



# Building a Culture of Philanthropy

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**A guide from Veritus Group to help you succeed at fundraising in mid-level, major gifts, and planned giving.**

*by Richard Perry and Jeff Schreifels*

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**VERITUS  
GROUP**  
Building Authentic Donor Relationships

**Y**ou could have all the best systems, the newest tools, and a structure to keep you focused on your donors, but if the culture of your non-profit organization doesn't understand and support philanthropy, you won't be successful.

Creating a healthy non-profit culture is one of the most challenging aspects of leadership. And no matter what role you have, you can lead a shift in culture that will help your organization to foster a culture of philanthropy.

Let's begin with an exercise to help you visualize what a non-profit would really feel like if it truly embraced a healthy culture of philanthropy. Imagine that:

- Everyone at your organization understands the role a donor plays. They recognize that a donor is not a means to an end, but a partner helping you to solve some of the world's greatest problems.
- Everyone understands that fundraising isn't "dirty business" but something beautiful and even spiritual as you ask donors to give to programs that match their passion and interests.
- Board members are your biggest cheerleaders and unceasingly ask their "sphere of influence" to join them in the cause that is so dear to their hearts.
- Silos are non-existent and staff in all areas have a mutual respect for each other's work, and they willingly and enthusiastically help meet each other's needs.
- Donors feel cared for, loved, challenged, thanked, educated, and part of the solution. They trust that the organization is honest and transparent, and that each donor's gift is making an impact.
- Everyone at the organization knows the story of why the organization exists – both the pain and the joy. This story is developed from listening to those you serve and explaining the history and systems that led to the problem you are solving in the first place. This story is told repeatedly and ingrained in the hearts and minds of all who are connected to your organization.

Who wouldn't want to be a part of this kind of organization? If this is what you want for your non-profit, then you can create it. Let's dive into the components of a healthy non-profit culture and how you, regardless of your role, can develop this kind of culture at your organization.

## What you'll learn

- ✓ What a non-profit looks like when it has a culture of philanthropy.
- ✓ How to create a culture of philanthropy at your organization.
- ✓ Why telling your story is crucial in developing a culture of philanthropy with leadership, staff, your community, the board, and your donors.



# Building Authentic Relationships

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Think back for a moment about a donor meeting you've been in where someone (maybe even you) just talked on and on about your organization's programs, without considering the donor at all. This is an organization-centered approach and, unfortunately, we find that most organizations are focused on themselves. When a non-profit's communication is entirely focused on the organization, rather than seeking to learn about the donor, it's not good for building authentic donor relationships, it's not good for fundraising, and it's not good for the communities you serve.

When building a culture of philanthropy, your job is to understand your donor's passions and interests and connect that in meaningful ways to the good work your organization is doing. You are the bridge between the donor and your programs. When we say "donor-centered," your focus should be on the donor relationship. However, your donors should never be the drivers of what programs or solutions you establish. Those should be developed in partnership with the community you are serving, with the support of those who have experienced the need personally, with insight from people trained in this area, and with your staff who are leading these programs every day.

Organizations that have successfully built a thriving philanthropic culture are grounded in creating meaningful relationships with their donors, connecting them to the people doing the work to address the needs in your community.



# How Do You Create a Culture of Philanthropy?

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We'd like to begin with a personal story from our Senior Partner, Jeff Schreifels, that demonstrates when he, as a young development officer, made every possible mistake with a donor, treating the donor as a means to an end, rather than an integral part of the mission.

"It was one of my worst days ever as a fundraiser. Being young and ambitious, I was going to show my boss that I could bring in the money. Besides, the board member I was about to ambush that day had it coming. He hadn't given in years and the guy was worth millions. Surely he could cough up a little for us.

I remember making small talk with this guy for about 30 minutes. He went on and on about his family, why he loved our organization, his golf game... but all I really heard was, 'blah, blah, blah...' You see all I wanted to do was find the right moment to ask him for \$20,000. Long story short, I did ask him, he said yes and by the time I got back to the office he had called my boss and resigned from the board because he was offended by my brash behavior. He said to my boss, 'All he cared about was asking for money.'

