JOSHUA BIRKHOLZ + AMY LAMPI

BENEFACTORS

WHY SOME FUNDRAISING PROFESSIONALS ALWAYS SUCCEED

Foreword by Kevin J. Foyle, MBA, CFRE
Chair, Association of Fundraising Professionals Global Board

WILEY

8

The Leadership Factor

Wealth is not new. Neither is charity. But the idea of using private wealth imaginatively, constructively, and systematically to attack the fundamental problems of mankind is new.

—John Gardner

If your actions inspire others to dream more, learn more, do more and become more, you are a leader.

—John Quincy Adams

Fundraising is not a new concept. There are examples of people contributing to a building fund in ancient times. Around the world, people have asked for money to help others since recorded history began. The National Philanthropic Trust has a fascinating history of modern fundraising at historyofgiving.org. If you visit the site, you will see that they lead with the same John Gardner quote above. In this short statement is the essence of the biggest change to happen to our field. Although fundraising is not new, the *business* of fundraising really emerged during our lifetimes.

I remember a conversation I had about a decade ago with Jerry May, the very successful and long-serving university fundraiser most associated with the University of Michigan and The Ohio State University. We were talking about his early years of leadership versus his later years. To my best recollection, he said, "When I was starting, my focus was on building relationships with my board, finding a way of working well with the president, and strategizing about million dollar asks. After several decades, I've become close friends with many board members. I have a good rapport with the president. And I've closed nine figure gifts. But, I'm not sure I was fully prepared to manage a team of 600 people." The honesty and wisdom of that sentiment has stuck with me.

Until recently, the chief development officer for most charities was the most effective frontline fundraiser who had climbed the ranks as the organization grew. Beginning most noticeably in the 1970s, fundraising started to take on a distributed business model. Rather than single contributors doing all the work, we began to distribute tasks like a business. We had an advancement-services professional manage our records and gifts, the first prospect researchers emerged, we started to see annual-giving professionals and planned-giving professionals, and we had very business-like roles such as marketing, HR, and information technology housed within the development program.

Over the next few decades, programs grew in line with a campaign arms race. The fundraising campaign moved from the incremental capital effort or special initiative to the all-encompassing organizational branding and transformation effort. Along with other businesses, we embraced strategic planning, moved to relational customer relationship management (CRM) databases, incorporated data science, developed digital strategies, established mission and vision language, conducted multiyear plans, created proactive talent management and recruiting strategies, and built a multifaceted professional association ecosystem. Fundraising became a legitimate business.

Now, we are in a period of professionals moving into leadership roles who "grew up" in the business of fundraising. These are different types of leaders with new challenges and opportunities. At times I fear the gradual extinction of the elite fundraiser who honed her craft with top donors over the years only to be replaced with business strategists. But these concepts are not mutually exclusive. Great fundraising leaders continue to emerge. The craft of fundraising continues to evolve.

The characteristics that define a great fundraising leader in the 21st century are being driven by character, being a student of the business, embracing fundamentals, pursuing the edge, and modeling excellence for the organization. As with all areas of fundraising, excellence emerges from a commitment to craft. All of these elements are achievable through commitment and practice. Let's jump in.

Driven by Character

In Chapter 2, I introduced you to my friend and mentor, Fred Kiel. I was honored to provide some assistance in the empirical research for his book *Return on Character*—the next book you should read after this one. This analysis dug into the universal character traits of forgiveness, integrity, compassion, and responsibility. All cultures, regardless of religious or historic backgrounds, have these traits. Through deep analysis of business leaders across sectors—public, private, for profit, and nonprofit—including personal evaluation and employee observation, the team ranked each executive on a character curve. At the top of the curve were virtuosos of character, demonstrating behaviors consistent with all four of the character traits. At the bottom of the curve were some very interesting executives dominated by self-focus.

