

The Talent Challenge

Finding, Assessing and Retaining Major Gift Fundraisers

Introduction

Attracting, assessing and retaining excellent major gift talent is challenging, regardless of the level of the position or size of the organization. In today's lightning-paced business world, successful organizations must effectively manage

- high turnover rates
- escalating salaries
- changing role definitions
- more aggressive targets coupled with a shortage of talent

These factors make hiring a risky proposition—whether the economy is weak or strong.

The purpose of this document is to help you make more effective hiring decisions, based on your organization's unique needs and criteria.

To help address some of these challenges, I consulted eight top Canadian fundraising professionals. All currently lead tier one fundraising organizations and are highly experienced in the area of major gift fundraising. All spoke about their own challenges leading organizations with significant financial targets and expectations, while struggling to find the right major gift staff.

Their observations are divided into three crucial areas:

- 1. Organization** - How do successful hiring managers and leaders in the not-for-profit sector attract and retain the best major gift talent?
- 2. Competencies** - What skills and personal traits should organizations be looking for?
- 3. Background** - Where do the best major gift fundraisers come from and what experience do they bring with them?

This three-part series will focus on the above areas. The articles combine the expertise of our

not-for-profit leaders with SearchSmart's ten years of experience hiring major gift fundraisers at all levels for organizations throughout Canada.

My goal is to highlight the common challenges faced by many organizations and to provide valuable tools to support hiring the best major gift staff possible.

Part 1: Organization

- **Hiring managers and leaders in the not-for-profit sector**
- **Attracting and retaining the best major gift talent**

"In my experience, it can take up to twenty-four months to close a major gift in excess of \$500,000. Unfortunately, in many organizations, the average length of stay for a major gift fundraiser is twelve to eighteen months. This lack of continuity creates donor and volunteer cynicism, loss of trust, lost momentum and stalled campaigns. Not only does it increase recruitment and training costs, it reflects poorly on our entire sector."

Sherri Freedman, Vice President of Development,
Princess Margaret Hospital Foundation

Even though some hiring managers and leaders are discouraged by what they perceive as a lack of commitment and loyalty among major gift fundraisers, many—like Sherri Freedman—are positive that they exert considerable control over attracting the best talent and then retaining those individuals.

These leaders have several beliefs in common, one of which is that the answer to this challenge lies in creating solutions within the organization

rather than focusing responsibility on individual employees. Although it might be tempting to place the onus on the individual fundraiser, this doesn't create the dialogue that will help us find solutions to this ongoing challenge.

So, how do we create organizations that are attractive to major gift fundraisers? What strategies can we put in place to ensure retention of this essential talent?

1. The Administration must understand and support the goals of the Foundation.

"Foundations that are the most successful—both in raising funds and in retaining people—are those where there is a close working relationship with the executive of the operating organization, and where the goals and tactics are closely aligned."

Darrell Gregersen, President and CEO,
Centre for Addiction and Mental Health Foundation (CAMH)

Gregersen believes that an involved operating organization is key to successful fundraising. Even though the Foundation is committed to raising money, the operating organization it represents must commit significant support, resources and expertise to the Foundation for it to succeed.

For Gregersen, it's crucial to ask the following questions:

- Is the leadership of the operating organization fully supportive of the Foundation?
- Has the organization clearly defined its expectations and priorities for the Foundation's fundraising efforts?
- Does the organization's leader clearly understand what it takes to raise money and the role of the organization in supporting that process?
- Do the organization's leaders take an active part in developing and closing major gifts?

- What is the relationship between administrative leaders and the Foundation?
- Do organizational leaders regard the fundraising staff leader as a peer?
- Do the fundraising leaders clearly understand the workings and goals of the operating organization?
- Do fundraising leaders have appropriate, ongoing access to organizational leaders?

If the answers to these questions show that the organization does not dynamically support fundraising, then it is crucial to take remedial action. Otherwise, fundraising activities—including the development of a strong relationship with the person directing fundraising activities—will be compromised.

