

Trends in Giving: A Deep Dive into Data on the Philanthropic Environment

June 15, 2023

CAT: Good morning, everyone. Thank you for being with me and Bob this morning. It's a topic very close and near and dear to our hearts. Just a little quick introduction of myself and Bob and RSC, for those that don't know us. We are a fundraising consulting organization focused solely on revenue generation for arts and cultural groups. And I would really like to say that we have worked with over 130 arts and cultural organizations of all sizes, across the country, different budget sizes and disciplines, so a whole host of experience in this field.

And as fundraisers, we're very results oriented, as you can imagine, and so we've been tracking, especially since, you know, this little thing called the pandemic happened in 2020, just how have our clients' resolve held up against those standards? And we are very pleased to say that 100 percent of our clients, since we've been tracking this since 2020, have either met or exceeded their fundraising goals. So we will take those results day in and day out.

So our topic at hand is building a fundraising board. At least once a day I'm asked about tactics to effectively engage board members in the fundraising program, and so it is very exciting this morning to be speaking directly with board members. So thank you for this work.

If you sat in on the session, we did a similar session with the development constituency on Wednesday, Thursday? One day during the conference we did a similar session, so you are going to hear some of those same strategies and tactics. But what we are going to do, because we have you in the room, is actually practice some of these and give you really practical ways that you can go back and help coach and train your fellow board members to get active as a fundraising board, okay?

So you'll see that reminder of those tactics, but we are also going to really dig in and have some fun together this morning, all right?

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So what we'll do is we will address this topic holistically through two lenses. First, our philosophy. Kind of what are the building blocks and foundations of building a fundraising board? But then secondly, what is the approach? What's the psychology behind getting a board really excited and engaged in a fundraising program?

And before we jump into all of that, I'm going to put a big asterisk in the air. There are going to be moments during this presentation where you have the thought, hmm, we've tried that. Okay, so just go with me, because what we are going to do—and hold with me. We're going to really help you through the second part of this conversation and focus on the kind of keys to success, those psychological standpoints of activating a board and volunteers and fundraising.

So the way through to find success when you feel you have tried this many times over, okay?

All right. Does it sound like a good plan? Are you with me? All right, good. All right, so before we jump into the approach, the fundamentals, the role, what we really want to do is take stock of the unique value that you all, as board members, bring to the table. And this is distinct from the staff. You are going to hear a theme in our work together this morning around, only do what only you can do. And so we want to speak to, what is that unique value that you bring to the table? And we think that it falls into four major categories.

First and foremost, your passion. I like to say that humans are innately empathetic creatures. So your passion and your story, the reason that you showed up to the League of American Orchestras conference and dedicated four days of your precious time to this work is because you care. And that story is a really powerful tool in helping to get others to care and invest in what you are passionate about, okay?

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Secondly, your advocacy and your connections. Very simply put, just helping your community become your organization's community. Oh, look, my automations are a little bit backwards. There is the second one, advocacy and connections, helping your community become your organization's community.

And the third is what you are here to talk about today, that resource generation. Not only providing your own support as a board member, but also bringing opportunities to the table and helping your organization unlock them.

And then finally, vision and strategy. You, as board members, are a unique value in that planning work, balancing missing and opportunities with the limited resources that your organization has on hand, but within the context of your community. So really take stock of this. Your unique value distinct from what the staff brings to the table.

And just a little inspiration to get us started today. Coach Lombardi said, “Individual commitment to a group effort—that is what makes a team work, a company work, a society work, a civilization work.” One of the things that we hope you take away from this time together this morning is that this is a team effort. You are going to have a stronger development program by the board working with the staff in a complementary way, to really advance those development programs.

But I also want to bring a little levity to the table. Mike Rose, some of you may know him. He is a TV host, personality. He is seen on The Discovery Chanel a great deal. A little unknown fact, though, is that he is actually a former opera singer. But he has a joke that if you don't do it right, people will laugh at you, and study after study shows that people don't like it when people laugh at you.

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So just a little levity to say and to talk about the number one thing that stops good fundraising in its tracks. What is that? It's fear. So we're going to give you some really practical, actionable ways to move through that fear, get to a place where you feel really comfortable and confident in being involved in the fundraising program, and as a result, bring in dollars for your organization, which is what everyone is really excited about being here this morning about.

And so just as we do set a little bit more context, what we find is that sometimes when a board sets its mind to fundraise, they go about doing so through the wrong lens, okay? So what we really want to impress upon you on this particular slide is that what we know, what we see, those results that we have had with clients over the last almost 20 years, is that with a well developed vision and plan as your focal point, success in fundraising is based on value, not need; strength, not weakness; participation, not prevention; and practice, not passivity.

So I want to unpack that first one for you a little bit. And we're actually going to share a little bit with this one. But that value versus need. This is one that really particularly trips up organizations and many board members. And so we want to really unpack kind of the psychology behind this, all right?

So you see here very simple—this was created in Excel. We created it in Excel. You can create it in Excel, a simple template to really address this value versus need proposition. So what we encourage

you to do, and we are going to practice it a little bit this morning. Go back to your board meetings. Take 10 to 15 minutes and walk through this exercise with them.

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And it's very simple. You simply start with a subject, something that is keeping the board members up at night. You will see in our sample that that subject is, we need money to pay the musicians. Okay, we hear this one a great deal in our field, right? And then really to talk about it in that needs statement way. What is the need? It is money. We need cash to pay the musicians, to fulfill the CDD, right?

But flipping that outward to the value statement, so now thinking a little bit about the value. That by increasing support for our musicians, it means that we can engage them at higher levels throughout the community. And what we want you to start to see and encourage you to do with your board is to see that the value statement is strong and it is inspiring, as opposed to the need statement, which is very weak and internal. It's very kind of naval gazing, right? It's all about us. Whereas the value statement is about your community, your constituents, what you are doing, your impact, right?

So what is the key to helping board members when you go through this exercise, when you go back to your organizations, to get from the need statement to the value statement? The key is to really flip it and think externally. Think outwardly, why would the community care? Or simply ask them, so what? We need money to pay the artists. So what? What does it mean when we pay the artist? What happens when we pay the artist? Keep going deeper with them. The more that they have to think about that, the more they unpack it, the closer they get to the value statement.

And one of the things that we find is that just by this simple mind switch, from focusing on need to focusing on value in your messaging and how you talk about your organization, it's automatically a game changer in making you more effective fundraisers.

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I'm going to give you one other sample, and then I want you to be thinking about subjects that are keeping you up at night. I am going to call on a couple of you to do this flip for me this morning, just kind of as an ice breaker as we get started talking on this subject. But one of the things that we hear a great deal about in this industry, from a need statement standpoint, is ticket revenue only covers X amount of our expenses. It's just this percentage.

And really, when we think about that, that is a very needs based statement. In fact, what we are actually communicating is, we are not charging you enough for your ticket. So please subsidize your experience with us.

But instead, think about that from a value standpoint. That that philanthropic support that our community provides allows the magic that you, as a patron, experience on the stage or from the stage to really emanate further out into the community, through education work, outreach work, all right?

So you only cover X percent with your ticket, or you enable us to go out in the community. Which one is stronger? Which one is more inspirational, that value statement?

So I talked a lot about making this flip from need to value. Anyone have a subject that is keeping them up at night that they have been thinking about, hmm, how can I switch that over to value, that will be bold and share with us this morning. Yes?

SPEAKER: How about we're in a hole because of COVID. Can you help us get out of the hole? That sounds like a need statement.