The research team compared the character traits to external business success data. A very common measure for business is the return on assets (ROA). Is the company becoming more or less valuable over time? The findings were astounding. Controlling only for character, we found that the top half of the study pool had an average of 5.3% ROA, while the bottom half had a 1.9% ROA. When we showed the data in quartiles, the differences were even stronger. The top 25% of CEOs had an 8.4% ROA, while the bottom 25% actually lost value (-0.6% ROA). This was probably the first data showing that character drives business results. Being a good person, forgiving yourself and others, keeping your word, taking responsibility for your actions, and caring about your team are measurably connected with business success.

A commitment to character encourages an engaged workforce. Self-focus, fear motivation, "holding feet to the fire," and grudge keeping produce a demoralized and at-best compliant workforce. When employees are in a zone of compliance, they will focus on doing what they need to do to not get in trouble. Goals and metrics end up being the ceilings of accomplishment. When employees are engaged, they look back at the goals as they blow by them. There is alignment between what is good for me and what is good for the organization.

Character is not an innate personality trait. It can be taught through practicing character habits such as empathy, moving from "me first" to "others first," and owning up to mistakes. With empirical data backing the value of character, the fundraising leader should start by thinking, "What kind of leader do I want to be?"

Students of the Business

Abigail Adams said, "Learning is not attained by chance; it must be sought for with ardor and attended to with diligence." When you rise to a leadership position, you have not completed your journey. You've only begun the next leg. This is not the time to rest on your laurels. This is the time to seek how you can accomplish even more.

Over the years I have been invited to speak at several graduate program classes, ranging from nonprofit management and fundraising to data science and economics. When I meet with the aspiring data scientists, I will invariably receive the same questions. Students will ask if they should focus more on R or Python for data analysis. Should they immerse themselves in deep learning? Which skills and techniques look the best to future employers? My answer is always the same. I've seen both brilliant data scientists fail to make an impact and turnover quickly and average data sciences transform an institution. The difference is the domain knowledge. I tell them, "Decide what field you wish to apply your data science skills to and become a nerd about it." If they want to become a fundraising data scientist, it is more impressive to the hiring manager to say, "I've studied fundraising thoroughly. I think there are five key ways it could be better. Let me show you some of the ways I can help make that happen."

Learn about the business of fundraising. Why is encouraging major gift officers to go on discovery calls an issue at every institution? Perhaps there are learnings from behavioral economics, psychology, or related sales that could help lead to a solution. Why do we continue to have such an extensive talent gap? Is the supply and demand imbalance, which invariably leads to increased transiency and wage inflation, sustainable? What could we do to combat this trend at my institution? If our major gift business model leverages annual giving to build our base of future major donors, why is our primary metric for the annual giving team alumni participation instead of increased lifetime value and high-wealth sourcing?

If you have reached this point in the book, I realize you are a learner. Books are an effective way to open your mind to new ideas. There are many more ways you can advance your skills. Conferences are great and can help make new connections and get a pulse on the industry. Sometimes it is more effective to go on a site visit and really dig into the details with an industry peer or aspirant peer. Consider coursework on organizational management or leadership. Find a mentor and meet regularly. Offer to be a mentor and learn from the questions you get. Offer to speak at a conference to crystallize your thinking on a topic. Certainly, the ideas are numerous.

Embracing Fundamentals

Throughout the book you've read my opinions about best practices. Too often, best practices are code words for being like everyone else. Maybe you've jumped to the conclusion that I do not value the fundamentals of the business. Quite the contrary, a jazz musician can't improvise until she learns the chords. Your organization may not be able to embrace the new unless it gets some key functions working consistently.

As a fundraising leader, you should regularly evaluate your programs, whether using internal resources or by paying an evaluator. This will help you establish baselines to determine areas of risk or opportunity.

When you have a physical, the doctor will order a series of lab reports. These reports will show results of blood analysis in areas of cholesterol, blood sugar, liver counts, and so on. The first time you have it done, you will see your counts in the context of the normal ranges. If your numbers are in that range, you have nothing to worry about. If your numbers deviate from the range, you will have context for your next conversation with your doctor. If you have regular physicals, in addition to the context of normal ranges, the doctor will show your progression over time. Are counts improving? Are counts getting worse?

