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RECORDING COMMENCES:

Tony Martignetti:

[00:00:00] Hello, and welcome to Tony Martignetti Nonprofit Radio. Big nonprofit ideas for the other 95%. I'm your aptly named host. Oh, I'm glad you're with me. I'd bear the pain of pyloralgia if I had to stomach the idea that you missed today's show, How to Appeal to High Net Worth. What are the wealthy looking for as they check you out on their way to becoming a connector, a board member, investor, donor, or other supporter of your organization? Melanie Schnoll Begun leads Morgan Stanley's Philanthropy Management. On Tony's Take Two, more NTC video interviews. We're sponsored by Pursuant. Full service fundraising, data driven, and technology enabled. You'll raise more money. Pursuant.com. And by We B-E-E Spelling. Super cool spelling bee fundraisers. Webeespelling.com.

Melanie Schnoll Begun. She's here in the studio. She's the Managing Director of Philanthropy Management at Morgan Stanley. She works with the firm's wealthiest and most influential clients including prominent business owners, venture capitalists, social entrepreneurs, professional athletes and entertainers, as well as foundations and nonprofits. She is the nominating Chair and former Board President of the Juvenile Diabetes Research Foundation New York City Chapter and Vice President of the Board of Metropolitan College of New York. Melanie is also on advisory Boards for the Naomi Berrie Diabetes Center and Quinnipiac University Law School. Welcome back, Melanie.

Melanie Schnoll Begun:

Thank you so much Tony, it's so great to be back.

Tony Martignetti:

Pleasure. It was April 2012 you were here.

Melanie Schnoll Begun:

Long time.

Tony Martignetti:

Four and a half years ago or so. You're looking great. Good to have you.

Melanie Schnoll Begun:

Well, I like that. Thank you.

Tony Martignetti:

Yes, absolutely.

Melanie Schnoll Begun:

[00:02:00] I need that every morning.

Tony Martignetti:

Impressive bio, no book. I thought in these four and a half years you would have written a book.

Melanie Schnoll Begun:

I know. Well, you know what? What I've done in four and a half years, I've run eight more marathons. Is that impressive enough?

Tony Martignetti:

Yeah, there's a run up to that, but I like to see a book.

Melanie Schnoll Begun:

You like to see a book.

Tony Martignetti:

Now, you're doing the marathon this year, right?

Melanie Schnoll Begun:

I'm doing the marathon this year.

Tony Martignetti:

We're a little pre-recorded, about ten days or so, which means this Sunday you'll be running.

Melanie Schnoll Begun:

This Sunday on behalf of a cause. Of course, I'd never just run 22.6 miles for myself. I'm raising money and awareness for juvenile diabetes for JDRF.

Tony Martignetti:

JDRF, okay. You're on their advisory Board, right? The New York City Chapter.

Melanie Schnoll Begun:

Correct. I was a president, but more important than that, I'm an owner of the disease, so you've got to take a stand. You can't just own a disease and allow other people to raise the money or

awareness. You have to roll up your sleeves like I do to take insulin, and then you've got to go out there and run, and raise awareness and money.

Tony Martignetti:

Was there a juvenile diabetes research foundation when you first found out that you had diabetes?

Melanie Schnoll Begun:

There was. The organization's been around for over 42 years and I'd say that we've had our greatest success this year so far. We have received FDA approval for the artificial pancreas, which could be life-changing technology.

Tony Martignetti:

Outstanding.

Melanie Schnoll Begun:

Yeah.

Tony Martignetti:

As an owner of the organization, that feels magnificent, right?

Melanie Schnoll Begun:

It feels magnificent, but it's not a cure. At the end of the day, it's not a cure.

Tony Martignetti:

Right.

Melanie Schnoll Begun:

Our promise has always been better treatment, prevention, and a cure. Another device to wear on your body is another device to wear on your body.

Tony Martignetti:

Okay. There was just something in the Times, I think it was today. That so many of the health cause-related nonprofits are now seeking cures, rather than just counseling and support on how to live with the disease.

Melanie Schnoll Begun:

Yeah.

Tony Martignetti:

I think that was just in today's Times.

Melanie Schnoll Begun:

Yeah, it was. It was a great article. Great article.

Tony Martignetti:

So, basically, we're here to talk about [00:04:00] what a nonprofit can do, should be doing to get the types of people who are your clients, high net worth, ultra-high net worth individuals, interested in the cause. As interested as you are in JDRF.

