

**BEFORE
THERE WAS
CHANGE.
THERE WAS
YOU.**



**IT
STARTS
WITH
YOU**



**Vision.
Collaboration.
Transformation.
FIA 2020**

FIA

CONFERENCE

Measuring Fundraising Effectiveness:

The Conversation Boards Aren't Having –
And Should Be - About Fundraising Effectiveness

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Building Trust & Accountability Track



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How Are Boards Performing?

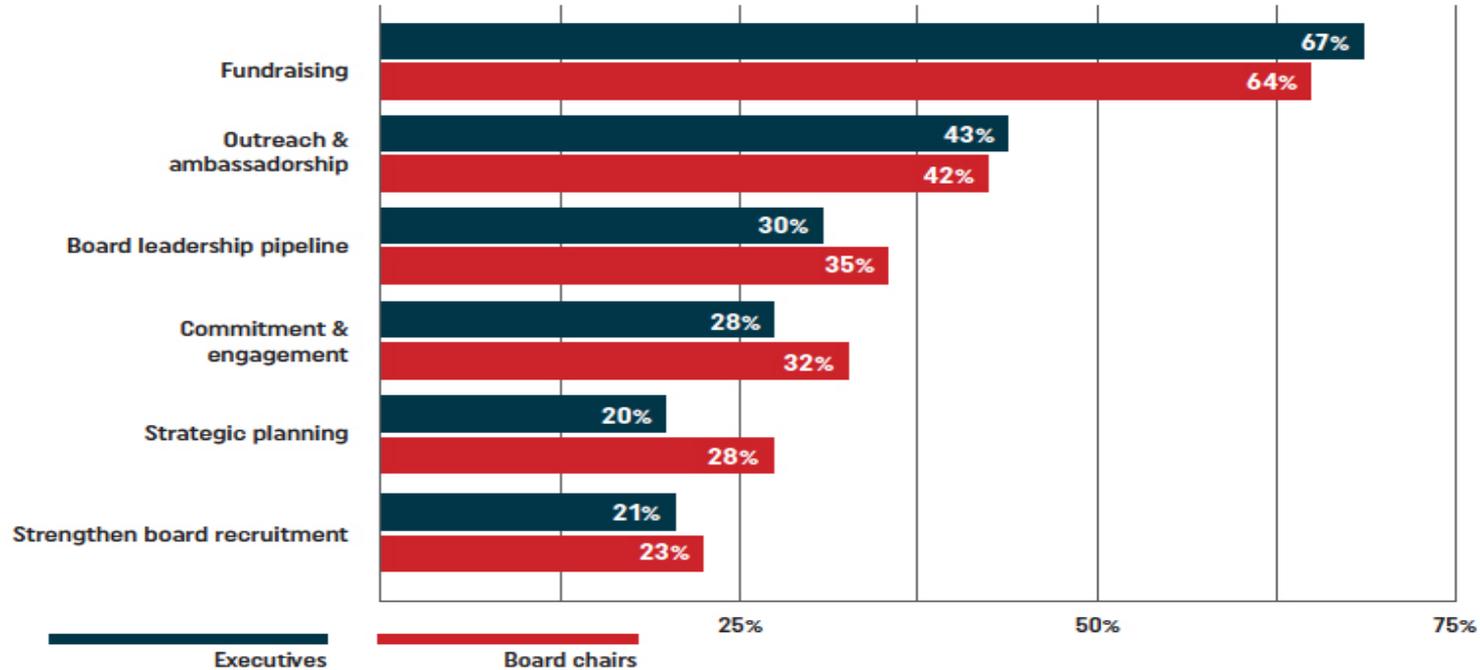
RATINGS OF PERFORMANCE IN KEY AREAS OF BOARD RESPONSIBILITY

	Area of Board Performance	Average Grade from Executives	Average Grade from Chairs
Strength	Understanding mission	A-	A-
	Financial oversight	B+	B+
Solid Performance	Legal & ethical oversight	B	B+
	Guiding & supporting the chief executive	B	B+
	Level of commitment & involvement	B	B+
	Knowledge of programs	B	B+
	Understanding board roles & responsibilities	B	B
	Thinking strategically as a board	B	B
	Adopting & following a strategic plan	B-	B
	Evaluating the chief executive	B-	B
	Monitoring performance against strategic plan	B-	B
Challenge Areas	Community-building & outreach	C+	B
	Monitoring legislative & regulatory issues	C	B-
	Increasing board diversity	C	C+
	Fundraising	C	C+

Areas to Address for Better Board Performance

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W2

WHAT ARE THE THREE MOST IMPORTANT AREAS THE BOARD SHOULD ADDRESS TO IMPROVE ITS OWN PERFORMANCE?⁸



Board Member Perceptions of Fundraising



Fear of fundraising



Lack of fundraising skills



Equate fundraising with begging



67% of CEOs and 64% of board chairs feel boards could improve on fundraising ([Leading With Intent](#) 2017)

The Board's Role in Fundraising

Define or clarify mission

Establish the strategic plan and approve adequate budgets

Put the organization in place — hire the chief executive

Ensure a development plan and monitor its progress

Create fundraising and donor recognition policies



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Individual Board Member Participation



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But the most common measure of fundraising effectiveness – the so-called “cost of fundraising” – will not answer these questions for us.

...All it tells us is how much money we spend to raise a dollar.

We think there's a better way.



Championed by:



What We Believe



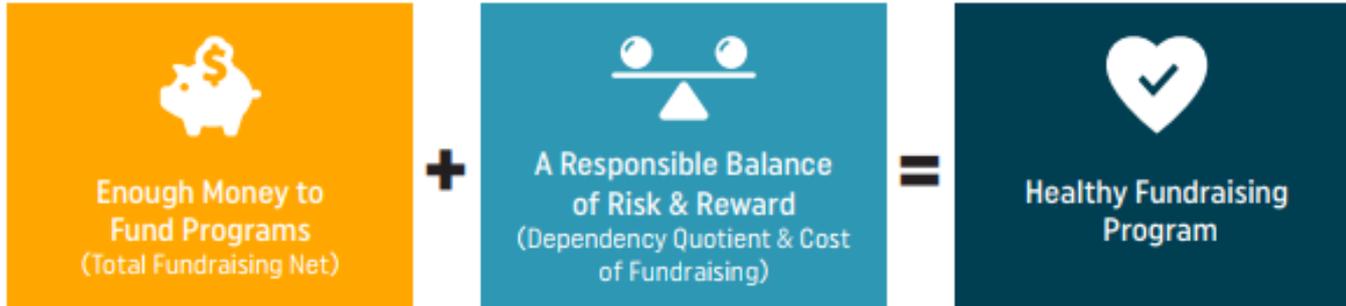
The most important measure of nonprofit effectiveness is the impact that we have.



Support from donors and funders is what makes that impact possible.



We should care about efficiency and return on investment, but it's not the most important measure of fundraising effectiveness.



1. Total Fundraising Net: Are we raising enough money to fund our work?
2. Cost of Fundraising: How much does it cost us to net a dollar?
3. Dependency Quotient: What percentage of our budget would be unfunded if we lost our top five donors?