I was lucky I wasn't fired that day. But, like most painful things in life, that awful experience woke me up and forever changed how I viewed the relationship of a donor to an organization. You see, I believed at the time that donors were really just a means to an end. The role of a donor was to give you money so you could do the stuff that had real meaning. In a way, I believed the donor 'owed' us. Yep, that was my attitude. Boy, was I an idiot."

Now, today, in almost every fundraising conference or article you read, people are talking about being donor-centered or donor focused. Everyone is "donor-centered" these days. But to be honest, it feels like window dressing. Non-profit leaders and fundraisers talk a good game, but to be blunt, donors are still being treated as a means to an end.

Even those non-profits who seem to be donor-centered may still be focused on their organization in ways that disregard the donor. You can see this in the following examples that may feel similar to situations you've witnessed at your organization:

- Leadership and fundraisers act on the belief that if they talk a lot about their wonderful programs and all they are accomplishing, then donors will be inspired to give. Donors are talked at, with the goal of persuasion.
- Donors may be thanked for a gift, but no follow up occurs on a regular basis to share the difference they are making.
- Fundraisers don't spend time visiting, listening to those they serve, and really researching the systemic reason behind the problem their organization is working to solve. Their hearts aren't broken for the need, so all they can offer donors is generic and dry information about the need and solution.



## Donors are Partners

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This may sound pretty obvious, but you have to remember that donors are real people with real lives that impact them. They have jobs, marriages, children, hobbies, stresses, and interests just like we do. It can sometimes be easy to lose sight of that in the day-to-day work, so be mindful and understanding with your donors.

There can be some stigmas around the idea of philanthropy that make it seem like non-profits are “taking money” from donors or “begging” for gifts. Neither of those are true, and it’s important to have the right perspective in your work with donors. In fact, giving endows the donor with the power to transform lives and make an impact on something that is bigger than themselves. And your role is critical in helping the donor achieve this impact.

Your donors want to help solve a problem and make a difference in an area that they are passionate about. They also expect partnership, transparency, honesty, and clear communication about the outcomes of their gift. If you aren’t telling your donor how she is making a difference, then the data shows that your donor is likely going to stop or reduce giving to your organization.

At Veritus, we believe that if we are to create a true culture of philanthropy in our organizations, donors have to be seen as partners and essential components of the community that is working to achieve your organization's mission. So, what does this mean? It means this:

01 Your donors are seen as valued partners to help transform the world. All too often, nonprofits focus exclusively on their work while donors are seen as a means to an end. Do you spend time, energy, and resources to help donors understand the true realities of those you serve and find joy in giving?

02 You understand that your goal is to create a bridge between the world's greatest needs and your donor's passion to meet those needs. The donor and the need cross over that bridge to meet each other. Your role is to knock down any barriers that could get in the way.

03 Your organization isn't interested in ratios, but rather results and impact. This is because you know that donors are interested in making a difference and investing in programs that actually work. To have programs that work, you hire quality people, pay them fairly, promote equitably, and provide them with the tools they need.

04 You have dedicated staff and resources devoted to your donors. Because you believe donors are part of your mission, your organization is devoted to helping transform a donor by allowing him to know and feel the impact of his philanthropy.

05 At donor meetings and communications, you share how incredible your staff is, connecting donors to the heart and great work of your program team.

06 At staff meetings, you tell donor stories and share how program staff's support of fundraising has resulted in donors giving more.

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07 You ask. Your organization realizes that donors want to be asked to support you financially. They want to help you change the world, so you are bold in your asking. You know that when donors give, they experience joy, and, quite honestly, donors feel good when they give...and then you ask again.

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08 Everyone in the organization has a relationship with donors. Your organization realizes that donors are not just cared for by "development professionals," but that the entire staff is called into relationship with donors. You have respect for each other's roles, yet you know that serving your mission includes donors. Everyone has a responsibility to the donor.