Melanie Schnoll Begun:

Right.

Tony Martignetti:

Okay. That's on all different levels. It might be a board member, donor, just a connector. Maybe you'd just like an introduction, supporter in some other method, maybe a volunteer, but not a Board member.

Melanie Schnoll Begun:

Right.

Tony Martignetti:

We're going to talk a fair amount about your Board, sort of fine tuning your Board and making that look appealing, but the conversation is not limited there. We may just be talking about as I said, non-donor relationship. You've got a bunch of tips. Let's get into the head of these, I mean this is an elusive group for a lot of people. They read about them. It's always arm's length. Ninety-nine percent of us don't know these people personally, will never meet them. I've got to believe that in the end, they really just want to be connected to a cause no different than the way the rest of us do.

Melanie Schnoll Begun:

They're just people, just more money.

Tony Martignetti:

They are people. Okay, that's a gratifying to hear.

Melanie Schnoll Begun:

Right.

Tony Martignetti:

They just want some connection, personal relationships. I fear that in this presidential cycle, people could come away with a negative opinion of the very wealthy. I hope that most are not like that. I presume they're not. I like to see the good in people.

Melanie Schnoll Begun:

I think we have to think that money and ego could be separate, right?

Tony Martignetti:

Yes, of course.

Melanie Schnoll Begun:

Ultimately, the people that we're talking about today, which I think we're looking at many, many, many people. Ultimately, you don't see someone who is ultra-high net worth. They're not wearing it on their face. There's no color, there's no religion. [00:06:00] It's not associated with the kind of hair that you have. It's a matter of being. It's something that you become, either because you inherit the wealth, you create the wealth. There might have been a situation which brought wealth to you. The majority of the clients that we work with, many of them don't want to be associated with money. They want to be associated with purpose. When we think about what creates purpose inside of someone versus a person being a wealthy individual and therefore, they have purpose, but what creates this?

Tony Martignetti:

Yeah, wealth in itself I hope is not a purpose. I've heard lots of stories about very wealthy people who are quite unhappy, and quite modest people who are quite ebullient in their lives.

Melanie Schnoll Begun:

Exactly. Exactly.

Tony Martignetti:

Definitely independent and independent of ego, too. Now, let's reassure people that there could be a place for these people, these folks, in small and mid-sized nonprofits. They don't all necessarily want to be on the Metropolitan Opera Board, Stanford University, right? Not necessarily.

Melanie Schnoll Begun:

I think it's a fallacy to think that wealth associates itself with just large, robust organizations. There is an opportunity if you're a significant wealth holder to be not just a difference in a small organization, but perhaps to be the difference in a small nonprofit organization. Again, it's really related to what the organization is doing. There are small independent colleges that do not have wealthy donors, that do not have wealthy alum, and are seeking amazing volunteers, support, leadership. There are arts organizations that are not like the amazing ones sitting here in New York City, but are small museums, that are small art collections all over the country that require and need attention. [00:08:00] Again, it goes back to, where does the person feel that incredible connection with the organization?

Tony Martignetti:

Right. You've helped some of your clients start to get engaged with small and mid-sized nonprofits?

Melanie Schnoll Begun:

I think the best part about our work is that. The best part about our work is helping them distinguish between an organization where they can have a long, amazing history with versus one which is nice to be on.

Tony Martignetti:

Prestigious.

Melanie Schnoll Begun:

Prestigious. They've got great people sitting around the table, they all look like them. They all have bank accounts that are like theirs. Most of our clients like a balance and that's what's also so interesting about the majority of the boards that I work with. There are a few wealthy people sitting among the board members. There are some who are just industry experts who are associated with the organization. There are some who just have some incredible skills or time. All of that is what makes the composition of a board great. Wealth doesn't necessarily mean that I'll be a great board member or great volunteer.

Tony Martignetti:

For sure. In fact, it could be the other way around. It could be difficult for the organization. Okay, we've got to take our first break. What can I say? This is going to be exciting. It is exciting. We're going to talk about getting your organization in tune for making these approaches. Then also, this is very good advice even if you're not approaching high net worth individuals. This is good stuff for your board and for your organization generally, so stay with us.