2. Foundation culture must be attractive to potential candidates.

“We know that to get the best talent in the market we have to create a climate that is appealing to major gift fundraisers. And we are putting a lot of effort into doing just that.”

Ron Dumouchelle, President & CEO,
Vancouver General Hospital & University of British Columbia
Hospital Foundations (VGH & UBC)

Dumouchelle understands that he must sell his organization to major gift fundraisers in the community. Yes, he is connected to an operating organization with a very strong reputation, but creating a successful Foundation is what has allowed him and his staff to recruit and retain some very talented major gift fundraisers.

What are Dumouchelle’s criteria for creating an effective Foundation?

- A strong leadership team. Leaders who know how to get results and who have excellent reputations as mentors and colleagues will have a powerful appeal to prospective major gift fundraisers.

- A caring and committed staff comprised of nice people. This may sound simplistic, but in Dumouchelle’s experience, mutual respect and mutual support are the hallmarks of an attractive—and successful—work environment.
- A good track record. A reputation for closing large transformational gifts ultimately attracts major gift fundraisers who want to join a successful fundraising shop.
- The capacity for growth. Fundraisers want to see that the Foundation has potential to keep growing regardless of the economic climate.
- Lots of product to “sell.” For major gift fundraisers to be successful, they need to have something the donor would like to give to, and Dumouchelle believes it’s the role of leaders to ensure there is an abundance of major gift opportunities.

3. The vision and mission must be inspiring to the fundraising team.

“To be successful and to stay motivated long term, major gift staff must have a strong sense of social mission with the organization they work for, and that social mission must be articulated on a regular basis.”

Nicholas Offord, President,
The Offord Group

The most successful major gift staff are passionate about their causes, so the fundraising vision and mission are key to both attracting—and keeping—the right major gift staff.

Offord believes that the most effective major gift

The most successful major gift staff are passionate about their causes...

staff members believe they are a part of something bigger than their own individual and group targets. He thinks that the vision, mission, and case for support need to be clear and the message has to come from the top down.



The work of major gift fundraisers is tough.

They face rejection on a daily basis and are still expected to keep picking up the phone to make one more call.

Self motivation, drive, and optimism are extremely important personal qualities in a fundraiser, but that motivation to keep picking up the phone is driven by a commitment to the cause and the vision of the organization.

Leaders like Offord believe that mission and vision aren't a once-a-year headline but must be communicated by the organization's leaders on a regular basis including discussions with staff, weekly meetings, staff retreats, and internal newsletters.

4. Major gift fundraisers must be an integral component of the overall fundraising effort.

"Major gift staff expect organizations to set them up for success. If one organization does not, they will go to another organization."

Ken Mayhew, Chief Development Officer,
Multiple Sclerosis Society of Canada

Mayhew believes it is essential to ensure that major gift fundraisers are fully integrated into an overall fundraising team.

Failing to do so, he believes, can create a situation in which major gift fundraisers are perceived

as overpaid and overvalued—and in which other staff actually block their access to potential donors.

Mayhew's solution, at the MS Society, was to create **"Relationship Management Teams."** This creates a team approach to raising money in which their three specializations—major gifts, sponsorship and events—all

- work together to develop donor strategies
- call on donors as a team and jointly decide the best person or people to be at the table with the donor
- enable senior staff to recognize and manage internal organizational dynamics, creating a structure that works for the entire team and resolves issues promptly

5. Successful fundraising teams are created with internal stakeholders.

"We see the faculty as a part of our fundraising team and that keeps everyone motivated and focused on the bigger goal."

Doug Nelson, Associate Vice President & Chief Development Officer, University of Alberta

Working with internal stakeholders can feel like an uphill battle. Changing priorities, unrealistic expectations and a general lack of understanding of what a fundraiser/major gift staff person does are common challenges faced by the average fundraiser.

Nelson believes that creating strong teams that include both the fundraisers and those who do the business of the institution (in his case the university faculty) can have a dramatic effect on the bottom line.

