

Paying It Forward: Shaping Your Community's Future

AFP Yosemite


October 5, 2017

Lunch Keynote

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Our Focus Today

- Overview of the intergenerational and other trends that are at work in our sector and how they affect boards
- Description of the board's role in a changing philanthropic climate
- Exploration what we need to do to shift from "what's wrong?" to "what's possible?" so we can pay it forward



Trends at Work In Our Sector

External drivers

Internal drivers

Unlocking The Generational Barriers

- What are the challenges in cross-generational philanthropy?
- How many generations in your data base? On your staff? On your Board?
- What are the keys for cross-generational messaging?

Opening discussion



Blackbaud Giving Report 2016

- Generational Giving Trends: With nearly 9 decades in our donor bases, what can we anticipate?
 - Silent Generation – 1926-1945
 - 26.1% of donor population; 30.5% of total giving
 - Baby Boomers – 1946 – 1964
 - 41.6% of donor population; 41.6% of total giving
 - Gen X – 1965 – 1980
 - 19% of donor population; 15.7% of total giving
 - Millennials – 1981 – 1997
 - 7.1% of donor population; 5.4% of total giving

External Drivers of Change in Board Purpose and Composition

- Donor-investors rank leadership only slightly behind mission in investment decisions
- There are now more Millennials than Baby Boomers in our general population (but not in our donor population) – does our emerging leadership reflect that?
- Sector priorities are at risk without new and continuing leadership to fulfill emerging missions and adapt to fast-changing demands

External Drivers - 2


- Increased collaboration with business and government to solve growing community problems requires board members who are informed decision-makers, familiar with the “business” of their nonprofits and willing to make timely and nimble decisions: how do we bring younger people on to our boards?
- B Corporations, social enterprises, commercial ventures are also in the social space and expecting partnership performance

Internal Drivers of Change in Board Purpose

- Investment in nonprofit administrative leadership development is meager (\$29/employee/year as opposed to \$120/employee/year in the for profit sector per McKinsey study) and boards could play a constructive role in strengthening the leadership capacity of an organization: can board members be partners, not just monitors?
- Those new to board service are impatient with the risk-averse and slow pace of nonprofits in solving community problems

Internal Drivers - 2

- Are boards engaged in the right areas?
- The emphasis on monitoring rather than partnering may lead to some of the issues we confront – focus on administrative accountability over mission accountability: how attractive are we?
 - McKinsey – “...in a sector that is mission driven, 90% of social sector leaders feel their peers will prioritize their own organizations and themselves over advancing their causes. They did not rate advancing the good of the mission over the good of the organization as a top leadership priority.”



The Board's Role In a Changing Philanthropic Climate

What is the purpose of a board?

How do we recruit and engage members to ensure
that we pay it forward?

Building a board that builds our futures

Changes in the Sector Affecting Board Culture in Organizations

- Rise of professional management has led to uncertainty about board roles
- Boards have been “kicked upstairs” to “policy and strategy” to avoid micro-managing yet policy and strategy are hard to separate from administration
- Expected to govern at “arm’s length” with little knowledge of the “business”

Problem Boards? Or Board Problem?

(Ryan, Chait and Taylor, Harvard University, 2012)

- Is the problem performance against these long established tasks?
 - Set and modify mission and strategy
 - Monitor management and keep them accountable
 - Hire, evaluate, support (and fire) ED
 - Develop/conservе organization's resources
 - Serve as bridge to environment; be advocates and build support

Problem Boards? Or Board Problem? (2)

- Or is it deeper: the board's purpose?
 - What if the central problem is not fulfilling roles and responsibilities but lack of a compelling purpose in the first place?
 - What if the purposes ascribed to boards are now insufficient to sustain engaged and effective service by nonprofit board members?
 - Have duties become episodic, meaningless or ceremonial?

Common Board Roles in The 21st Century

- Represent the organization to social, civic and professional networks
- Help the organization understand the larger environment better by bringing information from those networks to the board
- Have been mandated an enormous role in fundraising
 - Boards are thus placed in a narrow external role – is this purposeful? Where do younger board members fit in?

Expanding the Board's Role: How and Why

- Look beyond the roles and responsibilities on the job description to the more subtle, important and personally satisfying aspects of their involvement
- How can we make board work more meaningful and attractive to new members?
- How can we advance the mission and vision towards the future?
- A new sense of purpose may provide solutions to the problems of performance and recruitment

The Board-CEO Partnership: What Can it Be?

- 21st Century social/nonprofit sector demands strong leadership
- CEOs and other sector leaders in the McKinsey study were asked what would support their leadership development:
 - 40% cited coaching from board members and funders
 - 42% said participating in cross-sector networks
 - 49% said time to experiment or taking a sabbatical would help