Announcer:

You're tuned to Nonprofit Radio. Tony Martignetti also hosts a podcast for the Chronicle of Philanthropy. Fundraising Fundamentals is a quick, ten-minute burst of fundraising insights published once a month. Tony's guests are experts in crowdfunding, mobile giving, event fundraising, direct mail, and donor cultivation. Really, all the fundraising issues that make you wonder, am I doing this right, **[00:10:00]** is there a better way? There is. Find the Fundraising Fundamentals Archive at tonymartignetti.com. That's M-A-R-T-I-G-N-E-T-T-I. Remember, there's a G before the N. Thousands of listeners have subscribed on iTunes. You can also learn more at the Chronicle website, Philanthropy.com. Fundraising Fundamentals the better way.

Tony Martignetti:

Welcome back to Big Nonprofit Ideas for the Other 95%. Okay, Melanie Schnoll Begun, let's get into some strategies that we've got for looking good and just being solid. What is the word that we always use? Sustainable.

Melanie Schnoll Begun:

Sustainable.

Tony Martignetti:

Of course. We'd be well-advised to show that we can help someone we might be trying to appeal to as a volunteer that will be willing to help them raise money. What kinds of help should we be offering to our volunteers?

Melanie Schnoll Begun:

Right. Many ultra-high net worth individuals created their own businesses. You would think that they would know how to raise money and it's incredible, the difference between—

Tony Martignetti:

Yeah, that's a different kind of raising.

Melanie Schnoll Begun:

It's a different kind of raise, right? A capital raise for a business versus raising money for a nonprofit that you might be so passionate about. For some reason, the psychological obstacles that happen in someone's head are incredible, and I'm a professional fundraiser. To me, I can't understand it, but you have to appreciate that people get really scared about asking friends, colleagues, business associates for money. [00:12:00] So, nonprofit staff really needs to feel comfortable in helping potential board members or volunteers overcome these obstacles, and there are definitely techniques to do it. Getting them into a mindset to realize that this is not asking money for themselves. Most people think when they go out, even though they know they're raising money for an organization, a small organization, they care about that desperately needs the money, they feel that making that ask appears to be making an ask for them.

Tony Martignetti:

It's personal.

Melanie Schnoll Begun:

Yeah, it's personal. We've got to get rid of that. We've got to take that idea, got to put it on a shelf way, way up on the top of your ceiling and decide, you know what? I'm not going into that box because this isn't about me. This is selfless. I'm spending my time, my energy, my interest to create awareness and raise funding that's either desperately needed or just is needed to improve the work of the organization. Taking yourself out of that formula is really important.

One of the ways that we do it is, helping organizations help their board or volunteers who are raising money, helping them create personal and public narratives. A narrative is a story. We all have our own stories. I have a story about who I am.

Tony Martignetti:

Yeah, and your relationship with JDRF, etc., Metropolitan College, all these organizations.

Melanie Schnoll Begun:

All of these organizations, all of these organizations. Finding that story inside of you that you're really incredibly comfortable with—this isn't an elevator speech. This isn't a tight little elevator with the doors closed and the person can't get out of the way. This is something where it's so authentic and genuine.

Tony Martignetti:

This sounds like it's making it more personal. We're trying to put personal up on the shelf.

Melanie Schnoll Begun:

No, but personal because you're comfortable telling the story about your association [00:14:00] with the organization, that this is not money for me. I don't want anyone to think that when I'm raising money for JDRF, I'm raising it so that Melanie doesn't have Type I diabetes. I'd love to not have Type I diabetes. It's a disgusting autoimmune disease, but I'm not raising money for me. There may never be a cure for Type I diabetes in my lifetime.

I'm raising money because I don't want any other little girl to have Type I diabetes. I don't want another woman to have to wear all of these devices underneath her dress, trying to figure out, where do I hook it on, can I wear this tight, beautiful blouse? I want people to feel comfortable recognizing that they can achieve anything as a Type I diabetic. They can be a competitive athlete running the New York City marathon. They could run a big business. They could have babies. They don't have to worry about living with complications that Type I diabetes can bring on. I take myself out of the formula. You're not giving me the money.

