

No Magic—Just Magical Alignment

BY LILYA WAGNER, Ed.D., CFRE



In his book *The Advantage: Why Organizational Health Trumps Everything Else in Business*, Patrick Lencioni drives home the point that too many leaders search for advantage by focusing on “exhausted areas,” such as innovation, marketing, strategy and technology, while the answer actually lies right under their noses. Instead of trying to become smarter, he states, organizations should become healthier.

Among the plethora of advice Lencioni offers are the six critical questions to ask that resonate with the nonprofit organizational culture—the behaviors and assumptions that indicate how people and groups will interact with one another and with the outside world—and therefore philanthropy:

1. Why do we exist?
2. How do we behave?
3. What do we do?
4. How will we succeed?
5. What is most important right now?
6. Who must do what?

A search of the literature, whether in print or on the Web, yields many definitions of a culture of philanthropy, such as everyone is an ambassador, quality

of the organization is critical, board members should be advocates, the importance of philanthropy should be understood, the organization is mission-driven, there is a collective commitment to a common goal, etc. However, a most critical element may be missing. What if, instead of talking about a culture of philanthropy, you change the phrase to “culture *for* philanthropy”?

Creating a culture for philanthropy does not mean discarding the elements listed above, of course, nor does it ignore the critical questions Lencioni poses when he suggests a route for organizational health. It does mean that instead of doing things to people, we do things for them. This brings to mind, then, a factor that many have perhaps overlooked. What if your efforts in creating the ideal organizational health that Lencioni proposes focused more on relationships, responsiveness and communication that is timely and appropriate to your constituents and donors?

Consider just one aspect that currently receives much attention: donor attrition and therefore the matter of donor retention. A leading research effort, the Fundraising Effectiveness Project (<http://afpfep.org>), reported in 2013 that, in the previous year, gains in gifts from new, upgraded current and previously lapsed donors were offset by reduced gifts and lapsed donors. “This means that, while there was a positive \$34 million net growth in giving, every \$100 gained in 2012 was offset by \$96 in losses through gift attrition. That is, 96 percent of gains in giving were offset by losses in giving. Gains of 866,000 in new and previously lapsed donors were offset by losses of 909,000 in lapsed donors. This means that there was negative (44,000) growth in donors, and every 100 donors gained in 2012 was offset by 105 in lost donors through attrition.”¹

Jay Love, CEO of Bloomerang (<https://bloomerang.co>) in Indianapolis, has addressed the issue of why donors leave by comparing research conducted by Adrian Sergeant with customer retention research from the business sector. He referenced a project conducted by the Rockefeller Corporation on why customers leave a commercial business. Love asked, “Are there parallels to the reasons why donors leave? We think the answer is a resounding yes on many fronts. ... The largest takeaway

in our opinion for nonprofits, which rely on donor support for all or some portion of their operating budget, is how important proper communication processes and messages are. Notice how the following items add up to 53 percent of the reasons why donors leave:

- Thought the charity did not need them (5 percent)
- No information on how monies were used (8 percent)
- No memory of supporting (9 percent)
- Never thanked for donating (13 percent)
- Poor service or communication (18 percent)²

So, how significant in the broad spectrum of what we include in a culture of philanthropy is the role of communications? Perhaps, as suggested earlier, turning this phrase into a “culture for philanthropy” may be most critical. Imagine what a good customer relations plan does for a business and compound that to the nonprofit scene. How much more significant it is, then, to be responsive to your donors, your prospects, your constituents and your communities when good causes depend on their loyalty and philanthropic action. As Love concluded, “The reward is worth working for, since it encourages, if not ensures, upward trends in donor loyalty and financial support.”

Consider this scenario: You send a donation to a small nonprofit. A month later, you receive a thank-you email. You write back and ask what the organization did with your \$1,000. The nonprofit representative says, “As far as we know, we didn’t receive your check. We thanked you in anticipation of your gift.” You follow up by sending verification that you made the gift—a canceled check. The response? “I guess we better check with our treasurer!”

Hard to believe? Maybe, but more than one donor—current, prospective and lapsed—has similar stories to tell. To make matters worse, perhaps the scenario should have been preceded by the fact that the donor could not make an online donation to the organization.