CAT: It is, absolutely. So flip it to the value.

SPEAKER: We have a bright future that allows us to thrive after the pandemic? I don't know.

CAT: That is spot on. It's a beautiful example of looking backward that is very needs based, and looking forward, that is very hopeful. That is, come along with us. Join us in this future. Very inspirational. I love it. Any others? Yes?

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SPEAKER: Well, the [UNINTEL] we see this as we're helping this community recover.

CAT: Yes.

SPEAKER: So economically and spiritually.

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CAT: Absolutely, absolutely. We are a part of this process. We are a part of reshaping this world as we come out of this major world event. Absolutely. Beautiful. Any other sharers this morning? We are going to have more opportunities to share. Oh, yes?

SPEAKER: DEI. We need to do much better at the diversity and all of those [UNINTEL] and being inclusive and in the entire community makes our community richer.

CAT: Absolutely. We talk a lot in case for support about by, of and for the community. And that is really important, because we all run symphony orchestras, right? But we run them for our unique communities. And that, you know, when we talk about unique identifiers and things like that, but that idea of really being by, of and for our community, when we live that, when that is deep in our DNA, now we are really talking about value. Absolutely. Beautiful. Thank you.

All right. And one more quote, and I'm going to make Bob blush as I quote him to just set a little bit more context as we jump into the meat of this, but Bob says this often. He is quoted for saying this often. That not every board member should be involved in the act of fundraising, but every board member should be involved in the process of fundraising, okay?

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And so what we are going to do for the next 10 to 15 minutes or so is, Bob is going to come up and he is really going to unpack what we mean by that. So we are going to walk through that with you, and give you those practical tools to move forward with this work.

BOB: Thanks, Cat. And what Cat left off of the quote is that if we take that back and we say that not every board member should be involved in the act, but everyone should be involved in the process. The part she left off was that I usually say, because it is fun to watch from a distance, but it doesn't really produce that much.

So we have seen, and we've actually tried to help entire boards get immersed in the act of fundraising, because that is something that they thought they wanted to do. And it's akin to bumper cars. It's just not productive. There is a lot of frenetic activity and it is just not particularly productive.

Anyway, one very quick housekeeping thing that I'll tell you, because I see some of you taking pictures, which is great. If you want, we are very open with our materials. If you would like copies of 520 8th Avenue, Suite 2005, New York, NY 10018 1602 L Street, NW, Suite 611, Washington, DC 20036 americanorchestras.org

this slide deck when we are done, come up here with your business card or write it on a piece of paper, an napkin or something, and we will get it to you. We are just fine with that. So that might save you some carpel tunnel or some hand cramps, so we are happy to do that.

Second, I don't know why this came to mind, but it did, so I wrote it down. See, I wrote down my own scrap of paper and I brought it up here. You know, this is a family story, but a few weeks ago, my 20 year old son came to me and he said, dad I want a motorcycle. Because I like motorcycles. And he said, will you come and help me pick out a motorcycle?

And mind you, my son has never ridden a motorcycle, ever in his life. Never. I asked him and he said no. So I go, why do you want a motorcycle? And he said, I just think that it would be fun. It would be cool. And he goes, I'll just go down to the DMV and I'll get whatever. I'll take the test and I'll be fine. And I said, you might want to ride one first.

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And I tell you that story, and we tapped the brakes on the bike for a while, which is great. But I say that because usually with a board, analytically, there is such a—you understand it's psychological. You understand that we have to take action as a board. We need to be fundraising. And we think that we know how to do it, but we just want to run out there and get it done, with the most bare necessities in our minds and in our brains, and the least amount of process. It's one of those things that we just thought, if we could apply a little bit of it, we will get it right.

And like wanting to buy a motorcycle and then learning how to ride it, it may work out but it probably won't work out, and before I know it I will have a bike in my front yard for sale. With a few dents in it. So I would tell you, look at that as well.

So when we say, though, this idea of what should board members do, I really like to see the board. I don't care if you have 12 members or 30 members, it doesn't matter. I don't care what your budget size is. I care a little bit about what your staff size is, but it doesn't matter. I want to see you involved in this. And we are going to go through this donor cycle here in a few minutes about why that is important.

Cat says only do what only you can do, and I have lived by that since I started my career. I think that we have to be really good at what we do. Let's not enter into areas where our expertise isn't as sharp as somebody else's or our actions don't have as much leverage as somebody else's. And so that's the kind of thing that we're looking at.

So when you think about, what do all board members do? Well, all board members can bring new relationships to the table, obviously. And they can help maintain relationships. Because it's not just the getting of donors, it is, of course, the keeping of donors. We have to build to critical mass. And regardless of what your thoughts are about the subscription model these days, it's why we lean toward the subscription model for so many decades.

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Because it wasn't enough just to get people to come to concerts. We wanted to know that they were coming to concerts over and over and over again. So fundraising, while it is not—we don't have the limitations of inventory. We have limitless inventory on fundraising so there aren't those kinds of limits. But at the same time, we need to be really thoughtful about what that approach is and very systematic about it as well. So all board members can help us keep these donors and they can identify new ones. And we will run through that.

And what does a development committee do? I know what some development committees do, and I'm not going to say it all here in detail. But many of them believe their role to be advisory, and I'm here to tell you that it is not. It shouldn't be advisory. This is the action committee. This is the group of people who ask for the money.

So if you are on the development committee, and I don't care what you call it. But if you're on a development committee or individual gift committee or a task force or whatever it is, it doesn't matter, think of your job as one of the handful of core askers.

Is that revolutionary for anybody? A little bit? Okay. Hang on to that thought and we will talk about why in just a few minutes.

The development committee, and first of all, I'll go into this core group of fundraiser idea. What are they supposed to do? Well, they are, of course, supposed to raise money via direct asking, which is one thing we just touched on. But there are more jobs than that, just on this core group, to vet fundraising opportunities.

So you have all of the things, of course, that are in your operating budget. And you can raise money on those. You can even do directed fundraising if somebody wants to sponsor a concert or an education or whatever that looks like. It's fine. But invariably, if you are an active organization at all,

you will have new opportunities that come up that will require fundraising. And not every idea that you vet is a good idea from a fundraising standpoint.

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In fact, some of those can detract from the annual fund. And so we're big, our company is big, on promoting the idea that you don't do anything that steals money from the annual fund. No matter how wonderful it looks, you have to be sure that that core giving, that bedrock giving, remains strong.

Part of running a good annual fund is to tamp down volatility from year to year as much as you can. For those of you who were in that panel discussion about yesterday when we looked at fundraising numbers, I probably said that one or two or 10 times. But we really believe that the more volatility you create in an annual fund the less predictable it becomes, which can destabilize an organization.

Number three is to equip board members and volunteers to act as relationship cultivators and stewards. So if you are on the development committee or whatever it's called, part of your job is to make sure that the rest of the board feels fully informed. That they know what is going on, and that they understand their role and they understand the opportunities to practice their role. And that there are follow up mechanisms and there are ties to the staff.

And I will pause there for a second saying, I don't care how big or how small you are. If it's a one person executive director and no development staff and that person is fundraising, that is who works with the development committee. If you are a big organization and you have a fleet of major gift officers, that is okay. They still have to work and coordinate with you on the work that you're doing. So just kind of put it in your own organizational context.

Now number four is to interact with executive and finance committees of the board. I didn't make it to the session about finance and development playing well together, but I wish I had. And if they release that on the video I'm certainly going to watch it. I went to a different session, but I was intrigued by the fact that someone had decided to sit down and talk that through, because I think there are some real positives to it, of course.