An outside evaluator, like the physician, will have the context of what's normal in your program and provide some context. If you continue to evaluate regularly against your baselines, you will begin to see if things are improving or going the other way.

Another principle for solidifying fundamentals is establishing sound management practices. As leaders, we often look outside of organizations, but we need to look within at times. One method I find very helpful is establishing guiding principles. If you've read Ray Dalio, the Heath Brothers, or the Navy's KISS principle (Keep It Simple, Stupid), you realize providing straightforward frameworks for decision-making will help your middle managers and staff make decisions. In Chapter 4, I described the three guiding principles for my company. Here they are with a little bit more detail.

1. *Advance*. We are a mission-driven for-profit organization. All our work and our research should advance the charitable sector, advance our clients' success, and advance our ability to make lasting impact.
2. *Discover*. Our goal is to identify, align, or invent which practices are best for our clients to be successful. Our discovery of these next practices is collaborative with each other, with our clients, and with the sector.
3. *Thrive*. All BWF employees should commit to a thriving work environment where all people, regardless of role, race, personal expression, or ability are valued. We will lift each other up through mistakes and support each other in failures. In our pursuit to be the best place to serve nonprofits, we are committed to the character traits of compassion, forgiveness, integrity, and responsibility.

I can't be involved in every decision. I shouldn't be involved in every decision. The same is true of our senior leadership team. By outlining the guiding principles for how we make decisions, the whole company has a mirror to hold up against new initiatives, business decisions, and client decisions. Does this idea actually help our clients, or does it only help us? Are we rehashing what has been done or working collaboratively for what should be done? Will pursuing this idea threaten an inclusive and thriving work environment?

Pursuing the Edge

Innovation is my hands-down favorite part of leadership. Maybe it's the composer in me. Or maybe it's my assortment of Gallup *StrengthsFinder* traits (Futurist, Ideation, Intellection, Strategic, Self-Assurance). I just love to create things that never existed before to make people happy and provide true value. As expectations for funds continue to grow and our organizations become more complex, we all need to push ahead into the unknown.

Normally, innovation is the result of applying a concept from one context into another. In my early years when still doing data science, I mostly pulled from other industries. Lending had a close equivalent to prospect research in their underwriting departments. Underwriters study capacity and propensity to make loans. The pre-underwriting step of running a credit score was the early prototype for building major gift models. Copying the approach exactly failed miserably at first. The top predictor of paying back a loan was a history of paying back loans. When prospecting for new major donors, using a history of major giving only produced people we already had identified. We had to look for methods of predicting a behavior for a statistically anomalous group before the behavior happens. The closest example I found at the time was fraud detection. Although fraud was a negative deviance event and major giving is a positive deviance event, both are effective for finding distinguishing change within messy and missing data.

There are many examples of the fundraising profession improving by adapting methods used in other sectors. Prospect relationship management liberally pulls from sales pipeline management. The dynamic scoring methods Amy and I developed for the arts were inspired by dynamic ticket pricing. Expanded blending of complex assets to fund principal gifts is quite similar to the creative structuring used in mergers and acquisitions. Some of the most effective ask arrays in direct response leverage anchor-pricing strategies used in retail. Think of the donor welcome pack used by donor relations departments in response to a donor's first-ever gift. This is an adaptation of the customer delight concept.

Customer delight is surprising a customer by exceeding their expectations and thus creating a positive emotional reaction:

1. Make customers loyal. Finding new customers costs four to nine times more time and money than reselling to an existing client. It is thus commercially intelligent to retain as many clients as possible.
2. Have customers that are more profitable. Average delighted customers spend more with less hassle. When all other elements are correct, clients accord less importance to price (as long as their perception of price remains reasonable).
3. Have clients talk positively about your product, brand, or shop, the so-called word of mouth. In a world of informed customers, 92% of customers consider word of mouth as the most reliable source of information. Delighted clients can be a valuable source of advertisement for a company. (Wikipedia, 2019)

Some innovations are unique to our industry. For example, commitment-based counting, deferred-giving instruments, and campaign volunteer structures are rather unique to fundraising. Regardless of the source and context, fundraising leaders set out to try something new to either solve an existing problem or open the door to a new opportunity.