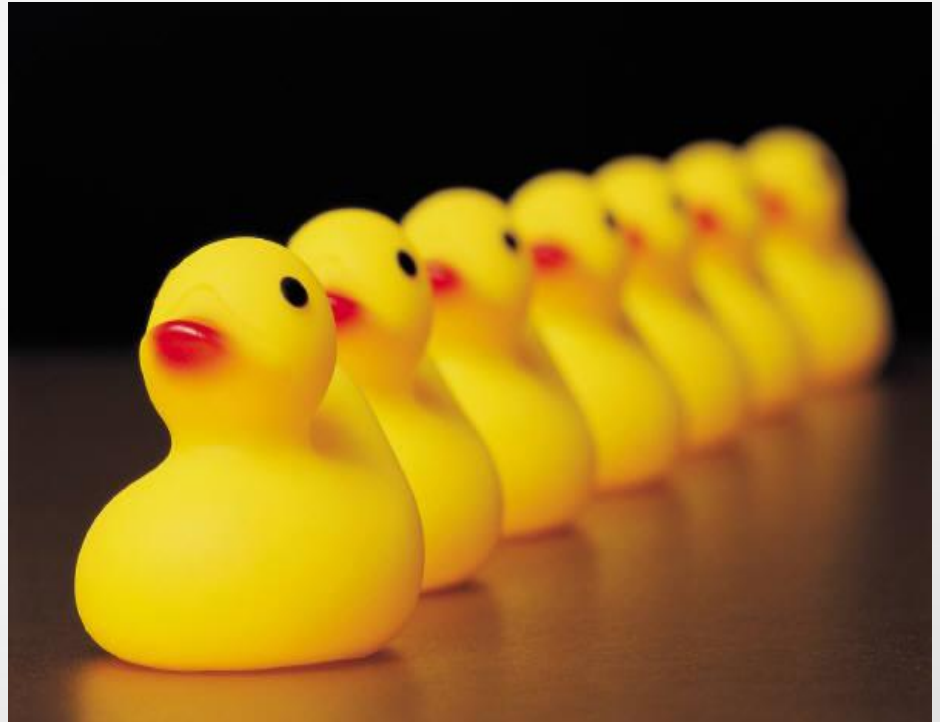
Engaging Your Board and the Community

1. Some strategies to try
2. Messages of abundance, not scarcity

Getting Our Ducks in a Row

How we can be successful in cross-generational engagement for long term sustainability now and into the future?

Some strategies and suggestions



To Engage All Generations: Mind Your Messages

- Evaluate your mission statement
- Evaluate your vision statement
- Know your values and use them in your materials
- Review your existing materials: do they provide a platform that pays it forward?
- Do your materials reflect the truism that people give because you meet needs, not because you have needs? (Abundance or scarcity?)

Themes and Messages That Cross Generations

- Trust
- Relevance
- Urgency
- Impact*
- Advancement of my (and community) values
- Stories
- *Impression, Message, Product, Ability, Case, Timing

Key Ideas To Pay It Forward

- Philanthropy must adjust its approach to accommodate the changing times
- All philanthropy is values-based: your messages should help uncover the values people of all generations embrace and want to see fulfilled in their communities
- Giving will take increasing new forms – but the underlying motivation does not change (to make a difference or impact, to “change the world”)
- Suspend disbelief and take risks if you are to engage younger generations (or older “RTs” eager to see things accomplished in their lifetimes)

Key Ideas - 2

- There are infinite possibilities for engagement when philanthropy is considered in its fullness as all voluntary action for the public good (Payton):
 - Giving
 - Asking
 - Joining
 - Serving
- Millennials will be the most generous generation since the Silent Generation – but they will (and already do) give in ways we cannot imagine

Strategies to Try

- Work with your board to assess the “purpose” of your board and look at your roles and responsibilities and see if they support mission, vision, leadership development, community collaboration/partnership and the other aspects of the “new” roles that board members are expected to play: make a shift from “what’s wrong” to “what’s possible” in your work

Strategies - 2

- Evaluate the ED/CEO relationship with the board and assess how it might be more productive relative to engagement and how the board might be more supportive (mentoring, coaching, skill sharing, resource sharing) to grow the leadership strengths of the ED so s/he will feel validated and grow in the job

Strategies - 3

- Assess your board relative to whether you are tapping into each member's passion (PQ), personal purpose in being on the board and motivation, and how the list of roles and responsibilities can be a platform for building a board whose purpose is so clear and that the performance is strong
- As a board, be sure you are operating from abundance, not scarcity, when evaluating opportunities or achievements

Strategies - 4

- Be sure that board meetings are balanced between mission/vision focused discussions and progress appraisal as well as financial accountability – have a “mission moment” at every board meeting, and give feedback on mission impact.
- Create an open environment at board meetings and seek feedback at the end
- Make passionate pragmatism your goal

Getting the Attention Of All Generations

- Communicate in their preferred mode
- Offer only the information they want on the timeline they prefer – be sure your newsletters are short, with links for those wanting more
- Show them that you know them – what they do/don't like, what they do/don't want
- Listen
- Shift thinking from “what's wrong” to “what's possible”



Paying it Forward

Growing the board culture

Supporting leadership

Sustaining your organizations

Growing the 21st Century Board Culture

- Be mindful about legal, fiduciary and other responsibilities but remember that the mission is the reason you exist: measure it as well as other aspects of the performance
- Engage ALL board members purposefully in ways that grow their passion and respect their pragmatism
- Educate the board about the 21st century philanthropic “ecosystem” involving nonprofits, for profits, hybrids and government

Sustaining Your Organizations

- Set standards for board participation and engagement – beyond committee membership to connection with passion and motivation
- Break down the barriers between the “business” of the organization and the “business” of the board
- Communicate with your networks about the mission impact of your organization’s work
- Recruit new board members systematically and convey to them the purpose for their work

Final Comments

- Don't get hung up on generational differences, but respect them
- Be a renewing organization: "surrender the memories" and "take the best and leave the rest" (Waterman)
- Coach your staff/board/volunteers on the characteristics of the various generations so they are more in tune with them when they meet them and communicate with them
- Know what you can change and what you cannot: preserve the basic principles of our sector regardless of the generation with which you are working – it is our opportunity to be transmitters of the culture of philanthropy going forward.



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