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We believe in the same thing and we talk about them at a board level. How the development committee can work with the executive and finance, because in the triad of contributed money,

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those are the three areas—development, executive and finance—that have to work really, really well together. And part of the development, of course, is the development committee.

And number five, make the goal. It should go without saying, but sometimes you have to say it, so we say it. That you have to make the goal. That this development committee, who are the core askers along with staff, really must feel the ownership of making that goal. And if you don't, there are ways to do that. It's not about having control of the goal, but it is about co-ownership with the staff and with some of the other parts of the organization.

All right, so I'm now going to talk about the five areas that the development committee can really—like specifically tactical things that you, as a development committee, or as your development committee, could focus on.

So the first is, and I mentioned it earlier, donor identification and cultivation. So we've got this idea, and I'll show you the flywheel here. I think it's on the next slide. In fact, let me just go there so that we can talk about that first. If I can make technology work. Oh, no, I've got too many things here. You will see it in a second.

So donor identification and cultivation. How do we identify people and how do we get them to take a step closer to our orchestra? It is as easy as that. That is the best, the primary question that we have to answer.

Then with number two is board giving. The development committee should be asking their fellow board members to make a gift personally. This is not envelopes on the table at a board meeting, saying the envelopes are back on the table, please take one home and fill it out and mail it back in or give it to so and so.

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This is, we have to demonstrate, with our board members, the same way that we would want to ask our major donors for support. And hopefully, you are not sending letters to your major donors, but you are building real relationships and that you are talking with them and learning about them. And you take a step toward them and they take a step toward you, and that is how relationships are made and how they are solidified.

And that is really hard to do through letters, and that is why we encourage this personal interaction. Start with the board. They are your peers. And so if you are on a development committee, start with the executive committee and ask them. And then move on to the rest of the board and ask them and get really, really—it's a safe environment. It's a safe environment to start by asking your co-board members.

Number three, big individuals. Big, big individuals. And you can take that however you want. We say big individuals. Usually, with the kind of orchestras that we are working with, they are usually a thousand dollars or more. Sometimes they are \$2,500 or more. For your orchestra it might be \$500. It doesn't really matter. Just whatever you categorize as your upper 20 percent, non-board individual givers. And so that is the asking that we work. That is that personal, one on one asking.

And then we have big institutional donors, also at your own benchmark. Because I believe to really raise money with corporations, we do treat them like people. We build real relationships with them. And yes, we might have to follow an application process, and that's okay. It's fine. And of course we would do that. But at the end of the day, it's still, even if the corporation is housed in another city or in another country, we still have local people with whom we want to deal. So that's way, as much as you can, do that.

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And then also, then, of course, just the overall donor stewardship. So number one is the identification and cultivation. Number five is the donor stewardship. And everything in between is direct asking. And you will see why I'm pointing that out here in just a second.

This is our donor flywheel. And we look at it in terms of identification, cultivation, solicitation, appreciation, and then strategizing further on a particular donor and what might happen next. But those categories that we just went through—identification and cultivation and then appreciation—those three are where you want your entire board focused, as the development committee focuses mostly on solicitation. Along with staff, of course, whatever staff is there, available to do the fundraising.

So it is very systematic, and it's clear delineation. But it all melds together and it is all very complementary. And so if you can remember or get this slide deck, you can practice this about, is our development committee the main solicitors? And do we have the rest of the board engaged particularly in these other areas of getting and keeping donors, even if they are not asking for donors?

I know that I'm repeating myself, but it is such an important part of the cycle, and it is one that is generally ignored. So let's keep that part of it in mind.

I'll tell another quick story, just very quickly here. I was doing a board retreat with a group for orchestra not too long ago. Well, maybe September. And it was a day long retreat that felt like a week, I'm sure, to everyone there. It was a long drive and it took a lot of energy for everyone.

But one of the things I started off asking them—you know, we did an ice breaker, mostly for me so that I could see who was in the room. And so I said, tell me your name, how long you've been on the board. Tell me something. I said, tell me who your high school mascot was, and tell me if you remember—tell me about your first experience with classical music.

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And there were maybe 30 in the room. So when I did that, here are the results. About a third of the people in the room could not remember their high school mascot. Every single person in that room remembered their first experience with classical music. Every single person. And that has, over the months, really stayed with me. And why I'm telling you that is because when we're talking about cultivation and we're talking about stewardship, and we're talking about getting donors and keeping donors, this idea of really trading stories and building relationship in that way, don't ever forget how powerful your story is as a board member, and how powerful each board member's story really is.

So let's talk about some of the things, then, that the board actually can do. So this is, again, about getting the donors. So first, identifying new upgrade prospects. And here is how you do it.

We review lists. We don't review lists all the time. We review lists a couple of times a year. So when I say—and again, if you were on a development committee or even a board committee, and you talk about fundraising and you look at lists and that is what you do, and at every meeting we look at the same list and we see, well, this person should be on the list, and here is somebody who just came into money. Somebody ought to call that person. If you are doing that too much and no action is happening, you are spending way too much time on trying to identify and upgrade; identify those prospects.

So here is what you can do, though. You should be looking at lists a couple of times a year. And of course look at your current donors at the high level. Of course look at your donors at the low level to see if there are any names that you recognize that we gently call under performers. Now you can call [520 8th Avenue, Suite 2005, New York, NY 10018](https://www.americanorchestras.org) [1602 L Street, NW, Suite 611, Washington, DC 20036](https://www.americanorchestras.org)
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them whatever you want, but people with a higher capacity. And they seem to really like your organization, we just need to do some stuff to get them to come a little closer and probably make a bigger investment.

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Then, the idea then that they should be looking at other lists in town, of course, which some people are just great at. They'll bring program books or fliers from every organization, even non-ours. They're just like, here is this person's name 10 times. We've got to go find him. Who knows him? Let's make a connection. That's the idea.

So you've got internal lists. You have plenty of external lists within your community. Again, no matter how big or small it is, you're going to have some other sources. And so think about beginning that cultivation process with them.

And then third, actively pursuing that name collection. So asking board members frequently, who did you see at somebody else's gala? So there is sort of this printed information that is factual. Then there is more anecdotal information, top of mind information that you get from other results, other events, whether they are arts related or not. But things that just keep the brain moving on, who should we be connecting with? That is the idea.

All right, and then the actual cultivating. Let's kind of pick up the pace just a little bit here. But this actual cultivating, creating and using an ever growing list of opportunities. The one thing that I will say about orchestras is that they are rarely out of new ideas. And once you vet those ideas, like we talked about a few minutes ago and you have committed to those ideas, then one of the things will be tying people to those ideas.

So top of mind. We're about to embark on something new. And of our funder list, who would be the most interested? Or what five people or two corporations might be the most interested in helping to support that? So that is just as an example.

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Number two, map the prospects from where they are to where you want them to be. So I talk a lot about this. I take a step toward you. You take a step toward me. That's part of the process. I need to map that out first. If you are a \$250 donor, and whatever information I have says that you ought to be

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\$2,500 dollar donor, or that you might turn into a \$2,500 donor, fine. The first thing that we have to do together, staff and board, whoever is leading that development committee, is map that out.

What does it look like? What does that look like? Do we need to bring them to a couple of events? Do we need to take them to a youth council? So there's an unlimited, or almost unlimited, number of things and engagement opportunities that you can do. But get it mapped out first. So we don't want to start the trip and then try to develop a map.