Rutgers University's increasingly innovative fundraising program under Nevin Kessler's leadership and Jessica Miller's innovative thinking created a new method of determining campaign themes and priorities. They assembled and refined gift ideas from around campus, gathered a couple of hundred donors to campus, and used a *Shark Tank*-type approach to present the ideas to donors. They received direct feedback on what was compelling and feasible for their campaign in a completely new way.

My BWF colleague Bond Lammey, while in a previous role as director of prospect research for the University of Chicago, created a single-source rating methodology to the time-consuming verification process. Researchers were now able to vet screening results and referrals to pass forward to major gift officers in a fraction of the time it takes for most research departments.

Marianne Haggerty of Caltech collaborated with me to create a cross-corroborating screening algorithm. By conducting regression analysis of screening results by multiple companies, weighting each component at the asset level, and building a new capacity calculation, we were able to increase accuracy of ratings by 70%.

Similar to establishing guiding principles for managing fundamentals, I find it effective to create an expanded innovation rubric to serve as a test for new ideas. Here is a sample rubric:

Benefits

1. Does the potential innovation enhance an existing capability at our organization? In other words, does it make something we already do better or more efficient?
2. By pursuing this idea, would we be able to offer a more valuable service to our donors?

3. Would it benefit multiple areas of our program?
4. Will we see more gifts, higher lifetime value, or bigger gifts?
5. Is it aligned to our organization's guiding principles?

Risks

1. If we do this, could there be an adverse effect in giving?
2. Will the quality of work be to the expectations of our brand identify?
3. Is the cost higher than the potential benefit?
4. Will there be an operational impact that taxes our existing staff unreasonably?

In Chapter 2, I described how innovation flows out of a forgiving culture. It is necessary to understand that most ideas will not come to fruition in the ways you expect, if they succeed at all. You will fail often. The resolve to continue pursuing the edge will make you a stronger leader and may produce the next great idea. Give yourself and your team room for what's next.

Modeling Excellence

Over the years I've come to realize a truth I first heard in a Manager Tools podcast (www.manager-tools.com) years ago. When you become the boss, it is as though there is a giant neon sign over your head wherever you go saying, "The Boss." The energy changes when you enter the room. As much as you try and make friends with your employees and pursue a universally valued and inclusive environment, they will always recognize the role differential. But they will also learn from your example.

Ralph Waldo Emerson said, "An Institution is the lengthened shadow of one man." Although I do not like the gender-specific nature of the quote, I think Emerson has a point. The institution reflects the personality of its leader. If the leader values compassion, the organization will begin to value compassion. If the leader is driven by fear, the organization will respond to this fear with CYA language, blame, and gatekeeper dependence. If the leader models excellence, the program will become excellent.

This is a tremendous responsibility for the fundraising leader. You set the tone for the organization by your own behaviors. To build the organization your mission and your donors deserve, focus on being the leader your mission and your donors deserve. Your organization will follow your example.

Manager of the Fundraising Business

Like fundraising, leadership is not a new concept. However, I have found that in many instances fundraising leaders are not given the adequate tools for successfully managing and leading a team without being thrown into the deep end first. Like our profession of fundraising, we as development professionals many times "fall into" management and leadership as well. It happens often in one of two scenarios:

Scenario 1

A fundraiser rises up through the ranks of their team, being given progressively increased responsibilities based on their previous performance. They have exceeded revenue goals and proven capable of handling more.

> Perhaps they started in gift processing, then moved to the annual fund, then individual giving and finally major gifts. They were given more responsibility as they were able to accomplish and excel in their current duties. Next, they moved to major gifts, and then, after exceeding revenue goals as an officer, they are given staff to manage.