Now see if you recognize this scenario: You give to a cause that truly resonates with you. You are not familiar with the organization itself, but the mailing looks appealing, and you go to www.give.org to check out the organization. Scrolling through the multitude of nonprofits on the site, you find that the organization in question is missing. No problem. After all, some organizations are too small and have limited personnel as well as funds to go through the effort of becoming approved, and you understand that. So you call the

organization to request information, but you cannot reach them by phone. You try the email listed on the website, which is reasonably attractive, but again there is no response to your message (or your previous two email messages). You finally conclude that there must be a “black hole” somewhere into which your emails disappear. You feel sorry for the clients and subjects whom the nonprofit supposedly helps, but there is nothing much you can do beyond those temporary, fleeting, sorrowful feelings since no one seems to care enough to communicate with you.

Consequently, you may conclude that small organizations have major problems in communicating with their constituents and donors. But wait. The large university in your town is kicking off a building campaign. Both you and your husband have attended the university and taken graduate courses, with one of you graduating with an advanced degree. Apparently, the alumni relations office connected you two, saving money by mailing just one appeal. The appeal comes to Mr. and Mrs. John Smith. Let’s assume that you are the female half of this couple, and you are the one with the advanced degree. Clearly, your name isn’t “John.” So, you become part of the large percentage of donors who cycle out of giving. The addressing issue is not a major one, but why support an organization to which you are a nonentity?

Let’s revisit the reasons why donors cycle out:

- Thought the charity did not need them (5 percent)
- No information on how monies were used (8 percent)
- No memory of supporting (9 percent)
- Never thanked for donating (13 percent)
- Poor service or communication (18 percent)³

As reported by these figures, 53 percent of donors quit giving because of how the organization treated them. Proficient professionals may say, “But that’s not me or my organization. We do better.” If that is true, then why, as reported by the FEP research results quoted above, do nonprofits tend to lose more donors by attrition than gain new ones? Going further, remember that it is more costly in time, effort and money to acquire new donors than it is to retain them. Rebecca Ruby Higman, formerly at Network for Good (www1.networkforgood.org) in Washington, D.C., reported on what the No. 1 reason is for donors’ stopping donations: “Donors cite the primary reason for ceasing their support as this: It was the way I was treated by the charity, from not being thanked to receiving an avalanche of needy appeals,” she said.

“You need a thank-you message that says to your donors, ‘You matter,’ and ‘Let’s start a conversation.’ Think of the old marketing adage: It’s cheaper to keep a customer (donor/supporter) than to find a new one.”⁴

A recent *Harvard Business Review* reported research on “Cooks Make Tastier Food When They Can See Their Customers.” The results showed that when cooks could see their patrons, the food quality got higher

ratings. Whether this was because the cooks worked harder or because the personalization mattered is not quite clear. However, conclusions of the research extended beyond just eye contact. The matter of transparency in the relationship between consumers and producers also had a salubrious effect. “Just by opening up the work environment, you could improve value and quality.”⁵ Does this sound analogous to creating

Who Are You? Building Message Consistency for Your Organization

BY EUGENE A. SCANLAN, PH.D.

In the movie *Lawrence of Arabia*, there is a scene in which Lawrence is crossing the Sinai Desert. His face is deathly white from a dust storm, and finally, his companion leads him through a dilapidated building. Suddenly, they see the top of a freighter. They are at the Suez Canal. A lone British soldier on the other side spots them and calls out, “Who are you?” Lawrence stares blankly at the soldier, his expression frozen. Again, the soldier calls out, “Who are you?” Lawrence does not answer.

At a center that, under the direction of doctors, provides innovative therapy to physically disabled children, feasibility study interviews are being conducted as part of the planning process for a \$2 million-plus capital campaign to purchase a new facility. A consultant is interviewing a volunteer and asks, “What happens at the center?” The volunteer says that the kids are brought there by their parents to play and then are picked up and taken home. In that volunteer’s view, “It’s sort of a daycare center.” Nothing is said about the therapy (at the time, the only place in North America providing this type of treatment), the registered occupational therapists and physical therapists on the staff, the kids being served or the outcomes.

At another organization, donors believe that it is literally stopping hunters from shooting wild animals. In reality, however, it is doing environmental and wildlife policy work target-

ed to the federal government and state governments. The fear there is that donors will find out and take their support elsewhere.

Who are you? What is your organization really about? What does it actually do? What are the outcomes? And, equally important, how is this information conveyed to your donors, prospective donors and the general public? If you interviewed several of your board members, staff and those served by the organization, would you hear a consistent set of answers? Or would you hear something different from each of them? What are prospective or current donors to think if they hear different descriptions of the same organization?