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09 Donors are celebrated. We're not just talking about recognizing a donor at a banquet or a ribbon cutting, but in everyday small ways: in your meetings, in the little note from a program person, or with a picture sent from an MGO. This is not a strategy, but just "the way you do it."

If your organization can move in this direction, it will thrive and do great things. Building a culture of philanthropy is challenging. It sometimes means radical change, but we believe it's necessary if you are truly going to be that bridge of transformation the world needs.

Allow us to share another personal story to illustrate the importance of having leadership on board in a culture of philanthropy.

We were sitting in a conference room filled with MGOs and development folks. They were lamenting the fact that their president was extremely uncomfortable talking and meeting with donors. They knew how important it was for their leader to interact with their good donors and wondered if they could ever obtain a large gift without her presence. The donors, they said, wanted to hear from the president. They wanted to hear the vision of the organization from the president's lips, and they wanted access to the leader.

Over the years, we at Veritus can truthfully say we've been part of this scenario dozens of times in the conference rooms of non-profits all over this country. It's sad. Here you have committed, passionate professionals, establishing relationships with donors every day, yet you have leaders and/or board members in organizations who don't want to have anything to do with donors. Or even worse, leaders can have an attitude that fundraising is somehow "dirty".

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**If you can't inspire people to fund your innovations, they will never get off the ground.**

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Let us be absolutely clear. If you really want a culture of philanthropy in your organization, then the leadership of your organization *has* to have a desire to be in relationship with donors, and they have to be passionate about asking them for their involvement.

Think about it in the for-profit world. Would a CEO of a company last if he or she didn't care about customers or shareholders? Are you kidding? No way! Yet, in the non-profit world we put up with it. We guarantee you right now in non-profits all over this country, folks are sitting around a table figuring out how to work around the fact that leadership is not onboard with where the fundraising team is headed. It's so dysfunctional. We hear from board members who say, "Well, he's terrible at fundraising, but he's so good at developing programs and being innovative in the field." We say, that's fantastic! And, if you can't inspire people to fund your innovations, they will never get off the ground.

This all goes back to understanding who donors are in relationship to your organization. If donors are part of your mission and leadership embraces this concept, then leadership is actively and passionately establishing relationships with donors. They recognize that without donors, there is no meeting of the need. They also know that donors need your organization to fulfill their need of wanting to change the world. Without leadership understanding this, the organization falls into dysfunction, and it becomes out of balance.



# The Role of Board Members in Your Culture

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This is also about the board — not just the president, or executive director. This needs to be stated as strongly as possible. If you're on the board of a non-profit, you have to give of your time, talent, or resources. It's critical that you develop your board to have a diverse range of perspectives and experiences. It should never be that board members who give the most, get the most.

Often, when a board is not functioning effectively, it's because the organization didn't create the right board structure or recruit the right board members. You must have a clear idea of the major categories of your organization's work and recruit board members who have expertise, passion, or a lived experience in all of those areas. As part of that, you should be creating a job description that clearly outlines the role of the board. When you do this, your board is clear on what they should be doing, meetings are more efficient, and the culture will improve. (You can read more about [how to secure a strong and effective board here](#).)

Board members must also embrace the concept, along with the non-profit's leadership team, that donors are crucial to the mission of the organization and YOU, as a board member, have to be an ambassador for that non-profit. This means inviting your "sphere of influence" into a relationship with your organization. That might mean bringing in colleagues and friends from the community you serve to speak into how your programs are working. Or it may be that you bring in friends who can engage and volunteer or give.



A true culture of philanthropy has a leadership team and board who are passionate about donors. This ensures that no matter who goes in or out of the organization, this passion will never die. The board will never allow a president to come in without that passion and a president will never recruit a board member who doesn't have it. This is critical. We know, because at Veritus, we hear from people all the time about how presidents "won't go on donor visits", or they "just had something come up" in their schedule so they don't have to attend an event.