And then, of course, use all of your resources. That can be musicians, that can be other board members. If you have a governing members program, great. If you are friendly with the mayor's office or with Kiwanis or other nonprofits or whatever that may be—again, whatever you have at your disposal, internal and external, you want to be able to leverage those to bring people closer and closer to the institution.

Okay, so now we're going to talk about just the stewardship. This is about keeping those donors. How do we keep the donors? It's going to look really familiar to you, but create and participate in regular systems of stewardship. We want the board focused on thanking people. And it can be as simple or as complicated as you want it to be, and I lean toward the simple, because almost none of fundraising is easy. So at the very least, I like to keep it simple. And so when we say create and participate in a regular system of stewardship, that means making sure that the board is equipped to work the green room or to talk to donors at events, or to wear their co-member hat and talk to people who are at that level.

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And if it's a special event, to be sure that they are placed around a table or placed in a position where they can be engaging. So there are a lot of things. It's at that level. And then also just serve as an ambassador to the organization.

I'm going to go back up to one, though, and I'm going to give you the really most simple, simple—and if you don't do this, there is no shame. We are going to get you there, though. If you don't have your board at large calling and thanking donors on a regular basis, just thanking them, not asking for anything else, and even if that means leaving a message, a voicemail message, fine. Do it.

Call them up within a week, at the most, if you can, if you can organize it. And if you can't, just do it with some level of disciplined frequency, to call people who have made gifts recently and thank them for it, with no other agenda. We just wanted to tell you that we appreciate it. I'm a board member and
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I saw that you made a gift. Don't name the gift unless you know them really well. It's not to say, wow, you did a really good job. It's to say, I noticed that you made a gift. I really appreciate the gift. What you are doing for the orchestra is fantastic, and we are going to continue to report good news to you. Thank you.

And so that kind of message can be left in a voicemail if somebody doesn't pick up. And I don't know about you, but I'm picking up fewer and fewer numbers that I don't recognize on my mobile. Yeah, right? Because it's usually a robot or it's—yeah, somebody is trying to sell me something, and there is no clear link to me.

So I'm a big proponent of saying leave the voicemails now, because they will get the message. And not only will they get the message, but quite often they will save the message. And isn't that nice? They will listen to it over and over and over again. Your dulcimer tones of gratitude will come out for them.

[0:36:02]

And then serve as the ambassador. And we talked a little bit about it at these events, whatever is going on at your orchestra. And you can still do the same outside when you see people at other organizational events or you see them in shared interests. But for the most part here, we are talking about things that go in with your orchestra.

Number three is just, be ready. And so the thing that we are careful about when we coach boards, the thing that we're careful about is overdoing on the information. And this is not a put down. This is a human thing. The more information we have, the more we want. And what it quite often does is, A, at some point it's oversaturation of info. And we never take action. We get paralyzed by it.

And so what I will say is, let's take it down to three things. So if we want to put board members for stewardship at these events, make sure that they are—and this is something that the development committee can help with—make sure that there are three things that you want them to say to everyone that they run into. Tell them what those are, and then tell them that there are three things that you want them to ask, if they can, while they are engaged in conversation.

It seems really simple, right? But you need the disciple to do it over and over and over again. That is what you need. And by asking those questions then, the turnaround from those board members is that they get to come back and report to the development committee or to the staff and say, this is what I heard when I asked these questions. Because it might actually guide stewardship, messaging.

It's going to help you get better. The idea is, it helps you get better at what you do. So it's not just about telling, it's also about asking.

SPEAKER: Excuse me, I have a question.

BOB: You bet.

SPEAKER: When you say three things to ask, what things should we ask?

BOB: Well, it depends on the setting, and we're going to get to that here. Cat is going to run through that in just a minute. But what I will tell you is, it can be recent events, it can be—so there are several things like that.

[0:38:02]

It should be timely, for the most part, for your organization. And then even things that you ask are things that are going on in the city, or things that might impact you as an organization. Those are the things that you can ask. And so Cat is going to walk us through that here, actually, in just a second, okay?

CAT: All right, yeah, we are going to drill down on that. We are going to get real specific and we're going to give you a chance to test it out. You know, like our musicians, practice makes perfect. So we're going to give you some good, real fodder to take home on those three things to share, three things to ask.

So I want to circle back. We spent about 30 minutes or so on these fundamentals or the building blocks of what a high performing board, engaged in the fundraising program looks like. But what I hope you take away from that 30 minutes, first and foremost, is that success in doing so is not about batting 1000 or getting every single board member to become an asker or do that job of the development committee, but to get a core group of your volunteers engaged directly in asking, and engaging the balance of your board in those other aspects that are vital to a successful fundraising program, okay?

So be honest with me. At some point in this morning so far, did you have the thought, yeah, we tried that? So I'm pretty sure you felt it, so let's talk about those psychological tips and tricks that I

mentioned at the top. I'm going to take you through three to keep in mind. And you can tell that we like threes, right?

So tip number one, don't try to eat the entire sandwich in one bite, okay? So this is applicable in a couple of instances. First is, as I've just mentioned and as we've demonstrated this morning with those building blocks, trying to get every single member of your board to become an asker or take on the roles of the development committee, it is simply not possible.

[0:40:06]

And attempting to do so is going to result in you spending more time prodding disengaged or disinterested board members than fully leveraging the committed ones. And the reality is, if every single board member said yes, I will be an asker, it would simply be too much for your organization to manage. So what we recommend is aim for about three to five highly leveraged board members. You can think of this—I have another idiom for this—only race the horses that will run.

The second way that this is applicable is when you try to tap the entire potential of each board member's Rolodex. So sometimes we see this in the form of, oh, I have a listserv of friends. We can put together a list for an engagement party or a party or a graduation party or something. I've got this great list of friends and contacts. I can send an email to all of them.

And the reality is, you know, like in our first instance, you're wasting precious time and you're not using that full leverage of the relationship, and you are chasing a lot of unproductive leads. So it also tends to be so overwhelming for volunteers to think about pursuing maybe 100 leads, or 20 leads, that they never really get off the starting blocks.

So what we recommend is for those that have committed to being an asker in your organization, that you start with their top three prospects. If they come to the table with a list of 100 emails, okay, who are your top three that you are going to pursue personally? And a good filter here is, who do you think that you can get to a yes the most quickly? Once we work those leads through that file, then absolutely we can launch the next group of leads, but try to eat the sandwich one bite at a time.

[0:42:08]

Okay, the second tip, don't become a victim of the bystander effect. What is the bystander effect? Okay, so there is a study that goes, when you are in a public place and someone in your party has a

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medical emergency, if you yell out, someone call 911, no one will. And this is because they perceive themselves as bystanders. They are not directly involved. Someone else is going to make that call. Surely they did not mean for me to do so. But if you point to someone and you say, Bob, you call 911, they reliably will, okay?

So the point here, with this tip, is that a blanket call to action at a board meeting, is not as effective as a personal call to action to individual members. You can certainly set context in a board meeting, but be sure to do the individualized follow up work. You need to make sure that they know they're special. Say things like, you are one of the few people who can make this successful. It takes a little more time up front, and we recognize that, but we promise you that the results are going to be worth it.

All right, the final tip, focus on their sphere of influence and forget the rest. So every committee has their Oprah, has their Amazons, has their Hines, as we have seen that name quite frequently over the last few days. And yes, certainly these families and groups and companies have capacity, but do they necessarily have the propensity? Are they endeared to our organization, our mission and our cause?

