

Advancement

A NEWSLETTER FOR CLIENTS AND FRIENDS

The Wayland Group

Counsel to Non-Profit Organizations:
Fund-raising, Planning, and Leadership Development

FOCUS ON LEADERSHIP

One of the issues most frequently talked about as an irreducible component of success in an advancement program is the development of strong and committed “external” leadership, beginning with the Board of Directors or Board of Trustees. A number of recent Wayland Group client projects, as well as a recent “breakfast clinic” have focused on this crucial issue of board and other leadership development.

EVOLUTION IN THE ROLE OF BOARDS OF TRUSTEES

Looking back over the last several decades, we have seen throughout the independent sector an evolution in the model of board structure, organization, and function, as the management of non-profit organizations has evolved.

Conceptually, of course, a Board of Directors or Board of Trustees is an expression of public trust embodied in the nature of not-for-profit organizations themselves: a group of unpaid community or constituency representatives who represent the interests of the community in the conduct of the business of a non-profit organization, and who can, in turn, explain and interpret the mission and programs of the non-profit organization to the greater community. Toward the middle of the 20th century, that overall conceptualization had evolved into a traditional formula well known even today in the non-profit sector: “Work, wealth, wisdom.” Although the ideal board member was possessed of all three of these attributes, many boards were structured with the implicit understanding that members of a board were typically “role players” who contributed one or two of these attributes, but rarely three. Many boards divided themselves into activist board members with specific expertise who took a real interest in the management of the organization; board members who provided “free labor” for special events and other projects; and a sprinkling of board members whose principal function was as lead donors in annual giving programs or capital campaigns.

During the 70s and 80s, as competition for resources increased, and as the ambitions of non-profit organizations on behalf of their constituencies also increased, there was a huge professionalization throughout the independent sector, particularly in such areas as planning and financial management. Accordingly, many Boards of Trustees moved very strongly in the direction of a “corporate” or expertise-based board, strongly oriented to bottom-line financial management and bringing corporate culture into the non-profit world, as part of an overall drive for non-profit management to mirror more fully the corporate environment. This trend was perhaps most dramatic in the healthcare sector, where even small community hospitals moved from an “executive director” management model to a “president and CEO” model, with a Board of Trustees less clearly oriented toward historic community constituencies and more reflective of corporate-style expertise which, like the management of the organizations themselves, mirrored a corporate-style Board of Directors.

This trend contributed mightily to increased organizational capability and financial responsibility for non-profit organizations. At the same time, in some cases, a price was paid for that professionalization, a subtle drift away, perhaps, from focus on the mission and the interests of the community per se, not as a matter of intention but as a matter of result.

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Today, we see the emergence of a blended, more balanced model of board composition and direction a model in which management and board members work in partnership and in which a solid balance is maintained between focus on program and mission and a realistic assessment of the resources and directions that will be required to pursue that mission effectively.

PERSONNEL – “WHO’S ON YOUR BOARD?”

A recommendation we often make to clients as they contemplate the composition and conduct of their board is that they look at their board in a variety of different ways, creating a matrix which represents the ideal model which a nominating committee is perpetually moving toward or trying to maintain.

One such overlay is simply the composition of the board. Every board needs strong chairs of standing committees (and potential successors to such chairs), representatives of key constituencies of influence and importance to the organization, and a diversity of gender, racial and cultural background and point of view. This is not merely a requirement for funders or for public standing; such diversity encourages and enlivens discussions of critical issues around the board table. Also, in thinking about “constituencies of influence,” institutions need to think carefully about their programs and the constituencies they serve, since some organizations may need pathways into quite particular or specialized constituencies.

In addition to the “compositional” overlays, it is worth thinking about the ideal qualities of individual board members, as well. The most critical attributes include the following:

- **Respect for the Institution and the Mission**

Board membership is not simply a matter of technical expertise; it requires a real belief in and commitment to the type of organization in question and the particular organization of which one is asked to become a steward. Trusteeship is just that: a public trust which implies a very special relationship between a community/constituency representative and an institution. Put another way, people should not come onto a Board of Trustees to change the organization fundamentally but rather to make the organization more lively, more vigorous, and more relevant, with a strong underlying respect for the fundamental mission and programs of the institution.