Without inspiration and passion for donors and the need coming from leadership and the board, you make it so much harder for your team to be successful. Partner with your fundraisers – they can even make the ask for a gift – but be present, show you care, listen to your donors, and show up and support the fundraisers. You have to LEAD on this. Otherwise, there is no culture of philanthropy in your organization.



## Telling Your Story

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Do you know your organization's story? Do you know how it began and why it exists? Have you ever considered why people support your organization?

When we ask these questions of staff at non-profits, we're amazed at how many can't answer them. We're not blaming them for not knowing. This is endemic in non-profits everywhere. If your organization desires a true culture of philanthropy, your story (why you were created, your unique mission, and what success means to you) must be known by everyone. It's your story that brings you together as a team around a common mission. It's why you exist. Telling that story on a regular basis is critical for your staff, board, and donors. It keeps you focused on who you are and prevents you from straying off course.

So, what is "telling your story" all about? Quite simply, it's the collective acts that bring together all constituents: those you serve, staff, board, donors, volunteers, and community around a shared mission. You tell your story in many different ways: in written form in all of your communications, in presentations to donors, in the way your organization treats its staff and those you serve. The story is about who you are and what you are doing to make the world a better place. But the key is to tell this story without your organization as the focus.

Here's an example of a story where the organization is the focus:

*Our mission is to end hunger in our community. The Food Bank partners with local organizations, schools, hospitals, and food pantries throughout the state to provide thousands of nutritious meals and support to our neighbors who are struggling with hunger.*

And here's how this could be rewritten to remove the organization as the primary focus:

*Together, our community is on a mission to end food insecurity. With the help of partners throughout the state, thousands of nutritious meals are being provided to our neighbors who are struggling with hunger. Every meal that is provided takes us one step closer to ending hunger.*

The key here is the role leadership must play in creating a dialogue with those you serve in the community, staff, board, volunteers, and donors. This is not just about talking to, but also hearing from each group. **Here are six practical ways to “tell your story.”**

- 01 Spend quality time getting your story right. Make sure it is well written, that it can be told by leaders with passion and conviction, and that it stirs the heart.

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- 02 Place your mission, vision, and values prominently in the foyer of your office space. That way, anyone walking into your office knows what you are about.

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- 03 Create an “our story” piece that goes into your employee handbook, your board orientation folder, and a place on your website.

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- 04 Every staff and board meeting should start with a “our story” segment. This reiterates over and over again your mission, vision, and values as an organization, and WHY you exist.



05

Create engagement events and touch points for donors and volunteers to hear your story, and invite involvement and dialogue.

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06

Tell your story over and over to everyone that will engage with you, lest anyone forget. Tell it in meetings, in the elevator, at galas, on face-to-face donor visits, to your significant others... this is important.

Building a culture of philanthropy is not easy. But it's critical if you desire an organization that thrives and is effective for addressing the need and engaging your donors. Telling your story is one of the building blocks.





# Maintaining Healthy Boundaries

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We can't talk about creating a culture of philanthropy without also speaking to the importance of maintaining healthy boundaries. Leadership and the board must, as part of a healthy non-profit culture, support their fundraisers, advocate for them, believe them when they share about an uncomfortable or inappropriate situation, and set the tone for maintaining the line between healthy and unhealthy relationships, especially as more connections are being made digitally.

As a leader, it's important to check in with yourself. Can you identify if there's been a culture where donors who give significantly are allowed to demean, berate, harass, or intimidate your fundraising staff? Are you willing to step up and support your staff and change this culture, even if it means potentially losing the support of those donors?

Leaders, your role in creating a culture that promptly addresses inappropriate situations is critical. Let us share some steps you can take to address this.

01

**Educate yourself.** Meet with your HR department to understand the definition of harassment and what steps need to be taken if it occurs. If you don't have that resource in-house, find a board member or HR expert who can advise you. Learn more about what harassment looks like and how it occurs for fundraisers. And remember, inappropriate situations need to be addressed, whether they come from donors, board members, or other staff.