If the latter is murky, the only way to make it clear is through cultivation, which Bob talked about. And the quickest and most reliable path to effective cultivation is by leveraging current relationships. It's peer to peer. It's friend to friend. It's colleague to colleague. That's how you cultivate people.

[0:44:09]

So work the board's sphere of influence. Don't chase white whales. I'll give you a filter for this. If you were constantly talking about a name—you know, it's like, oh, this person or this family, they give to everything, and they are not giving to us. Or they are giving only a token amount to us and you're talking about them constantly. Bob and I were just joking the other day about hearing the term of, oh, so and so, somebody has got to get to them, right? You know, but who is somebody, right?

So here is your filter. Can you make a call and you know that they will pick up the phone, all right? If you know that they will pick up the phone, all right, then they are top three. Let's pursue that. That is a name that is worthwhile pursuing, all right?

Okay, so to this question about things to share and things to ask. And we're going to take you through it. And we talk about these in terms of engaging conversations. So these are among those, only do what only you as board members can do, activities. Clearly there was a theme, right? It's all about relationship building. But it is often difficult to know where to start.

So in this section, we're going to take about 10 to 15 minutes and then we'll wrap up and we'll give you a little found time back. We will have some time for Q&A and then give you a little found time back as well. But what we're going to do is talk about these engaging conversations, the foundation of relationship building. And what we promise you is that regardless of where that donor is in the donor life cycle, this is an effective tool. No matter how long they have been engaged with your organization or how new they are to it in your community, you can use these.

[0:45:59]

Okay, so to set a tone for this section. I get a question a lot of times, who was G.T. Smith? If there was a fundraising hall of fame, he would be in it, so we'll put it that way. A very successful professional fundraiser. And what he liked to say was that donors don't give to institutions, they invest in ideas and people whom they believe.

And what this really summarizes is the important difference between transactional relationships and philanthropic relationships. So we're going to talk about how to build the latter. And you have likely been on the receiving end of a philanthropic ask. You know, often these can feel very one sided. The asker is kind of dominating the conversation. It's all about what they are sharing, and they're not really engaging you back in it.

So engaging conversations are really a unique approach to asking, because they place the donor's philanthropic priorities at the center of the conversation rather than the organization's needs. I am going to say that again. They place the donor's philanthropic priorities at the center rather than the organization's needs. Think about how compelling that is, right?

They also create a natural way to learn about their donors. What motivates them? What are their passions? You know, we want to learn that, so that we can more effectively engage them. And then finally, the build rapport and trust through interaction. So very effective tools.

All right, so the biggest question that we get though is, all right, I hear you, Cat. Engaging conversation, share, ask, but what do I say? So what we encourage you to do, just as Bob said, is keep your planning simple. It is impossible, it is overwhelming, and it is unproductive to try to share and ask everything, okay? So don't go there. As Bob said, we recommend filtering it only into the top three things that you would like to share, and three things that you would like to ask.

[0:48:02]

And really, this simple formula allows you to inform as well inquire, to create a dialogue or an exchange. Again, that is the purpose of it. It's a give and a take. It's a back and a forth. That is what you're trying to accomplish in a very simple framework.

So let's start very quickly with a few principles behind what you want to share, to your question. The most important thing to remember here is that you don't need to know all of the facts. We really like to say that the staff own the facts. They live it every day. They know those facts. They are deeply engrained. But the board, we own feelings.

So what you share should really be developed from your own story and background. I'm going to say that again, and we're going to drill deeper on that. Your own story. This is not an elevator pitch from the organization. The most powerful messages are personal and evocative. As I said earlier, humans are empathetic creatures, and if you share what you value, I promise you that they are naturally going to begin to think about what they value about that organization. It's kind of the power of those words, join me, right? So that is what you're trying to evoke here.

We do sometimes get a question here around, what happens if they ask me a question that I can't answer in this conversation? I'm very nervous about that. We encourage you to readily acknowledge that, you know? It's a great question. I want to answer it fully, completely and accurately. Can I touch base with a fellow board member, or executive director, our CEO, and get back to you?

And the bonus is that the follow through, and actually touching base, getting that information and bringing it back to the donor, it builds rapport and trust. So don't feel like you have to know all of those facts.

[0:50:01]

All right, so how do we develop our own story? So start by asking yourself questions. These are a series of things, that when I talk about what you're going to share about the organization, discover your own version of it. Your own pitch. Not something that the staff gives you, but your own version of it, by asking questions like, why and how did you get involved with the organization? Why is it important to you? What delights you about the organization? What has most impressed you about the organization's response in recent years? And very, very important, what excites you about the organization's future?

So the thing here is to focus on your most profound experiences and hopes for the organization. Think of it as your story; as the living embodiment of the organization's plans and aspirations.

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So as you look at some of these questions, you are board members sitting here. You just had several days of camaraderie and education. Who is thinking about these? Why was I here? Why did I show up? Why was this important? And what am I excited about, about my organization's future?

Anyone bold and brave that wants to share some of their own story? Yes, thank you.

SPEAKER: I was recruited to join the orchestra org, and I became very interested and excited about it once I learned that the direction of the organization was toward diversifying [UNINTEL] and reaching out to marginalized populations in the community. And wanting to build interest, in not only classical music, but just in music.

CAT: Yes, mm, hmm.

SPEAKER: And I really was interested in reaching out to youth organizations and organizations that are involved in the various minorities [in the community]. That really [bought] me and I thought, [this is for me].

[0:52:13]

CAT: Yeah, absolutely. So let's unpack what you just did there. You shared a major arm of what I would guess is a strategic plan, right?

SPEAKER: Yes.

CAT: You shared about community, education and outreach work, so major kind of core DNA of what this organization does and the value that it provides. That wasn't an elevator pitch. That was from here, right? But it told me a lot about your organization. So I would really encourage you to use these questions to develop your own story, and develop those three things that you want to share about your organization.

Awesome. So the other side of the equation, the three things to ask. So creating this dialogue that happens by asking questions, right? These are what get the donor talking and sharing what excites them most that helps you learn about your donors. But most importantly, engaging in questions change their role to an active participant in the conversation. This is the difference between pitching and building a relationship.

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So when we think about these engaging questions, for us, again, we like threes, so think about three major categories.

The first category are just general questions. Just kind of focusing on the donor's background and history with the organization. They sound like, tell me about how you first got involved with the organization? Did you or your family study music or the arts? Did you grow up going to live performances? As Bob's example earlier was, you know, about everyone in that room, they couldn't remember their high school mascot, but they could remember their first classical music experience. So evoking that and getting them thinking about that.

[0:54:05]

What is the first performance of ours that you ever attended? What is your favorite memory with our organization? So just general questions, you know, kind of about them and their history tied to your organization.

The second, are those organizational? Not just about the donor but about their relationship directly with you. So kind of exploring their knowledge and their thoughts on your organization's priorities and plans. It may sound like, what do you know about our work in the community, right?

So we often go to the table to say, oh, I'm going to go tell them about all of this great community work. People don't know. You know, it's kind of this under leveraged messaging point with a lot of organizations, and we think that we need to go and inundate them—educate them and inundate them with a lot of information about our community and education programs, but they may know a great deal of this already. So start by asking them about, what do you know? That's great. I'm so glad you know that. Did you also know that, okay? That's a much more dynamic way to share that information.

You know, they sound like, what does your involvement with our organization mean to you if you have a new strategic plan? And part of what you shared was unpacking that new plan. Or maybe it's progress on a plan. An engaging organizational question would be, we've discussed these plans and priorities. Which are most important to you?

