

When you introduce the idea of fundraising, start by explaining the benefits of board participation. Point out, for example, that their assistance may help the association secure new funds with which to launch a new program or service.

Next, keep fundraising tasks manageable. The easier you make it for them, the more likely your board

members are to participate. Developing an action plan, scheduling calls and drafting communications on leaders’ behalf all can help make fundraising more palatable.

Finally, keep the board in the loop. While their role in the fundraising process may vary, it is important that leaders see their contributions making a difference. Furthermore, if you hit a stumbling block, a board member’s assistance could be the solution.

2. The board's not comfortable asking for money: Asking for money is right up there with public speaking as a person's least favorite activity. However, for the majority of associations, the bulk of non-dues revenue comes from supplier partner companies, not individual members. The act of asking for money can therefore be made easier by demonstrating a business return on investment — promising access to association members, for instance — rather than making a philanthropic request.

Of course, the fundraising process requires more than asking for funds. In fact, fundraising often requires a great deal of planning and organization. Board leaders who don't want to solicit funds can therefore participate by reviewing prospect lists, offering marketplace intelligence, providing introductions and identifying potential partners.

3. Fundraising is staff's responsibility: Because even the most talented association fundraisers have limita-

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tions, staff-driven fundraising will not maximize potential returns. Board members typically possess tremendous "personal capital" they have built up over their careers, which most staff members lack. Their access and influence in reaching corporate decision makers can change the landscape of what is possible. The higher their contact is on the corporate food chain, the larger the checks they can write for your association. A simple introduction by

a board member can therefore save association staff valuable time they may have expended to identify the same corporate contact then work through the internal corporate channels to reach them.

4. The foundation is responsible for raising money: Association foundations are growing in importance, especially for medical and health care associations that are dealing with continuing medical education accreditation concerns and compliance standards.

Foundation boards should know their role is to raise funds, but that should not mean they are precluded from using the strengths of their parent association. Again, the strategy is to leverage the full resources of your leadership, not to directly or indirectly limit your association's success.

- 5. Fundraising won't be necessary when the economy recovers:** During recessionary times, associations work harder and smarter to fulfill their missions and deliver value. As a result, many stand to regain greater financial stability as the economy recovers. While this may offer peace of mind, it also may create a missed opportunity.



As we look toward an economic recovery, is your association positioned to take advantage of the upward momentum when it arrives? Your board members are industry leaders and should be able to offer their respective marketplace intelligence, or access to resources, that can help you better understand the opportunities that lie ahead. With this type of valuable information, you can connect the dots to develop new and potentially ongoing revenue streams.

In conclusion, creating a culture that involves your board leadership in the fundraising process not only can lead to immediate and measurable returns, but also can set the stage for a positive and rewarding financial future that impacts all of your stakeholders. **■**

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