- **Strategic Thinking**

We often call upon boards to help with institutional or strategic planning. The fact that the planning portfolio is in the job description of every Board of Trustees does not mean that everyone is equally adept at planning. The individual who is brilliant at tactics or execution may be able to assist an organization in important ways; but the ability to help with an institution-wide dialogue regarding strategy needs to be assessed in each individual who is considered for board membership.

- **Connections**

A Board of Trustees or Board of Directors should not represent the sum total of all of the network of influence available to an organization; rather, a board should be a gateway to others who can be helpful to the organization, as well. We are speaking here not only of access to potential donors, but also of access to other resources generally.

- **Reputational Capital**

One of the earliest baseline questions that every individual asks when introduced anew to a non-profit organization is, “Who’s on your board?” Although the board roster is an insufficient “shorthand” for understanding an organization in all its complexity, people newly introduced to an organization will infer a great deal from the level of standing, integrity and sophistication of members of a Board of Trustees.

- **Collegiality**

Although many board members contribute in special ways as individuals, board work is fundamentally group work. Although the brilliant or contrary iconoclast can occasionally be a very successful board member, it is important to measure potential board members at least partly in their ability and natural bent for collegiality, the ability to listen rather than speak, to be open to different points of view, to come forward when necessary, and to “hang back” when appropriate, etc. This is a critically important component of building a balanced and effective board and one that is often overlooked.

- **Balance Between “Responsibility” and Sense of Possibilities**

Often a board dialogue takes place in opposition: one can almost predict who at the board table will represent a “risk-taking” point of view and who will urge caution. Although this is more a function of human nature rather than of board structure, the healthiest dialogues are those in which that tension takes place within individuals themselves, rather than between individuals. Accordingly, those with a balanced view between risks and opportunities, who can share aloud or on paper their analysis on both sides of an issue are likely to provide the best, strongest answers to questions of opportunity and tactics.

- **Financial Support**

Over the years we have found that a board or board members with all of the attributes already described are likely to produce, as a natural process, a fair number of individuals who have significant financial resources which they can bring to bear on behalf of an organization. Obviously it is critical to a development program that any board have at least a sampling, if not a preponderance, of individuals who can provide significant financial support. That said, there are many roles to play within a development program: some board members may be extremely effective in providing leadership in annual giving; others may only awaken to development possibilities when a major campaign is on the table; others may have a huge network of friendly acquaintances whom they can “deliver” for special events or advocacy. But it is difficult to mount an effective development program without having top-level gift leadership at the board table, from which other volunteer activity in development can radiate.

CONDUCTING A BOARD’S BUSINESS – THE CRITICAL PATH TO SUCCESS

In looking at the critical success factors that drive an improved cadre of leaders and, in turn, improved fund-raising results, a number of areas of potential improvement, or at least examination, suggest themselves.

- **Role of Committees**

One major management/governance decision which has a strong impact on the level and type of involvement of board members is the approach to standing committees. Some boards (typically relatively small ones) function largely as “committees of the whole,” conducting most of their business around the board table and relying upon staff or board chair to “serve up” pieces of institutional business for review and action. While this model has the virtue of involving all board members in all key deliberations and decision making, it can also make meetings cumbersome and not take full advantage of specialized expertise around the board table. Many boards operate very successfully through a structure of standing committees, in which major elements of board business (e.g., program oversight, planning, finance, development, etc.) are entrusted to a committee in which major deliberation, planning, and review take place, such that decisions or new program plans come to the board table rather fully formed, with a recommendation from the appropriate committee. This model works best when there is a sufficient number of board members to fill out the committees, when committee meetings are open so that those not assigned to a committee who have a special interest in the subject may attend meetings, and when work done in committee does not have to be “redone” in the full board meeting. A possible impediment to this model is the creation of a sense that all business is done outside the full board meeting, rendering the board meetings themselves mere formalities. To avoid such a perception, larger, more effective boards typically identify items on the board agenda as of three types: items for “**information**”; “**discussion**”; or “**action.**” This type of designation by item reinforces the need for group participation on

essential issues which are either of interest to the full group or which require input so that a committee may begin to do its work.