We talked yesterday afternoon with a development constituency track about unlocking the big gifts, right? And really, this idea of marrying their priorities with your organization's plan, that that is the key right there, in a nutshell. But these are how you figure it out, okay? Engaging questions.

As we look to the future, what are your hopes for our organization? And what uniquely defines our organization in your eyes?

[0:56:02]

You know, I talked earlier about, we are always looking for the case for support, our unique identifiers, why give to us versus all of the other nonprofits in the community or arts organizations in the community? Stop trying to figure it out. Ask them why. Get them thinking about that.

And then the third and final category of engaging questions, aspirational ones, all right? I'm going to knock this over, I got so excited about the aspirational part. So they are really based on your organization's strategic priorities, but they open the lens wider than just the organization. These are really the pathway to understanding the donor's greater philanthropic and community priorities. They are the pathway to what they call breakthrough philanthropy. This is a moment where the donor thinks it was their idea to give you the big gift to make that big thing happen. Breakthrough philanthropy.

So these are going to be unique to you and unique to your strategic plan, but I'm just giving you some samples of these that are more universal to what we are seeing with some trends and plans and priorities within the field. So what do you see as the top three factors that will define community vibrancy over the next 10 years? We talked about, you know, that wonderful that you shared. It's all about community vibrancy right there, right?

So what are these things, those top factors that define it? What opportunities do you need today to be well positioned for a bright future? It gives us an open door to talk about how our education or our outreach work is helping to partner with those priorities.

And a final example here. In these ever changing times, what do you predict will be the main ways people within our community will connect? That's a really interesting topic, right? You know, we are talking a lot over the last few days about audience development, trends, and who is coming back into the concert hall.

[0:58:07]

And so this is very interesting, because again, it's about something that's really core to our industry and our organizations and our model. But it opens the lens wider. So really thinking about, you know, [520 8th Avenue, Suite 2005, New York, NY 10018](#) [1602 L Street, NW, Suite 611, Washington, DC 20036](#)
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finding those kind of aspirational questions that help you walk towards and match up your organization's plans and priorities with the donor's greater philanthropic priorities.

All right. So we do want to open it up for some final Q&A. We tried to be efficient with time this morning, just so that we could have a lot more time to talk. Big questions that are running through your minds? Things that stood out?

BOB: I want to add a next step for you to think about, too, because looking around, I know that we've got a lot of different organizational budget sizes here. What we ran through is very fundamental, but sometimes it's the fundamentals that get lost. And that loss of fundamentals causes erosion. And it's one at a time, and you don't even realize that it's happening.

So my homework to you, if you'll take it, is to think about these fundamentals that we've gone through today. Consider where your organization is. What is it good at? What is it already doing well? Because I know that you're doing some of this. My goodness. And where are the places that need to have some real attention paid to them, getting some of the fundamentals back that you lost?

Because even if you just take snippets of this away and apply it to places that you are not being highly productive right now, you will see seismic shifts in your board engagement and in your fundraising results. That is a seismic shift to the positive.

[1:00:01]

You will see seismic shifts, and those are all good things. And so just again, if you don't take anything else away, do encourage your fellow board members. Do a little self-evaluation. And then where you find the gaps, start to work on those. So that's where I'll leave it. Thank you.

CAT: Okay. Yes?

SPEAKER: I would just put it out that I spoke with a bunch of executive directors [UNINTEL] that I was involved in, and I got a lot of feedback from executive directors that they have more members telling them I'm not doing fundraising because it's not my job. It's your job as the executive director. And I can't help but—you know, some of that is just fear of acting, right?

CAT: Right, yeah.

SPEAKER: Even though the people probably aren't afraid of introducing people to each other, but I guess the mental tool box that I wish that I had was the one to give that executive director exactly what to say when the board members just try to shirk all responsibility. What is that point of leverage to say, no, no, it is your job as a board member to do, as you said, introduce new relationships, maintaining old relationships, etc.?

BOB: That's right. Do you want my nice answer or my not so nice answer?

SPEAKER: I think that I want both.

[Laughter]

BOB: Okay, so my answer, the nice answer on this is that yes, of course. And we've given you a clear delineation. You do not have to be involved in the act of fundraising, but you do have to, as a board member it is incumbent, in a unique way that no one else can do, you can help us establish new relationships and you can help us keep the relationships that we have. It's highly valued.

[1:02:00]

Now the not so nice answer is, well, you're on this board. You have a fiduciary responsibility to it. We have 70 to 75 percent of our operating income that comes from contributions and not earned revenue. And so if you don't do it, then who will do it? Because you can't lay 70 percent of the revenue on one person being the executive director. It's unfair, it's dangerous, and it's ridiculous. That's my unkind answer.

SPEAKER: Okay. And one of the things that many of our orchestras have is a description of the role of board member that we give people to review before we recruit them.

BOB: Yes.

SPEAKER: It seems like we have to have like the right bullet points on that document.

SPEAKER: Yes, and the [UNINTEL] to go along with it.

BOB: Yeah, so the mistake that I see on most job descriptions—I call those the job descriptions—is they boil it down to give and get, right? I don't want you to—I mean, if you bring money I'm not going to refuse it. But I don't need, I don't want you to get money. I want you to get relationships.

SPEAKER: Yeah.

BOB: So let's reposition it to say, we want you reviewing lists, identifying people who you know, and helping to create cultivation strategies. Be crystal clear. It's very simple and it's very repetitive. But that is something that you can get done.

BARRY: I'm Barry [Ritchey] and I'm on the board of directors for [UNINTEL]. And when I think of the title of this session, building a fundraising board suggests to me that this is a governance issue.

CAT: Okay.

BOB: Yeah, I would go with that.

BARRY: So what do I mean by that? So you said giving. Give, get or get out, is the old saying.

[Laughter]

[1:04:02]

BOB: I didn't put that last part on, but okay.

BARRY: But the most important part of that issue is the getting. The getting of people on the board. Who knows people in high places, and is willing to make a call to get a development person in the door? Because you all can't make the ask, as you said. So getting them in the door and be willing to make the call to somebody in an ivory tower saying, hey, would you be willing to have a five or 10 minute meeting with our development board? And just getting that person in the door for a meeting, and even telling them in advance the reason for it, you know, just to talk about support for the arts.

BOB: Yeah.

BARRY: So I feel that getting in the door is the most valuable part of it all.

BOB: Absolutely.

BARRY: Because if you don't get them in that door, you are never going to get anything.

BOB: And I love that your visual is to actually be in the room together. I mean, that supports everything that we're saying. You know, there's an old saying, too, and Barry, I know that you've heard this over the years, but if you want money, ask for advice. And if you want advice, ask for money, right?

BARRY: Yeah.

BOB: And it's funny, but it's true. It's funny because it's true. So to me, the idea is, particularly if somebody is getting you to a potential major donor, it's a brand new relationship with somebody not very close, I tend to say, listen, we're about to embark on something big and because you are so plugged into what is going on in the community, we need to come over and bounce the ideas off of you. We want to get your feedback on it.

[1:06:06]

And that is not a shell game. In all honesty, maybe that first meeting is not an ask. Maybe that first meeting is an ask for an opinion, because it's really true, it's not a charade. It's really, truly valuable. They might get something out of your way before it gets public. They might reveal something.

So I don't run into the woods with my arms open and my eyes closed. I hope that makes sense. It's the idea of, let's take a step towards them and let them take a step towards us. It's a better pace. But that's a really nice way to do it. Do it in person. Do it person.

CAT: Yes?