Along this particular career journey, the fundraiser is sometimes given the tools for success of managing a team, but I'm afraid that is not always the case. Rarely are their managerial or leadership qualities accessed to see if they would make a good team leader. In my experience, some officers should never have a direct report and are far more productive as gift officers. In fact, the more staff you manage, the less productive you personally are as a revenue producer. You have to balance bringing in major gift revenue as well as managing people. I once asked Josh how many direct reports a fundraising manager should have, based on research. It's recommended that one should not manage more than *five to six direct reports*, otherwise you are spending all your time managing a team instead of achieving fundraising goals. I have managed fundraising teams for over a decade, and it is still a struggle to juggle and balance all the balls of the fundraising business.

The Peter Principle states that "good rule followers get promoted by management until they become bad leaders." There is very little research to show how the Peter Principle applies to fundraising, but we can see a correlation with our colleagues in sales. Sales employees actually decreased their revenue and productivity the moment they became managers. The high-revenue-producing salespeople increased their chances of earning a promotion by about 14% each time they doubled their sales. Firms would prioritize "current job performance in promotion decisions at the expense of other observable characteristics that better predict managerial performance." Sales declined an average of 7.5% on teams led by managers who had doubled sales when they were just in charge of themselves ("Promotions and the Peter Principle," National Bureau of Economic Research, 2018).

Our fundraising profession needs to take a hard look at who we are promoting in our field and why they are being promoted. Some of the best major gift officers should stay as officers and not be given teams to lead. Other staff members may exhibit excellent leadership skills but not be the highest revenue producers, and therefore great candidates for management. This is why talent management is a critical new focus for the development profession, more on that topic can be found later in the chapter.

> Scenario 2
>
> Fundraisers get overlooked for promotions within their current organization, so they look for (one of many) open job opportunities that will provide increased responsibilities and perhaps a management position elsewhere. They leave their current positions and take a role at a new organization. They may have three to five years of fundraising experience under their belts, but this new position is the first time they have managed a team, with little to no prior management experience.

This was my experience. I had left my prior position to gain board and major gifts experience and was very fortunate to be handed the reins to lead my first fundraising team in my late 20s. I had been in development for six years and was ready for a new challenge, so I took my first director of development position leading a small team for an education nonprofit in 2008 (during the financial recession). It was tough, but I am still so proud we exceeded our goal that year. I was truly grateful for this position, but talk about a crash course in management! Luckily, I had colleagues and my mentor Dorothy along the way to help me navigate this unchartered territory, but it wasn't until five years later that I was sent to a formal management training course. We need to be empowering our fundraisers with management courses and training sessions, not only to help them advance their careers, but to help with retention. Don't fall into the trap of giving a young ambitious employee an intern to manage. Train them and teach them the ways of managing employees. If you are a member of senior leadership, set them up with a mentor in the management team to learn about how to manage a team. You will not only empower current employees and future leaders, but their future employees will thank you.

Fundraising Manager versus Leader

The reason I differentiate between the leader from the manager in the development business is that these are two separate types of supervisors. Development leaders are much harder to find in our profession. We can characterize the fundraising manager as the head of a team or department who tends to focus on tasks and processes at hand. There is a focus on the details instead of bigger picture or strategy. Managers are critically important in implementing processes, efficiencies, and protocols, but I would not suggest they lead an entire department unless they exhibit leadership qualities.

Here is how you might distinguish between these two types of roles:

1. *Leaders* set the vision and direction for the team in accordance with the mission of the organization. They provide guiding principles for the team and institution. Leaders model culture expectations for their team. Leaders care deeply about the team and the organization.
2. *Managers* are excellent at converting vision into action. They provide decision-making frameworks so their teams can move forward on projects and help solve problems. Managers model culture expectations for their teams. They too care deeply about the team and the organization.

Both leaders and managers are essential to the function and process of an advancement or development department. However, I think it is crucial for a chief development officer or director of development to be a fundraising leader to establish the vision and culture of the team and strategically guide them into the future.

Leadership Characteristics

In the following list, I have included some leadership qualities or character traits I have identified and witnessed during my tenure as a fundraiser. These character traits can be innate or learned. Either way, the fundraising leader must have a desire to grow these characteristics along their career journey:

- *Collaboration:* The more leaders provide exposure to collaborating across fundraisers and programs within an organization, the better it is for all. In sales, for example, it was once measured that "the number of colleagues with whom a worker shared credit on transactions" had increased sales by 30% for their teams.