Message consistency—the answers to the “who are you” question for an organization—is often inconsistent, unclear or, as in the examples above, simply wrong. Achieving message consistency (and accuracy) with your board and staff takes work. Have you ever used workshops, attended by both board members and key staff, to try to refine the key messages and to ensure everyone is on the same page when talking with current and prospective donors, doing presentations, writing about the organization or working with the media? Your website, social media and annual reports also need to convey the same consistent key messages. Often, such messages should be condensed to an “elevator speech”—how you would describe your organization to someone unfamiliar with it and its work during a brief elevator ride.

a culture for philanthropy, for actually “seeing” the donor or prospect?

No matter how professionally proficient you are, perhaps remembering what it would take to focus on communications, relationship building and responsiveness in creating a culture for philanthropy would be advisable. Think of these next points as a reminder of many others and the broader context of a culture for philanthropy.

- Reach out to donors after each gift. Express not just appreciation, but tell them what their gifts do.
- Be transparent. Report on the use of the money.
- Use your board and volunteers to help with communications, in reaching out to current donors and developing new relationships.
- Inform, inform, inform!


Here are some brief guidelines to keep in mind when you are developing your organization’s answer to the “who are you” question:

- Ensure all key stakeholders (board, staff and major constituents) are involved in the development of key messages. Usually, a group process is the best way to do this.
- Test some different versions of the basic key messages with constituents and even with some people and organizations that are otherwise unfamiliar with your organization.
- Keep the key messages simple and jargon-free.
- Focus on what your organization is really about and what it accomplishes—its importance in the wider world—and not on the details of what you do on a day-to-day basis.
- Remember that key messages are not the same as vision statements, mission statements, goals and objectives. Messages should convey the essence of your organization.
- Defining key messages is hard work and demands creativity and persistence. People will want to keep adding phrases or words that they feel are important, possibly making what should be a brief elevator speech into a major presentation.
- Strive for brevity with impact.
- Develop messages that can be used for a variety of purposes: reports, proposals, press releases, annual campaigns, capital campaigns, etc.

Returning to the example of the physical therapy treatment center, children who started treatments there often had great difficulty walking or had other major mobility issues. Because of the innovative

techniques used by the professional staff, many of the children were returned to normal or near-normal mobility. The center itself had long operated on a shoestring budget in an old, crowded and run-down facility, and while it had a small core of consistent donors, it had never pursued a major campaign, much less a \$2 million-plus capital campaign.

Some preliminary key messages were prepared that staff and the board would review, and, when finalized, the messages would be the basis for the campaign and used for other purposes in the future. At the center, it was possible to watch the kids move successfully and smile or laugh. What was needed was a simple message, one that expressed not only what the center really accomplished with the kids but also the plans to undertake the organization’s first capital campaign. The staff and board workshop tossed around several alternative messages, but people kept coming back to a simple yet powerful message that worked. It was only four words long, but it covered a lot of ground. It was easy to understand, worked well as the campaign theme, could be used with powerful pictures and graphics and made everyone who heard it want more of the story. What was the message? “Little steps, big steps.”

Who are you? What does your organization really accomplish? Be ready with your consistent and powerful messages. 


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- Check on how all emails are answered.
- What does your voicemail message say about you? When will someone respond?
- Remember that, according to social media experts, the website is the entry point to your organization in many cases. Check on how dynamic it is and how easily a donor can make a gift and receive feedback.
- Also, remember that personal contact is of the greatest importance, just like for cooks and customers.
- Remember to examine the value systems of your donors. It is not just about what your organization represents and does but also what is important to donors and supporters.
- Listen to your publics, including donors, and adapt your communication. Customize your messages.
- Become expert in relationship management, and help develop this expertise in your staff, leadership, board and volunteers.

Finally (although the above list is certainly not exhaustive but should be considered a thought-generator), do not forget to answer the questions that lead to a healthy organization that truly has an advantage:

1. Why do we exist?
2. How do we behave?
3. What do we do?
4. How will we succeed?
5. What is most important right now?
6. Who must do what?

As Lencioni points out in *The Advantage*, it is not just about your needs, your innovations, your marketing or even your proficient personnel. It is about a healthy or-

ganization, as advocated by Lencioni, that *does* have an advantage. Much of the health of an organization may depend upon how seriously you take a twist on “culture of philanthropy” and transform it into a “culture for philanthropy,” considering what you do *for* people. Perhaps you can turn around that 53 percent and convert donor attrition to donor loyalty, thus strengthening your organization as you also retain your satisfied donors. 

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