You're giving an organization that's working in excellence to do the research, to find better treatments and cure. I tell a story about myself because Tony, I want you to see me in the center of the story and then I want to drag you into that conversation because I want Tony to see that my story about Type I diabetes is your story also. It's your story. I help you see the connection between me and you. I'll give you a quick example. Whenever I'm raising money for Type I diabetes and I talk about me being in a car, my blood sugar being low, I first talk about the possibility of what could happen to me or my kids if they're in the car with me. I then relate the story to a donor that I'm trying to raise money from. I say to them, what if you were in your car on the road when I was? [00:16:00] The possibility of me getting into an accident, or hurting myself is possible. The possibility of me being low and getting into an accident and hitting your car is also likely.

Now, I'm not saying that Type I diabetics get into more accidents than anyone else. Probably less because we're so much more aware of our health and our wellness than anybody else. I'm always checking before I get into a car. That's how I help other people who are raising money for diabetes make a story that's personal, but connect themselves to somebody else. It's not about statistics. People are nervous about talking about the efficiencies of the nonprofit organization. They're nervous about talking about the impact of the organization. I could relate it because the little story about me being in a car and talking about how JDRF is doing such amazing work on better technologies, and how that's helping me live a better life, and helping you because I won't be in a car on the road low.

Tony Martignetti:

Yeah. Outstanding, Melanie. I feel it.

Melanie Schnoll Begun:

Good because I'm planning on soliciting you and shaking you down for a couple of bucks for my New York City Marathon on Sunday.

Tony Martignetti:

We're already doing a service for JDRF. We're going to tag them for the promotion of the show. They're getting an hour promotion.

Melanie Schnoll Begun:

I love it.

Tony Martignetti:

One more idea of a simple way to help someone. They feel comfortable soliciting. One more thing.

Melanie Schnoll Begun:

You've got to have three ideas in your head, just three. Don't know all the facts about the organization. We get lost. We get lost in facts. People get lost in numbers. When you make a mistake about a number; so, you're making a claim that this little school is serving 25 children living with autism and the results are 50% better [00:18:00] lives, whatever it might be. We get lost in statistics. The issue with numbers sometimes is, people can prove us wrong with a number. It's harder to prove us wrong with just a story.

When I suggest to all of the organizations I work with who are helping their volunteers, their donors raise money, give them three easy facts that we know can't be disputed. Just can't be disputed. That you could really understand, again, that you could create a story around. One of the facts if we are talking about autism and let's assume that we have a play center for children zero through the age of five. It's in a community, important to that community. We know that autism is increasingly on the rise. We still don't even know why this is happening to our young children. This center is so important to this community.

Three particular stories. I would give them one story about one young girl, right? And how it changed her life by being in a community where she began to be able to associate and have friends. Where she began to learn skills to cope with some of her emotions. Where she began to make eye contact. Then I give them another statistic and it's a stat about the way it changed the life of the parent. That the mother now feels confidence in leaving her daughter in this beautiful little community center. That the mother now can have a part-time job. There's so many ways to give statistics that are not facts.

Tony Martignetti:

Versus 48% of our families feel more confident with having a two-family income.

Melanie Schnoll Begun:

Exactly. Exactly, so those are the three facts. They're incredibly important to fundraisers and one of them should be a fact that the [00:20:00] fundraiser, as a nonprofit is working with someone on their Board, that the fundraiser can associate with themselves. Perhaps they have a child who's living with autism. They could tell a story about my daughter when she was four years old was in this school, and what it did for her and just giving specifics about factually how it changed her, how it changed that family's life, what it did for the siblings in that family. Three strong facts can never go wrong, and lose the numbers if they don't serve you.

Tony Martignetti:

You just raised something. That there has to be an affinity before we approach any individual. We don't want to go after high net worth people just because they are wealthy. If there isn't some genuine affinity for the work that you're doing, there's no point.

Melanie Schnoll Begun:

Right, unless you're a robber. Unless you're looking to go into someone's home and you don't care.

Tony Martignetti:

Now, why would you even think of that?

Melanie Schnoll Begun:

I don't even know.

Tony Martignetti:

I wouldn't even think of that.

Melanie Schnoll Begun:

You know why? Because I think in fundraising sometimes, we do feel like we're robbing the person. We do if we don't believe in the story of the nonprofit.

Tony Martignetti:

Actually, I've heard that from grant writers who were asked by, sometimes it's board members or their CEO, hit this foundation.

Melanie Schnoll Begun:

Hit this foundation.