- *Vision:* Fundraising leaders have the passion and vision to chart the course ahead for their teams and see where the teams need to go three to five years down the road. They should be able to build their teams around mission, values, strategic plans and benchmarks established by the organization and in accordance with metrics from similar types of other organizations.
- *Innovation:* Fundraising leaders are constantly looking toward next practices to advance their teams and, if feasible, their sector and industry. Regardless of the size of their teams, the leader trains, educates, and casts a vision for what their teams are able to achieve.
- *Humility:* Fundraising leaders are able to admit their mistakes, say they are sorry, confess when they don't know the answer, or ask for help or more information. A fundraising leader knows how to delicately guide themselves and their staff through "failing well." They credit the team more than themselves and serve the team as servant leaders fighting against pride, arrogance, or egotism. To quote the late Kobe Bryant, "Serve, don't lead."
- *Responsibility:* Leaders take the weight of their position very seriously and know when to stand up for themselves and their teams. They wear their title with confidence and reverence, knowing they are representing the organization in the community.

- *Advocacy:* Fundraising leaders advocate for their colleagues in the field externally from the organization, and internally to their organization they advocate for their teams/direct reports. They advocate for fair and equitable compensation for themselves and for their teams. They advocate for their organizations with their cities and communities.
- *Inspiration:* Fundraising leaders empower their teams and peers toward greatness and their ultimate potential. They expose colleagues to new ideas and thoughts, so collectively they can advance the field together.
- *Ethical:* Leaders seek to pursue and lead their teams with the highest of ethical standards.
- *Discretion:* Fundraising leaders are exposed to confidential information constantly before their teams are privy to it. They can control messaging and know when information should or should not be communicated to their teams.
- *Perseverance:* Fundraising leaders have "grit." They have the determination and endurance to hit their goals and achieve what is needed for their organization. They persevere in their current position for as long as possible.
- *Patience:* Fundraising leaders realize they must commit to endurance and patience with themselves, their organizations, and their teams.
- *Balance:* Fundraising leaders understand that balance between home and work is crucial for maintaining a career in the field. The lives of fundraisers can be all encompassing unless balance is thoughtfully achieved.

Building a Team

As a leader, it is critical to find the right person and fit for the team and organization, otherwise it leads to a strained and contentious work environment. Finding the right team member is always worth the wait. Whenever I started with a new organization, I assessed the team's strengths and weakness by listening and observing. I then looked at opportunities to reorganize and create stronger and more efficient processes, taking into account team dynamics. I started by raising the bar of expectations for what needed to be accomplished, then I challenged the team to adopt new and future practices. It usually took a couple of years to accomplish, but by then, the team was operating with greater efficiency and camaraderie.

Staff Retention

According to *The Chronicle of Philanthropy*, 51% of development professionals planned to leave their current positions in 2021. Many plan to leave the profession all together (Heather Joslyn, "51% of Fundraisers Plan to Leave Their Jobs by 2021, Says New Survey," *The Chronicle of Philanthropy,* August 6, 2019).

We are in a major fundraising shortage at this time, which has gotten worse during the pandemic due to staff attrition, and it will become a development staffing crisis if we don't act now. It takes a development officer six to eight months to start producing results. It takes a chief development officer eight months or more to ramp up operations. Therefore, it is imperative for nonprofits to retain their fundraising staff and set them up for success. Fundraising managers must advocate and adapt to their staff needs to retain their high-performing staff. Investment in professional development activities, team lunches or happy hours, and staff birthday and anniversary celebrations does not have to cost a lot of money and leads to the direct retention of your employees. As leaders, we must adapt to the changing landscape of the fundraising workforce, including remote working options for employees, to stay competitive.