A quick aside on the role of the Executive Committee. Another typical “deadener” in the board process is a large Executive Committee which assumes a great deal of authority and management responsibility, which can also make board meetings seem redundant or superfluous. Experience would suggest that an Executive Committee which is extremely strong will tend to reduce the role of the standing committees, and that strong standing committees will somewhat reduce the need for a strong Executive Committee. In any case, significant care must be exercised in balancing the role of general board, Executive Committee and standing committees for maximum ownership and effectiveness.

- **Rotation and Refreshment**

The most effective boards are boards in which a strong balance is maintained between taking advantage of the accumulated wisdom of long-time supporters, and welcoming the fresh enthusiasms of individuals newly engaged in the life and work of an organization. Accordingly, the “healthiest” boards are those which have a reasonable length of service per term in board membership; allow for a renewal of terms of board membership; but which insist upon an hiatus after a reasonable length of service (e.g., a four-year term, once renewable, followed by a minimum of one- or two-year hiatus). Our experience tells us that individuals who are truly committed to an organization will always find a way to contribute and will cheerfully become “role players” periodically as they are rotated off a Board of Trustees; and that when there is a mutuality of interest between the organization and the individual, such an individual will return at the appropriate time to the Board of Trustees, refreshed with a new and vigorous point of view on behalf of the organization. Clearly defined and scrupulously observed rotation also has the virtue of placing a significant sense of value on an individual seat on the board (since they are limited and since there is movement among them). (As an aside, another important mechanism which aids in the rotation and refreshment of the board is a fully-developed, robust “adjunct” board, which can serve as a training ground for new trustees and as a repository for individuals who have a long history of helpfulness to an organization but who no longer wish to serve on the board. Such a board also provides an opportunity to attract and enlist those who may have too many other commitments to join a full Board of Trustees but who wish to develop some formal linkage to the institution itself. This is a leadership development arena which has been a central part of The Wayland Group’s work with a number of clients.)

- **Nominating Committee**

Although appointment to the Nominating Committee is sometimes treated as an afterthought in a board’s basic portfolio of business, in our view it is the most crucial committee to the advancement process, arguably even more crucial than the Development Committee itself. A Nominating Committee should not only take responsibility for developing candidates to fill upcoming vacancies on a board; they should also lead a continuing dialogue about the composition of the board, membership requirements, the interplay between the development program and trusteeship itself, and the role of the board relative to the conduct of the organization’s business. A Nominating Committee should continually monitor the “performance” and contributions of its individual members, feeding such information into the decision-making process. It can also serve a kind of “quality assurance” function relative to the conduct of the board’s business itself (see below). In the service of this broader view of a Nominating Committee’s role, many boards have renamed their traditional Nominating Committees a “Committee on Trustees” or “Committee on Trusteeship,” providing a context in which real issues of board satisfaction and usefulness can be addressed without apology. Finally, members of a Nominating Committee should view themselves not only as charged with identifying potential board talent, but with qualifying, interviewing, and, as appropriate, recruiting, in other words, embracing a more dynamic, activist model (which also makes a very positive impression on potential trustees).

- **Conduct of Meetings**

Although not the principal driver for the ultimate success of a board, the experiential aspects of board meetings themselves play a role in the level of satisfaction board members receive and the level of contribution they make to their respective organizations. Time of day, balance between socialization and business, and the relative “crispness” or informality of the conduct of meetings themselves all play a role in

the level of satisfaction which board members experience. Some of our clients with community-based institutions but corporately-oriented boards will alternate meetings between community or neighborhood venues and “downtown” venues more reflective of corporate or individual donor support, sending a “both/and” message relative to the balance between the institution’s roots in the community and the need for real support from individuals or funding sources external to the institution. Some experimentation may be required to determine the most appropriate frequency of meetings. Meeting too often tends to create an atmosphere in which board meetings are taken for granted; meeting too seldom may create a sense that meetings are always rushed and there is “too much to do” in a single meeting. As a starting place, try three to five full board meetings annually, with committee work conducted between general board meetings and an annual retreat for purposes of planning and major project work.