GINNY: Hi, I'm [Ginny UNINTEL] from the [UNINTEL] Symphony in [UNINTEL]. The long and short of it for me is that the structural differences in each of our [entities] drives your ability as a board member to be an [actor]. If you are on a board like the Santa Rosa Symphony, it's not necessarily appreciated or wanted that you want to be an actor. It is highly valued that you will be an [UNINTEL] so much and cultivate with the system. Other boards in California [UNINTEL] really can vary from place to place, and I think it's really the structure of your organization.

As a board member, I think it's really important for me to make it clear to whoever I'm working with that I am willing and capable of doing X, and I am not willing or capable of doing Y. And then work with your administration, with your management, to create a path that is clearly defined by both you and who you are working for.

[1:08:03]

BOB: Oh, that is fantastic. No, that is just fantastic, yes. I really appreciate that comment.

GINNY: The bottom line is to present a clear definition of what you want to do annually, and work with your administration and make sure that you are prepared moving forward to [UNINTEL].

CAT: That's right. Your organization—I mean, you are right. Organizations have different cultures. And although I know that it exists, I'm still surprised when I hear that there is an administration that doesn't want to involve board members in the active fundraising. But I know that it's true. And so finding those areas where you can. And maybe on that flywheel it really is about just helping to identify and bring new relationships, and then helping to keep donors. Maybe the staff just can't have you be part of the ask. You, being the board, not just you.

And so while I don't like that, it's a starting point, though, just to get involved in this act of getting and of keeping the donors.

GINNY: I'm just going to make one more comment, or more of a statement, that while being a board member, I think it's really important to understand the culture of the board that you are on. Who sets the policies and [UNINTEL] that drives the organization forward? As a board member, we do have a fiduciary responsibility [UNINTEL] and work at what we are doing. But we really need to keep in mind that we are [agents], and we need to make the changes collectively and collaboratively and with all involved in the process.

BOB: That's right, yeah, yeah. Yes?

SPEAKER: [UNINTEL] when you said that we need to fundraise those relationships. [UNINTEL] What I do personally is that I always have—I buy three tickets to the season. And it gives me a rigor around making sure that I bring two people who I think could be long term supporters or who don't know the orchestra, to the orchestra. Because I believe that that is where pipe starts.

[1:10:19]

CAT: Yes.

SPEAKER: So we get them in the hall, get them excited about what we do.

BOB: Yep. Got it.

SPEAKER: And then do the fundraising thing after it's over, over cocktails with the patrons later, and you take them to that. And maybe they [UNINTEL] like a family. And I think that's where—and if you did just that, and if everybody on my board did just that, I would be thrilled.

CAT: Yeah.

SPEAKER: Every time I would count probably 20 new people in the room.

CAT: Absolutely.

SPEAKER: So I think you just have to be careful who you talk with, because I do think these relationships develop in the [UNINTEL]. But as I said, all I need to do is to bring people to a concert.

CAT: That's right. A simple system. Give them simple examples. You know, we talk a lot about the virtuous cycle between a patron and a donor, and that is what you have just described there. You know, there is a theory that every single philanthropic relationship begins with a transaction. It moves from transactional to philanthropic at one point, but it begins with a transaction.

So if we go outside of our field and we think about kind of peer fields, in the college and university realm, it usually is the transaction of getting an education in some way. You pay for that education. You go and you get that exchange.

SPEAKER: And the thing is, it's the board members treating the [UNINTEL]

CAT: Yeah, absolutely.

SPEAKER: [UNINTEL]

CAT: That's right.

BOB: Can I put you on the spot for a second?

SPEAKER: Sure.

BOB: Okay, I'm going to put you on the spot for a second. Can you just like role play for a minute. If you were going to invite me to the concert to be your guest, how do you do that? What do you say?

SPEAKER: Well, first of all, they know that I'm in [UNINTEL] so if I know their colleagues or something.

BOB: Okay.

[1:12:01]

SPEAKER: Look, we're having a concert on Saturday night, and it's going to be blah, blah, blah, blah, blah. And I think this is really exciting, and why don't you come, and afterwards we can go for dinner somewhere. So it's not threatening to them, you know? I want to introduce you to something nice that I like.

BOB: Yeah, do you see that? It's so simple. But I have to tell you, this is a barrier to even have board members—well, first of all, in some of the places that we work, to have board members show up to concerts. And I'm really not—but it's true. I know it sounds like I am beating up on board members—

SPEAKER: You need to come to the concerts.

BOB: Yeah, you need to come to the concerts. But second this idea of saying, just like how do I—I mean, usually you'll get a response like, everybody I know already comes to the concerts. Yeah, I don't believe it. I don't believe it. Yeah, exactly. So I just needed to hear it. And I think that it's great, and I hope that everybody else could hear it, and you can replicate that as much as you can. It's so disarmingly simple. Yes?

SPEAKER: Yeah, and the offer [UNINTEL] you can get forever now.

SPEAKER: Yeah, because we as a board, we actually have, honestly, all board members who will invite anyone, because then they will come to our executive [UNINTEL] and they'll keep track of us and we can follow up and corroborate with [the motion].

One of the interesting things, and it's actually a good answer and a bad answer [UNINTEL]. It scared me on the second one, because obviously we need to keep developing our board. And even though we have a really close knit board, I'm in the [UNINTEL] of a new chair for our board, and I am starting to talk to people who I'm sure knows [UNINTEL] and you know, trying to get people to be more of [UNINTEL] and younger. And there are people who will not give it out, but definitely I'll bring them. I'll bring people to have sit with me in the chair next to you.

That's so important. But you know, we have to go back to our own board. All of our board members, I swear, go to virtually almost every concert we have throughout the calendar, but they [UNINTEL] from taking this last board member [UNINTEL]. Our board members really need to be stroked and understand, and really appreciate it, one on one.

[1:14:14]

And when I came in here initially, I thought, oh, the board [UNINTEL] getting this to be a donor board, I thought, oh, my God. What did I [UNINTEL].

BOB: Right? You couldn't manage it. You couldn't manage it.

SPEAKER: Right. But you know, it is the development of our own board, and just keeping the [UNINTEL] relationships and building on those will help us.

BOB: No, that's good. And part of this is shifting the filter. So you know, we talked a little bit about the development committee reviewing lists, and doing that a couple of times a year. But it's also okay to have the whole board review the list a couple of times a year. But you have to change this. Because they know that if they say that they know somebody, that the penalty for knowing somebody is asking them for money, right?

SPEAKER: [UNINTEL]

BOB: But wait just one second. So just change the paradigm of how they look at the list. Look at this list and tell us who you see. These are first time single ticket buyers. If you see anybody on this list that you know, tell us, and we are going to think about ways that maybe we can get them more engaged. That's it. That's it. And again, it is very disarming. It's very okay. It's very soft. But you get what you need as that first step. I'm sorry, go ahead.

SPEAKER: No, I was just [UNINTEL] when you were talking about thanking people as well, we have a thank-a-thon and we do that twice a year.

BOB: Good, good.

SPEAKER: And we have a good number of people there. You'd be surprised how many people do answer the [UNINTEL]

BOB: Yes, yes.

SPEAKER: Especially because they go through the [UNINTEL].

BOB: That's perfect, yeah. Then always really run with what works and watch how many more donors you retain. You could see at the broad base, you could see another 12 percent retention rate. It will likely be at least six percent. So that is, to me, worth the phone calls.