Especially with so many women and parents in our field, retention also looks like flexible work schedules. A previous supervisor and friend comments how she learned about leading team members who were parents when we worked together. I was able to provide real-time experience and empathy of how to handle various parent commitments or situations. In my past two positions, ironically enough, we would experience a baby boom with my employees. A couple of employees commented to me before going on maternity leave that I gave them hope that one could balance being a mom and a fundraising professional. It is hard, but it is possible! Fundraising leaders now must understand the rhythm of parenting in order to accommodate a dual workforce. I have managed mothers, grandmothers, and fathers, and the key is flexibility, communication, and accountability. If a kid is sick at home and someone can perform their job from home that day, give that team member the flexibility to do so. They'll likely be grateful for that gesture. Sometimes employees must run their children to doctor appointments or attend parent teacher conferences, but they are still able to accomplish the work that is needed that week. I found that the key to higher retention is to establish strong communication with my teams but give them the flexibility they need. Corporations are implementing this kind of flexibility for parents in their workforces especially with virtual work options available if we want lower staff attrition, nonprofits need to adapt as well.

Professional Development

It was always important to me to provide my staff with professional development opportunities because it helped retain them. Such opportunities not only help your team members become better fundraisers but also challenge them to keep learning and growing in the field. They provide networking opportunities and can spark your team to continue to pursue a career in fundraising. You can also look at internal cross-training as a professional opportunity for staff to understand another part of the business and to share their expertise. You need to create professional development opportunities for yourself to grow as well. If you stop growing in your career, then you become an apathetic and lethargic manager. The fundraising leader cultivates future fundraisers. Lead by example by encouraging your team to have the same thirst for knowledge that you do.

To retain and prepare our managers, we must go beyond spending funds on professional development opportunities for our teams and invest in formal leadership and talent management training for fundraisers, just as corporations do for their employees. We also need to give the fundraising teams the resources they need to adequately sustain and grow operations. When fundraising leaders have the resources needed for their teams to be successful, our organizations don't just survive, they also thrive. When we invest in the nonprofit fundraising workforce, the organization and, therefore, the entire nonprofit community benefits from the success of the development team.

Employee Satisfaction and Engagement

As my colleague Alex Oftelie says, satisfaction and engagement are like cousins. Just because you have a good experience at a store and are satisfied, it does not determine your loyalty or how engaged you are with the store's brand. Brand loyalty and engagement with an institution are developed over time with thought, strategy, and intentional leadership. Likewise, for development staff members, employee satisfaction and engagement are vastly different in determining the tenure or success of employees. As addressed in Chapter 4, dispassionate employees have drastic effects on their ability to fundraise or continue to serve an institution. Thus, you see high turnover of development employees going from passion project to passion project. It is very hard for fundraisers who are honest with themselves to do their jobs effectively if they are not engaged with their nonprofit.

If employee satisfaction and engagement are cousins, then employee engagement and passion are siblings. Passion cannot exist without engagement. It is very hard to be passionate about something, including your current fundraising position, and not to be engaged.

To know how to cultivate employee engagement, we must first learn the difference between *employee satisfaction* versus *employee engagement*. As my colleague Betsy Rigby, who specializes in talent management, writes "Employee satisfaction is the extent to which employees are happy or content with their jobs and work environment. Employee engagement is the extent to which employees feel passionate about their jobs, are committed to the organization, and put discretionary effort into their work. 'Organizations with genuinely engaged employees have higher retention, productivity, customer satisfaction, innovation, and quality. They also require less training time, experience less illness, and have fewer accidents'" (Charles Rogel, "Podcast: 2018 Employee Engagement Driver Benchmark Results," Decision-wise.com, 2018).

If managers cultivate employee engagement versus satisfaction, there should be less attrition within our fundraising teams, beyond the 18–24 months that has unfortunately become the norm for our sector. Fundraising managers and leaders must proactively identify whether their employees are satisfied and engaged and determine strategies to mitigate attrition in our workforce.

CHAPTER DISCUSSION GUIDE

- Pick three leadership traits you would like to strengthen for yourself over the next year. How do you intend to accomplish that?
- If you are a supervisor, which scenario applies most to you and why?
- What are ways you can help with staff retention on your team?
- Write down two professional development opportunities you plan to pursue in the next year.