At the University of Alberta, the Deans of each faculty are measured on their fundraising successes. The faculty and fundraising staff



person create a team in which each is dependent on the other for their success. Nelson believes this helps fundraisers stay close to the needs of the faculty while gaining some much-needed support in setting and meeting fundraising goals. He jokes that at times he thinks the faculty might be even more competitive than his fundraising staff.

6. Not all portfolios are created equal.

"I think it's safe to say that although all major gift portfolios are equally important to the organization, some are more attractive to the donor community and easier for the fundraiser to tell the story. For those that aren't, the leader has a role to support and train."

Pearl Veenema, President and CEO of Hamilton Health Sciences Foundation

In larger institutions, there is a need to assign major gift staff to a particular portfolio to ensure a coordinated approach with donors, and also that each area has dedicated major gift staff committed to the needs of that portfolio. In hospitals, a portfolio might be children, cancer, or surgery, while in universities it would be faculties such as medicine, business, or law.

Although each portfolio is equally important to the institution, some portfolios are more challenging than others. It can be de-motivating if those fundraisers are not closing gifts as quickly as some of their colleagues.

Veenema believes it is the role of the leader to be sensitive to the unique challenges of each portfolio and to provide the support necessary to help ensure the success of each major gift fundraiser.

What can leaders do to support their major gift staff?

- Help them understand the importance of their portfolio to the institution and the community being serviced.
- Mentor staff on the best strategies for telling the "story" of that particular portfolio.
- Partner with staff to design the right cultivation and go out with them to meet potential donors and assist on the pitch.
- Be patient with staff who have more challenging portfolios and allow them the time it takes to be successful.
- Take a unique approach to each portfolio and have different expectations for staff with more challenging portfolios.
- Coach, coach and coach.

7. Properly managed, a natural inclination toward competitiveness can help motivate teams.

"The best major gift talent comes equipped with a healthy sense of competition. We encourage our staff to share their results with each other, so they're challenged by—and can learn from—each other's successes."

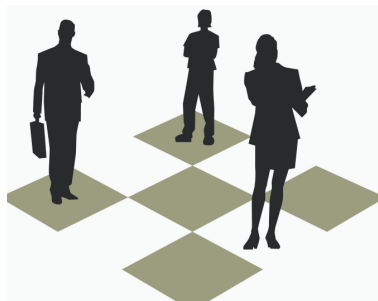
Doug Nelson, Associate Vice President & Chief Development Officer, University of Alberta

The industry leaders I spoke to were unanimous in their view that healthy competition among major gift staff was good—as long as it remained positive. Most recognized and rewarded their staff on both team and individual targets. Working as a team in major gift fundraising was considered a foundation for good fundraising.

Nelson believes that major gift staff are often motivated by a little healthy competition with their peers.

- At the University of Alberta fundraising targets are posted for everyone in the group to see.
- Each person's results—meetings with donors, dollars raised—are followed on a weekly basis.
- The staff are able to set their own major gift goals based on previous fundraising activities for their faculty.

Although this public display of fundraising numbers was not initially met with enthusiasm, the staff is now on board with the process and last year only two out of eighteen faculties did not meet their goals.



Whether they are actually at the table asking the donor for a gift is less important than whether they are still an active member of the team closing the gift and being recognized for their role bringing this gift to the organization.

Removing a major gift fundraiser from a prospect after a lot of hard work and dedication could mean losing them. It could also impede future recruitment; most major gift staff members would prefer to be with an organization that recognizes their contributions and allows them to participate in the process (and learn from it) at all levels.

8. Keep your major gift fundraiser in the game.

"I'm not the type of boss who removes a major gift fundraiser from a particular donor just because the gift size has gotten large and the stakes have gone up. That just seems wrong to me since they are the one with the relationship."

Darrell Gregersen, President and CEO, Centre for Addiction and Mental Health Foundation (CAMH)

The role of major gift staff is, of course, to close major gift donations. That seems pretty obvious. So why is it that many a major gift fundraiser has been taken off the cultivation team of the very donor they have cultivated?

Gregersen doesn't believe that's the best strategy to keep your staff in the game and motivated. She believes the staff she works with should work with all donors, regardless of gift potential, and that when it comes to working on very large gifts, their supervisors should support their growth by keeping them a part of the process until the very end.

