

# Encore

A Spotlight on Philanthropy in the  
Performing Arts

Alexander Haas  
TRANSFORMING INSTITUTIONS THAT TRANSFORM LIVES

**First Things First**



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[www.fundraisingcounsel.com](http://www.fundraisingcounsel.com)



from the standing-desk of  
**David H. King** | President & CEO

## Common Mistakes Emerging Nonprofits Make, And How You Can Avoid Them

A new nonprofit organization almost always comes into being when a good-hearted, smart person sees a need that is not being met and sets out to address it.

There are many challenges of starting a nonprofit, beyond getting 501 (c)(3) status, just as there are challenges in starting any for-profit business. But, there are also many more resources - books, seminars, college courses - that provide guidance for those starting a for-profit than for those starting a nonprofit, making it all the more challenging for a nonprofit to successfully navigate those early years.

However, there are common mistakes that we see new and emerging nonprofits routinely make, and how you can avoid them.

### Putting Any Warm Body On The Board Of Directors

We have a saying at our firm: "No organization can rise above the level of its board." The makeup and commitment of a nonprofit board is its lifeblood. A great board can propel an organization to unimagined heights, and, conversely, a poor board will mire it in quicksand until it finally sinks.

All too often, young nonprofits are more concerned with filling all their board seats than with making sure the people they are recruiting are going to be good, dedicated, supportive, hard-working board members who can really lead the organization to success.

It's much better to have a small board of all the right people than a large board full of the wrong people. Nonprofits need to look for people who have a shared passion for the cause they are addressing, along with another needed characteristic. Perhaps you need a lawyer or a real estate expert or someone with a background in social services on your board - these candidates also need to really care about the issue.

And it does not hurt if they have the ability and desire to make a significant financial contribution!

## Telling Board Members They Will Not Have To Fundraise For The Organization

Time and time again, we encounter organizations that, in their zeal to get someone to say yes to joining the board, have promised them they will not be asked to help raise funds for the organization. The No. 1 responsibility of a nonprofit's board is the fiscal health of the organization, and in a nonprofit setting, that is going to mean fundraising.

[There's more mistakes...Have you made them?](#)



### Communication: What's Your Agenda?

"The biggest problem in communication is the illusion that it has taken place." - George Bernard Shaw

When soliciting gifts or when cultivating donors, you may think your communication is clear, but often that's not the case.

You can be so intent on telling YOUR story, talking about YOUR organization's mission, and sharing YOUR organizational needs that you miss the point of clear communication and that is this: It's a two-way street.

A recent study found when patients go in for a checkup and begin talking, the doctor usually interrupts the conversation within 8-10 seconds so they can get right to business. Time constraints can prevent the doctor from listening. The patient, on the other hand, wants to share background information in an effort to reduce anxiety and to make sure the doctor has all the information.

This is similar to what occurs during the donor solicitation process. The solicitor comes wanting to secure a gift while the prospective donor comes ready to receive information, share advice, or hold on to money!

[Here are some basic steps that will help you improve your communication with prospective donors:](#)

A promotional banner for 'Giving USA 2018: Results'. The banner has a purple background with a yellow arrow pointing right. Inside the arrow, it says 'CLICK HERE to hear the presentation and Q&amp;A session'. To the right of the arrow, the text reads 'Giving USA 2018: Results' in a large white serif font, followed by 'What do the findings mean for your subsector? David King, President &amp; CEO of Alexander Haas, explains in this live recording.' in a smaller white serif font. At the bottom right is the Alexander Haas logo, which includes the name 'Alexander Haas' in a stylized font and the tagline 'TRANSFORMING INSTITUTIONS THAT TRANSFORM LIVES' in a smaller, all-caps font below it.

Listen and Learn....

## Risk Management for Nonprofits



When you hear "risk management," do you instantly think of insurance for your nonprofit?

**Ted Bilich**, CEO of Risk Alternatives joins the podcast to change that mindset and help organizations see how managing uncertainty can prepare the path for a successful future. He also shares results of their recent survey and interviews with foundations and their grantors concerning risk management.



## Are You Listening to Our Podcast?



**NonprofitNews.com** thinks you should! The website's **Donorbox Blog** lists our podcast **Futures in Fundraising** #4 on a list of **8 Podcasts for Nonprofit Founders (in 2018)** [sic].

Catch a new episode of Futures in Fundraising each month on Tuesdays at 10:00 am (EST) on Facebook Live.

To download this show and catch up on others, find us on iTunes.

[Listen up this is good stuff....](#)

## We'd Like You to Know....

### Transforming *Institutions*

We are proud of our long history of providing fundraising consulting services to performing arts organizations.

[Check out our past and present clients here.](#)

### Face It: Arts Organizations are Different Our Transformational *Fundraising Services*

**Alexander Haas** serves a cross section of performing arts organizations throughout the country. We specialize (and delight in) what makes you distinctive. As an arts institution, you have different needs at different times. We can help you create real results.

[Read all about them!](#)

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