Tony Martignetti:

There's no connection, but they have to try to find one and they know it's tenuous as they're writing the words. As they're typing, they know it's disingenuous. They know it's going to fail, but they're executing something they were asked to do by somebody who presumes themselves to know more about grant writing than the professional. I've heard it in that realm. It feels smart.

Melanie Schnoll Begun:

Well, it feels empty and the results are poor.

Tony Martignetti:

You have to know that there's some connection. You maybe have seen another similar organization that the person supports. [00:22:00] You mentioned some of your clients are entertainers and athletes. Maybe they Tweet about a cause, and they don't know about your organization. You see a quote in a paper. If it's not somebody with 17 million Twitter followers, maybe you see them quoted related to a cause or something. You've got to know that there's a connection before you try to get an introduction.

Melanie Schnoll Begun:

We call it a common denominator. Common denominator. My son is in the sixth grade, we deal with all these percentages and fractions. Every time I'm sitting down looking at his math work, I'm thinking about fundraising. I'm thinking, what is that common denominator? A common denominator means we have to have some tenuous connection. Something where there's a correlation between me and the person that I'm raising money from. We do a lot of work. We help our nonprofit clients do a lot of work on the person, the organization, the foundation, before they go and make the ask.

Tony Martignetti:

Maybe we should touch on something. What do you do for your nonprofit clients? Because I mentioned it in your intro and now you mentioned it. Let's acquaint people with that side of your practice.

Melanie Schnoll Begun:

Great. Happy to. Our work starts with advisory services. We work with nonprofit organizations small and large, helping them in three particular areas. The first is board development and governance. Going into a nonprofit organization, looking at their board, seeing where there are strengths, weaknesses, opportunities, and threats. The typical SWOT analysis. Doing a SWOT analysis with a board is amazing. We do it backwards. I think most people start with their strengths, like, who doesn't want to talk about how strong I am? We start with their threats.

Tony Martignetti:

Yeah, you call it a "two's". T-W-O-S.

Melanie Schnoll Begun:

Exactly.

Tony Martignetti:

You're inter-combining.

Melanie Schnoll Begun:

That's right. We turn it on its head. Threats and weaknesses have to be first. You could always go to the opportunities and the strengths of a nonprofit organization. Going in, really [00:24:00] analyzing the organization. There will be some tremendous talent sitting on the board. Sometimes the board is tired. We've got to realize that some boards, where they don't have board tenure and this happens a lot Tony, in small nonprofits. The leadership on the board, they go over.

Tony Martignetti:

The bylaws say it's two, three year consecutive terms is the max and you look on the board and there have people who have been there 12, 15, 17 years.

Melanie Schnoll Begun:

Twenty years.

Tony Martignetti:

Nobody has the courage or the energy to enforce what's in writing. You don't get a fresh perspective.

Melanie Schnoll Begun:

It's terrible. Part of the reason is because they live in fear.

Tony Martignetti:

Aside from fresh perspective, people come on the board and they see, well it's supposed to be a six-year max. Maybe a possibility of a three-year term. Their board members have been here for 17 years, so they don't even follow their own bylaws. What kind of an organization am I joining?

Melanie Schnoll Begun:

That's right. Not only does it have poor governance, but ultimately, it's a new, fresh member of the board. When you look at someone who's been on the board for so many years, they're exhausted from raising money for the same organization. That's one. It's not that they've lost passion for the work. They care about the work. They want to see the results.

Tony Martignetti:

They've been through two campaign cycles maybe.

Melanie Schnoll Begun:

At least.

Tony Martignetti:

Two, five year campaigns and everything in between those, the preparation and the planning. Go through a couple of strategic planning cycles. If it's done right it takes at least a year or so.

Melanie Schnoll Begun:

That means that they've even see strategic plans that have sat on shelves and haven't even been implemented.

Tony Martignetti:

They're embarrassed. The board member is embarrassed to leave. They don't want to leave the organization flat, but the organization is embarrassed to get the person off even though the bylaws say they should. It's a bad situation.

Melanie Schnoll Begun:

Let me tell you how we help them. We go into that board and we sit down with the current officers and really talk about, let's analyze your board policy. **[00:26:00]** This is what your terms are. If it was right, when we wrote this language, if we were right about this, then we have to govern this way.

Tony Martignetti:

Accordingly.

Melanie Schnoll Begun:

Exactly. We need to make decisions now. How do we get rid of a board member who cares about this organization, who we care about? Letting them resign in honor. Letting them resign in honor.