9. Successful major gift fundraisers are made, not born.

"As an industry, we sometimes woo major gift staff into demanding roles and then throw them into the deep end without the requisite qualifications, training and support. We expect them to succeed in positions meant for someone with much more experience and don't adjust expectations for the role."

Sherri Freedman, Vice President of Development, Princess Margaret Hospital Foundation

Experienced talent is in short supply, so most organizations hiring major gift staff will have difficulty finding the "perfect" candidate. Many are turning to the private sector looking for transferable skills or hiring well below the skill level intended for the position.

These candidates may have excellent potential, but organizations must take responsibility for ensuring that they are properly trained and mentored within their organizations. This applies equally to situations in which successful fundraisers are promoted into management positions without additional training or support. Freedman believes in a healthy dose of internal mentoring and in creating a supportive team environment.

Other programs that were recommended by our leaders are

- peer to peer mentoring, matching more seasoned major gift staff with newly hired ones
- brown bag lunches where staff share major gift challenges and solutions
- in-house organization-led conferences for all fundraising staff

Training and development programs certainly improve the caliber of staff, especially those coming from outside the industry and those who have a less than ideal depth of experience. It is also a way for the organization to show its staff that it is committed to their growth as fundraising professionals. This type of loyalty is recognized by staff when other opportunities come knocking.

10. Allowing staff to burn out is not an effective retention strategy.

“Organizations need to truly understand the heavy toll this work has on their major gift staff.”

Pearl Veenema, President and CEO of Hamilton Health Sciences Foundation

Most fundraisers who specialize in major gift work are passionate about the cause they fundraise for and the impact they make on the people they serve.

Burn-out is becoming more common and leaders need to be alert for signs among their staff.

That said, because of their dedication and commitment to the organization, many major gift fundraisers put in very long hours. Campaigns are getting larger and the financial targets that major gift fundraisers are assigned are becoming more demanding. Many major gift fundraisers have young families and are also trying to balance out life/work priorities.

Burn-out is becoming more common and leaders need to be alert for signs among their staff.

According to Veenema, careful monitoring is essential, and looking for signs of burn out must be a priority:

- be aware of the number of hours staff are putting in, especially those outside of the office
- ensure that technologies such as Blackberries are not overused
- look for signs of general fatigue and a loss of interest in the work
- when staff have logged a lot of hours, encourage them to take time off, use vacation time, and spend time with family, even—or perhaps especially—when job pressures are most intense

It is clear that dedicated staff don't always know when 'enough is enough' and may need a manager watching out for warning signs.

Health and wellness is the mission of many charities in the Canadian not-for-profit sector and leaders in the sector need to ensure this mission is embodied in their own organizations.

It's also bad for the bottom line; as we've already noted, replacing employees is time consuming and expensive.

Some Additional Thoughts and Conclusions

Most industry leaders agree that hiring and retaining major gift staff isn't easy in a time when the shortage of major gift staff has created escalating salaries and increased turnover

However, organizations can play a important role in both attracting and retaining major gift staff. The most competitive organizations are those that retain staff for the long term. That's because in doing so they also retain donors and volunteers. Loyalty makes for a strong and productive organization with a strong fundraising program.

Ultimately, staff are more likely to be loyal to those organizations that show loyalty and commitment to them. Organizations that invest in staff development and progress are the ultimate winners.

"As leaders in the fundraising community, it's not enough to keep our heads down and only attend to our own challenges. We belong to a larger community and as leaders we have a role in taking the profession of fundraising to a whole new level. In the east we have a saying: a rising tide will raise all boats. In other words, if we all get better at what we do, everyone benefits."

Floyd Dykman, Vice President, External, Dalhousie University

Stayed tuned for Part 2, in which we discuss the types of core competencies organizations should be looking for when hiring their next major gift fundraiser.

Please let me know how relevant this article was to you, and any other topics you would like to see covered in the area of capital management/human resources/talent management in the not-for-profit sector. Please email your thoughts/questions to sandra@searchsmart.ca