Elevating Governing Board Leadership by Embracing the Duty of Advancement

Governing boards of nonprofit organizations possess extraordinary significance. They hold the power to transform an organization from merely surviving to truly thriving. For over 70 years, our firm has consistently shared this timeless wisdom to convey the profound impact that effective governing boards can have.

ðNo organization will be better than its board. ó

High-functioning governing boards ensure the success, sustainability, and impact of an organization ï• •‹••‹'•ä They serve as a guiding force, providing strategic direction, oversight, and accountability. They bring together individuals with diverse expertise, skills, and backgrounds, offering a wealth of collective knowledge and experience. They make informed decisions, set policies, and establish governance practices that align with the organization ï• •‹••‹'•á ˜‹•‹'•á ƒ•† •–"ƒ–‡‰‹… †‹"‡…–‹'•ä '˜æ erning boards are responsible for selecting and supporting executive leadership, ensuring fiscal responsibility, and safeguarding the organization ï• ƒ••‡–• ƒ•† "‡'——ƒæ tion. By upholding the highest standards of governance, governing boards:

♦ contribute to building public trust,
♦ attract and retain talented staff,
♦ cultivate philanthropic support,
♦ make a meaningful impact in the communities they serve, and
♦ ultimately drive the organization toward not just achieving its mission but strengthening it.

Governing boards have three primary legal duties.

1.   : The duty of care requires board members to act in a diligent and informed manner when making decisions on behalf of the organization. Board members must exercise reasonable care, skill, and prudence in exercising their responsibilities. This includes attending board meetings regularly, actively participating in discussions, reviewing relevant materials, and making informed decisions in the best interest of the organization.

2.

By effectively fulfilling these responsibilities, the board can significantly contribute to the overall advancement and success of the organization.

In this edition of the <u>Bulletin on Advancement</u>, we delve into four strategies through which the Board can fulfill its   , enabling the robust support of a comprehensive and continually evolving advancement program.

Leading by Example (Through Giving)

A primary driver of consistently increasing results in advancement is the realization of board members leading by example through generosity. Focusing on the development (fundraising) function of an organization ï • … ' • æ prehensive advancement program, it is appropriate to say that all development efforts begin with the board.

For starters, the board should have an engaged Advancement Committee populated with members who share the characteristics of affluence, influence, and generosity. These committee members should provide annual leadership by inviting other board members to give a generous annual gift and, if appropriate, a generous campaign gift.

For the full governing board, achieving a goal of 100% giving every year is paramount. Inevitably, the following question arises:
All too often, the answer results in setting a fixed amount for each board member. We do not recommend this approach. Our experience suggests board members become more fully engaged and give more generously when they are encouraged to include the organization as one of their top three (3) philanthropic giving priorities during their time serving on the board.

Next, governing boards should be responsible for achieving a collective dollar goal for annual giving each year. The Advancement Committee should set this goal each year, communicate it to the full board, and monitor it throughout the year.

7. Giving is valued, celebrated, and discussed at every board meeting, and the work of advancement is presented as more than just a committee report.

A culture of engagement is open to the ideas and perspectives of others. It supports inviting others to participate and helps define the organization ï• ˆ——–—”‡ä Š‡• ‡š‡…——–‡† ‡ˆˆ‡…——‹˜‡Ž›á ‹– •‡•†• –Š‡ •‡••ƒ‰‡ –Šƒ– ò™‡ want your input because we value your experiences and ’‡”•’‡…—‹˜‡•äó •† ™Š‡• –Š‡ „'