- **Cross-fertilization**

Many organizations seem to follow either formal guidelines or informal patterns established in their “industry.” On the one hand, the accumulated wisdom in a particular field is extremely valuable; on the other hand, we have found over the years that a great deal of successful and creative “borrowing” can be done from one sector to another. (As examples, arts institutions offer many lessons to universities about the conduct of special events; universities may have much to teach arts institutions about highly individualized major gift cultivation and solicitation.)

Resources for board development are available from the following sources:

Association of Governing Boards for Colleges and Universities

1133 20th Street, N.W., Suite 300, Washington, DC 20036

AGB Publications: Tel. 800-356-6317 or 202-296-8400 <http://agb.org>

Council for Advancement and Support of Education (CASE)

1307 New York Avenue, N.W., Suite 1000, Washington, DC 20005-4701

Tel. 202-328-2273 www.case.org

National Association of Independent Schools (NAIS)

1620 L Street, N.W., Suite 1100, Washington, DC 20036-5695

Tel: 202-973-9700 www.nais.org

Association of Healthcare Philanthropy

313 Park Avenue, Suite 400, Falls Church, VA 22046

Tel: 703-532-6243 www.ahp.org

Board Source, 1828 L Street, N.W., Suite 900, Washington, DC 20036

Tel: 202-452-6262 or 877-892-6273 <http://www.boardsource.org>

Over the past 18 months, the firm has been involved in a number of important and exciting projects—evidence not only of the rich variety and breadth of service of the not-for-profit sector, but also of the increasing demand for those services in a highly competitive philanthropic marketplace.

Over the past year and a half we have been working with the **Worcester Art Museum** on the design and implementation of a major capital campaign for new facilities, endowment, and operating funds. The campaign will be announced in May, in conjunction with the Museum’s highly anticipated centennial celebration. As of this writing, the Museum has already raised nearly \$15 million in leadership commitments. The Centennial Campaign will enable the Worcester Art Museum to reinforce its position as one of the nation’s leading art museums of its type by funding strategic investments in Master Plan priorities, contemporary art, conservation, and public outreach and audience development. Campaign Co-chairs Tony Tilton and Howard Jacobson are working in close partnership with Director Jim Welu, Board Chair John Nelson, Deputy Director Janet Spitz, and Campaign Manager Deborah McKean.

Over the summer, The Wayland Group was selected to assist the **New York Academy of Sciences** with a multi-faceted project designed to assess the Academy’s present program of resource development and to determine the Academy’s future fund-raising potential. For nearly 200 years, this prestigious organization has served as a leader in

providing programs and publications designed to help individuals share knowledge and achieve a greater understanding of Science and Technology and their impact on society. Under the superb leadership of President and CEO Rodney Nichols, the Academy's membership has grown to more than 46,000 members worldwide. This distinguished organization is actively engaged in the dissemination of cutting-edge scientific research, and is regularly involved in the defense of human rights of scientists, engineers and educators.

Our work with the **YMCA of Greater Boston** has been exciting over the last year. In the spring of 1996, the YMCA began an \$8,000,000 effort to expand services through new and renovated facilities at several Boston branches including South Cove, Roxbury, and Allston-Brighton. The positive response to the YMCA's case by major Boston corporations and foundations has been very gratifying. Funders have been impressed with the breadth of the YMCA's programs in youth and family services, childcare, education, and health and fitness and their impact on the city's neighborhoods. As a result, the YMCA has already received seven "sponsor" level commitments of \$250,000 or more and raised over \$4,000,000. The YMCA plans to publicly launch the campaign in May under the leadership of Campaign Chair Charles Parrott, President John Ferrell and Vice President for Development Jane Carroll. One particularly exciting dimension of the campaign is the plan to develop the new Allston-Brighton YMCA as a national model for serving individuals with disabilities.