[1:16:17]

CAT: It also distinguishes you. I promise you that it's a simple thing you can do that distinguishes you from about 95 percent of the other nonprofits in your community. It is so simple. It takes a little of organization. And so few do it. And as Bob just noted, the impact of it is incredible in keeping donors. Yes.

BOB: What other questions or thoughts do you have? This is great. I'm really glad everyone is sharing their thoughts on this, too. And it's good to hear about how, again, different organizations, you have a culture of people who, you know, you want to actively engage. And as you are meeting board members, you're meeting your board members as you are about to take over, I would just throw in, make sure that you are giving them the opportunity to share their story with you. Because—

Well, for two reasons. One is, almost everybody likes telling their story, right? And so that is a feel good, and it's a legitimate feel good. And second, you might pull historical nuggets or feel good nuggets or anything that you might be able to use in some of your case building or story-telling. I mean, there could be all kinds of little gems that you just don't know until you ask. So I like that level of back and forth communication.

CAT: Yes?

SPEAKER: [UNINTEL] about corporate donating.

BOB: Yes.

SPEAKER: And I was in one of the other sessions, and corporate donations going to like four percent. So [UNINTEL]. You mentioned earlier maybe corporations [UNINTEL] a little differently in how we approach corporations?

[1:18:02]

BOB: I'll give mine and you give yours. So too often with corporate giving, we look for home runs, and I'm happy with base hits. And what I mean by that is, if I can go to a privately owned or small business owned entity to get a \$2,500 gift, instead of trying to roll out and hit and swing for the fences every 520 8th Avenue, Suite 2005, New York, NY 10018 1602 L Street, NW, Suite 611, Washington, DC 20036 americanorchestras.org

time to get a \$15,000 gift, I'm going to do it. I'll play the numbers game because there are people in our community that, yes, their per capita gift isn't as high. I don't care.

But their likelihood, if they get a good experience, to come back and sponsor something again, or to consume other products that we have, fine. I'll absolutely consider that a win. It doesn't have as many zeros on it but I don't care.

CAT: Yeah.

SPEAKER: Yeah, and I can speak to that. [UNINTEL]. And one of the things that, I was on the committee or the board that allocated J. P. Morgan funds to a candidate.

SPEAKER: This was in Southern California?

SPEAKER: In Southern California. And first of all, [UNINTEL]. So California lets you share, based on the size of the total [UNINTEL]. And so what happened is—and then it gets allocated. So one business [UNINTEL] is going to be most benefitted by [UNINTEL]. Maybe the middle market where they have been the donor and they're customers. But the corporate donation money right now, I think almost every corporation in America is [UNINTEL]. That is what they are after.

[1:20:09]

So if you are doing something that is PR related, it's possible to go to a J. P. Morgan or a PNC or something like that. You would fall into that bucket. But the other bucket that is much larger, and much more, I think, available to people who have [UNINTEL] I think that whatever town you're in, where they have a marketing [UNINTEL] and they can use that as a donation to an orchestra, or to [UNINTEL]. It's whatever you can do. But you have two budgets, and for that budget, it has to go to the business, as opposed to the guy who runs the foundation.

CAT: Yeah.

SPEAKER: You know, Leslie's points are really good. Can I add to them?

CAT: Yes, please do.

SPEAKER: As a former corporate executive, what we did and what would be great for a corporation, if you give them season tickets, someone at the company has to take those tickets around and find someone to use them.

SPEAKER: Exactly, exactly.

SPEAKER: And it's actually like an assignment. You [UNINTEL] or you are trying to sell the season tickets, you're giving them an assignment that they don't want.

SPEAKER: That's right.

SPEAKER: And if you sell them a table at the gala, you are giving them the assignment to fill the seats at that gala, right? And so don't underestimate—think of all of those things that are positive first, because it's more likely that they will [UNINTEL].

But the main point I think, which is kind of Leslie's main point, which is, almost every corporation has a philanthropic thrust of some sort. It might be education or health care or whatever it is. And if you can't tap into that thrust, you're going to get tiny, tiny donations. You aren't going to get anything significant.

And the last point is that any corporation is a global business, and they are probably trying to spend less of their budget in their [UNINTEL] and more of it somewhere else.

[1:22:10]

SPEAKER: But I think, to Leslie's point also, about sponsoring. Because sponsoring, I mean, you just have to make sure to say to that the executive director or the music director, thank you.

SPEAKER: That's right.

SPEAKER: [UNINTEL]

CAT: So we typically see that the major motivator for corporate support will follow one of three categories. Again, we like three. It's simple and you can remember it, okay? So first, marketing and PR, all right? Just as Leslie was saying, it's about they want to seek clients from among your patron base.

Second, and it's different, is PR. And people all the time are like, isn't that the same thing as marketing and sales? No, it's not. Marketing and sales is about transactions. PR is about brand. So it's about how their partnership with your organization helps advance some arm of their brand that they are wanting to really lift up and showcase. Leslie had the great example of DEI and EDI.

SPEAKER: Yeah, and I even have one more thing to say about that. [UNINTEL] But they are also really [UNINTEL] really cool things to do with their clients.

CAT: Yeah.

SPEAKER: So if you had like somebody coming like a [UNINTEL] like who is your orchestra? They would love, love to do all of that, to be able to get the clients who [UNINTEL] with you. They like that kind of stuff. But their clients things [they can't find].

CAT: Yeah, that's a great point. Yeah, I love that.

SPEAKER: So that's another thing. We just keep thinking about that, too, and we're [UNINTEL].

[1:24:06]

SPEAKER: Everyone book Yo-Yo Ma.

[Laughter]

CAT: Well, and briefly I'll just mention that what's really important, especially in communities, are B2B businesses, right? They do not care about marketing and sales, or about brand, because it doesn't matter to them. It doesn't help advance their business. The one thing that they do care about is their employee base, okay? So the third category, how engaging with your organization can help them engage their employees, and keep and recruit and retain employees.

So I have mentioned those three. That would take a lot of research. You have to have a Leslie in your hip pocket to know that organization, to know exactly, before you go into the ask, what motivates them? So don't. Don't try to look into the crystal ball before you go. Go ask them, okay?

So exploratory questions with corporate partners are things like, what are some of the most fulfilling and productive relationships or sponsorships that you have had with another nonprofit in the area?

SPEAKER: And also, don't be afraid to ask your board, when you are talking to your board, about who they know. Just ask what companies they know about.

CAT: Yeah, absolutely. Absolutely.

BOB: And I am going to position that question, too, because part of today is about breaking into some new focus. I would ask the question to fellow board members like this. What three companies come to mind right away who could benefit most from a sponsorship with us? And it's not the quick route to the question, and I'm not criticizing that.

SPEAKER: Oh, no, I don't think you are. But find out who they know.

BOB: Yeah. But that idea of saying—so it's not about, who are we going to go to and ask for money? We've got to change that. We've got to shift that mindset. The mindset is, who could benefit most, and why would they benefit from a partnership with us?

[1:26:05]

Because we know that we will benefit. We'll get the money. It's fine. We understand that part. And there might be more, and that's okay, too. But how will they? Because that will change the nature of the names that you get. So that's why I tell you, think about it just a little bit deeper.

CAT: And that takes us back to the beginning, value versus need.

BOB: Bingo. Oh, thank you. Yes. Well, hey, what David whispered in my ear a moment ago is that we actually have until 12:30, but I don't think that that is mandatory. [Laughter] And we're happy to stay

here and answer questions individually, or just have some good conversations. But other than that, unless you have got more questions, we'll wrap up.

CAT: Thank you, all.

BOB: Thanks, everyone.

END OF TRANSCRIPT