We have had fundraisers who shared experiences of donors making racist or sexist comments, and not knowing if they would get fired if they spoke up, so they stayed silent. We've heard several stories, not just from female fundraisers, about a donor lightly flirting or even making inappropriate advances and touching.

Microaggressions are another common issue you need to educate yourself about and be aware of. An example we've heard from black women is having white donors touch their hair without permission or saying things like, "I can't believe you got on stage and spoke so well," which is another way of saying "I didn't expect you to be intelligent." These are all demeaning experiences that occur often in organizations.

02

**Be clear with your staff about what is not okay and create a safe space for them to speak up about inappropriate situations.**

You don't want to be the leader in this example recently shared with us. A colleague here at Veritus had worked at a small arts organization. One of the donors she worked with was on the board of trustees and had made the organization's largest planned giving commitment. After some interactions, the donor began to make inappropriate comments. She promptly alerted her supervisor to the issue and was told, "I'm not surprised, you're his type." While the supervisor did take over the relationship, the issue was never addressed, and she was forced to strategically avoid the donor or "miss" his calls. After a meeting where this donor was present, her supervisor actually suggested she "go give the donor a hug." At that point, she knew she had to leave the organization, and she quit a few months later.

You need to let your staff know that you never want them to feel unsafe or disrespected when working with donors and that they should come to you when a situation arises. Share examples of unacceptable behavior that might make someone feel unsafe or disrespected, so everyone is clear on what you mean. Most likely they have never had leadership speak plainly about this and really have their back.

**03 When they do come talk to you, always listen, ask questions, strategize solutions, and offer your assistance to intervene on their behalf if they desire.** You may also need to involve your HR department or an expert. Once reported, you should devise next steps that will address the behavior and ensure your staff members' safety.

As a fundraiser, you should also do your own self-examination and recognize that you don't have to endure situations that make you uncomfortable or that are demeaning or dangerous just because someone donates to your worthy cause.

You may not be in an organization that has ever talked about this. If that's the case, ask to have a discussion about this topic before it comes up with a donor. Find out where your leadership stands, what the protocol is if something were to occur, and confirm that leadership will have your back. Your leadership may have never thought about how there is an unspoken and inappropriate expectation in fundraising that you accept, without complaint, whatever the donor dishes out because they're giving you money.

We encourage both leaders and fundraisers to craft what to say when a donor does something inappropriate. It could be something as simple as redirecting a conversation, "I would like return to why I'm here, which is to talk to you about our student program today." Or you can be more direct if needed: "What you are saying right now makes me feel uncomfortable; I need you to stop. I'm here to talk about the student program with you." And give yourself permission to walk out and leave a donor meeting if you feel demeaned or unsafe.

A culture of philanthropy also has to mean a culture that cares for and about its people. Being donor-focused never means allowing donors to behave in the ways described above. You can't have a healthy, thriving culture if you don't respect your staff or if you perpetuate an environment that allows for inappropriate behavior.



# This is Meaningful Work

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Imagine working alongside your organization's leadership, staff, your community, and those you serve to share your story with donors and connect your programs to their passions and interests. Imagine having an active partnership with the community and cause you're serving where there's support, guidance, and mutual respect that leads you to more effectively achieve your mission. Imagine working in an organization where you're believed, advocated for, and where leadership has your back, even if it means having an uncomfortable conversation with a donor.

When you have this kind of culture, your whole organization is oriented toward actually solving the problem you were created to solve. In doing that, you give donors joy. Their joy stems from giving to something they care deeply about and hearing back the difference they can make. That is meaningful work. That is meaningful community.

Veritus Group is a full-service mid, major and planned gift consulting agency serving non-profits all over the world. We help create, build and manage major gift, mid-level and planned giving programs by combining donor-centered strategy with solid management that is focused on accountability.

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