In September, **Planned Parenthood League of Massachusetts** opened its new program and service center on 1055 Commonwealth Avenue, the result of a ten-year effort and two capital campaigns. Its 1994 successful campaign, *Securing the Future*, provided seed money for the \$10,000,000 project. In 1995, beginning with an anonymous gift of \$1,000,000 (the largest gift in Planned Parenthood's history), Planned Parenthood began raising an additional \$7,000,000 for the new building, under the leadership of campaign Co-chairs Frank Browning, Bob Davoli, Eileen McDonough and Susan Whitehead. By way of added excitement and urgency, in June Planned Parenthood received a \$550,000 Kresge challenge grant to help complete the campaign by June 1998. The new building at 1055 Commonwealth Avenue not only provides improved, more secure clinic space and expanded education and counseling services, but also serves as a symbol of a community coming together to preserve reproductive rights and services after the horror of the clinic shootings in 1994.

Upon completion of a planning and feasibility study—our third assignment for Lasell—**Lasell College** trustees voted to launch the quiet phase of the College's 150th anniversary campaign. Due to the continued vision of President Tom de Witt, the leadership of Board Chair Patty Zinkowski and the professionalism and hard work of Director of the Campaign and Gift Planning Kathy Urner and major gift officer Jane Walsh, the early success of the campaign has been nothing less than extraordinary. Led by Steering Committee Co-chairs Jean Lee and Peggy Kraft during this phase, many have come forward with significant early leadership gifts, including the College's first \$1,000,000 gift from a living alumna. We look forward to the Campaign's official Kick-off in June, when *LASELL 150* will be publicly announced with a goal of \$12,000,000.

In October, we were delighted to be included in the Kick-off of **Thunderbird's** 50th Anniversary capital campaign, *Thunderbird Rising*. Over \$20,000,000 has already been raised toward the \$30,000,000 goal of the "final phase" of this campaign. With Thunderbird ranked #1 by *U.S. News and World Report* among graduate programs in international business, President Roy Herberger, Vice President for External Affairs Jenny St. John, and Associate Vice President Richard Tollefson can be confident of success for this extraordinary, one-of-a-kind school.

In 1997, **Dimock Community Health Center** successfully completed its second capital campaign, *The New Campaign for Dimock*, exceeding its campaign goal of \$4 million by \$500,000. This campaign was the second phase of Dimock's long-range campus redevelopment plan and funded the renovation and expansion of primary health care services in the Richards Building. Under the leadership of campaign Co-chairs Jody Forkner Gill, Karen Hurst, and George Russell, Dimock succeeded in obtaining a second Kresge challenge grant and in expanding individual support for the effort. In May, Dimock celebrated the conclusion of the campaign with a weekend of events, including a women's health forum and a moving address by Dr. Maya Angelou.

The Walker Home and School has selected The Wayland Group to assist in planning for its first major capital campaign. Founded in 1961, Walker has consistently been providing the highest quality residential and school-based programs for the area's most troubled children and for their families. Walker's mission has always been threefold: to provide children with the most highly specialized and therapeutic care in a supportive environment, to serve as a center for training in the field of child welfare, and to provide leadership and advocacy on behalf of children and families everywhere. We are delighted to be working with this exemplary organization which has maintained

such an extraordinary commitment to this level of care and treatment for children and has become a national leader in training and advocacy.

In September, **Shady Hill School** kicked off its \$10 million *Pathways to the Future* campaign, which will fund new classroom buildings and technology, and will provide increased endowment for faculty enrichment and the School's nationally-renowned teacher training program. At the Kick-off, Director Bruce Shaw and Board President Josh Posner announced that a record \$6 million had been achieved toward the campaign goal, drawing an audible, collective gasp from the hundreds of people who braved torrential rain and wind (under a tent, no less!) to participate in this landmark event. *Pathways to the Future* is being led by an energetic team of parents and alumni chaired by David Pilgrim, Adele Pressman, and Fred Wang and is an authentic, community-wide effort. As a result, the School's culture for fund-raising and celebrating philanthropy has never been stronger, as evidenced by numerous campaign commitments at the high six- and seven-figure levels. Entering our third year of partnership with Shady Hill we are delighted to play a part in helping to advance this very special school.

It has been particularly exciting this year to work with Sylvia Watts McKinney, Executive Director and Michelle Courton Brown, Chair of the Board of the **Museum of Afro American History** on the first capital campaign for this extraordinary cultural resource located in the heart of Boston on Beacon Hill. The Museum's rare artifacts, which include both the most notable and historic African Meeting House and the Abiel Smith School, have received a grant of \$1.2 million from the National Park Service for restoration. This lead gift from the National Park Service is the foundation gift of a \$3.2 million capital campaign for restoration of these two national treasures, and for the design and installation of permanent museum exhibits. During the past eighteen months, the Museum has been working closely with the firm of Ralph Applebaum and Associates, the design firm most noted for their work on the Holocaust Museum, on the design of its exhibits, which will showcase such important African American history as Boston's role in the slave trade, life for Blacks in colonial Massachusetts, events of the abolition movement, history of The African Meeting House, and the role of women in the struggle for freedom, among many other important historic exhibits. After completing a planning study for the Museum this fall, The Wayland Group has been assisting MAAH with campaign planning and implementation, including the recruitment and training of the campaign cabinet and the design of campaign materials and events.

In May, **Clark University** kicked off the public phase of *Clark 2000: A New Age of Discovery*, a \$100 million campaign to support Clark's faculty, students, and priority programs. At the time of the Kick-off, Clark had raised more than \$48,000,000, including raising \$16.7 million in fiscal year 1997, the largest annual total in Clark University history. During the Kick-off, Trustee Norman Asher, Chair of the Leadership Phase of the campaign, formally handed over leadership to Chairman David Strassler and Vice Chairs Tony Tilton, Elaine Cinelli, and Roger Kasperson. A key objective of David's chairmanship is enhancing the partnership between the University and its alumni, building on the work done by the National Committee on Clark's Future over the last few years.

In February, **The Fenn School**, kicked off its \$3.5 million campaign, *Opening Doors to the Future*, with a wonderful evening for the entire school community. Over three hundred members of the Fenn family cheered when campaign Co-chairs Anne Marie and Dick Connolly and Kathleen and Jim Weiss, Fenn Parents, announced that over \$2 million had been raised to date. This campaign for Fenn, the largest in the School's history, will enhance the Fenn campus significantly, by providing resources for a new art center, a new dining hall, and a much-needed addition to the lower school building. In addition, the campaign will also provide critical resources for Fenn's future vitality by raising \$500,000 for unrestricted endowment and resources for enhanced technology.

In May of 1997, our long-time client, **The Hebrew Rehabilitation Center for Aged**, celebrated the successful completion of its \$26,000,000 capital campaign. We want to congratulate Bill Finard, Campaign Chair, President Maury May, and the Board of Trustees, and especially Steve Braverman, Vice President, Development and Community Relations, and Lori Gans, Director of Development, on their exceptional achievement.

The Wayland Group has recently begun working with the **Lincoln School**, in Providence, Rhode Island. Although this outstanding independent school for girls in grades N-12 has had a long and respected history, its fund-raising efforts have not always yielded the success they had hoped for. Under the leadership of Head Joan Countryman, Presiding Clerk Gail Ginnetty, and other committed lay leadership, the School has completed a strategic plan leading to the decision to conduct a planning and feasibility study for a comprehensive capital campaign. The campaign will improve the School's infrastructure and technology and increase the endowment to support faculty salaries and financial aid. We are proud to work with these dedicated leaders to help fulfill the School's vision and goals.

Over the past year, we have continued our tradition of client training and support programs under the watchful eye of Betsy Gross. In April we were delighted to welcome **Margot Stern Strom**, President of **Facing History and Ourselves**, as special guest speaker at our **Leadership Roundtable** of senior development professionals. Margot spoke eloquently on forging the essential connections between an organization and its volunteers. We are very grateful for her participation.

*We also held several “**Breakfast Clinics**,” on topics ranging from board development, to major gifts, to gift crediting and valuation. These are always lively, informal, and—we hope—helpful to participants.*

Finally, looking ahead to the summer of 1998, we will be expanding our annual “Maximum Gifts Approach” © Seminar to a two-day **Summer Institute**, to be held at the Harvard Faculty Club on July 15 and 16. Save these dates. An invitation will follow in May!

As evidenced by all of the above, we continue as a small, personal, extremely busy firm, always committed to the highest quality of work and service, to the success of each of our client organizations, and to the clients whom they, in turn, serve. We deeply appreciate your continuing interest and confidence.

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