Tony Martignetti:

I think a lot of times it just takes a face to face conversation.

Melanie Schnoll Begun:

Absolutely.

Tony Martignetti:

It takes some degree of courage to ask the person to come in and sit with this CEO, or sit with the board Chair. Hopefully he's not the board Chair, but that could be the person. Whoever it is. You've got to grow a pair and start enforcing the governance that you've put in writing.

Melanie Schnoll Begun:

That's exactly right.

Tony Martignetti:

It's just that simple. The person, there's a very good chance that the person will thank you.

Melanie Schnoll Begun:

In fact, not only thank you, they want to go. They're embarrassed to leave, they're embarrassed to tell you they don't want to go, and you're embarrassed to ask them to leave, but it's an opportunity. We never let a threat or weakness, like having someone who's tired, who's been on the board too long, not turn into an opportunity and into a strength. We go back to our TWOS. What's the opportunity? As you are graciously in honor, celebrating the service of a board member who is now retiring, you ask for a gift. Might we ask for a gift? We do it upon exit and we allow that retiring board member in honor, we celebrate that board member, allow his or her story about leaving this organization all the work that he's done, and in celebration upon departure, leaving a major gift. By the way, major at their level. We're talking about small organizations. This person might not have a fortune to give.

Tony Martignetti:

Give at their capacity.

Melanie Schnoll Begun:

Give at their capacity.

Tony Martignetti:

I've never heard that one. Outstanding. I've heard the transition respectively to an advisory board.

Melanie Schnoll Begun:

Nice.

Tony Martignetti:

Ask for a gift.

Melanie Schnoll Begun:

Ask for a gift. [00:28:00] Of course we're going to do all of those other things, but why lose our opportunity to allow someone to retire and give at their highest and best potential.

Tony Martignetti:

And celebrate. Celebrate their service and their gift.

Melanie Schnoll Begun:

That's right.

Tony Martignetti:

Would you hangout? Take a sip of water, take a sip of tea from Aroma while I do a little business?

Melanie Schnoll Begun:

I would love—oh, you just gave a plug talk.

Tony Martignetti:

It's not paid, so we don't have to disclose it. Much more with Melanie coming up. First, Pursuant. They've got another free webinar. This one is Upgrade Your Best Donors Today with Pursuant consultants Chris Taft and Kristin Priest. They're going to help you identify your donors, who have the capacity and interest to do more for you, maximize your resources as you engage the right prospects, and fine tuning your prospect visits. This webinar is on Tuesday, November 15th, at 12:00 Central Time. If you want to register go to [Pursuant.com](https://pursuant.com) and under Resources click Webinars. Yet, another free Webinar from Pursuant. We B-E-E Spelling. Spelling bees for nonprofit fundraising. These are not your seventh-grade spelling bee. There's live music, dancing, standup comedy, fundraising, and of course there is spelling woven in there as well. These are ideal for millennial outreach. Millennials love these things because you do them in bars, restaurants. Not your seventh-grade spelling bee. Check out the video at [Webeespelling.com](https://webeespelling.com).

Now, Tony's Take Two. I've got more video interviews from the Nonprofit Technology Conference. These are on fundraising. I pick the brains of smart technology guests to help you raise more money. This is what we've got in this batch. Donor surveys to boost your revenue, growing your sustainer revenue, smart email marketing, and increasing donor retention. All four of those grouped [00:30:00] together, my video with the links of each of these four video interviews is at tonymartignetti.com. That is Tony's Take Two. Melanie, thank you for hanging in there. I just love that gift idea. I know I said it three times already, but I love that gift idea of

the departure of a board member. We can't have the 17-year service members, it's just not right. It's bad business.

Melanie Schnoll Begun:

Well, you just mentioned millennials and as I think about boards, again some of the work we do at Morgan Stanley, is developing these boards. There is not a board around today that's not looking to bring young leadership onto the board.

Tony Martignetti:

Some have young money on advisory boards even.

Melanie Schnoll Begun:

If they don't, they should. If they don't, they should. Millennials are feeling the pressure, Tony. They're really feeling the pressure because they realize that these organizations are all looking at them right now. There is an eye on them to be the saviors.

Tony Martignetti:

I know. I go to conferences and there's a panel of three millennials and they're asked to speak for the whole 30 million cohorts. These three people are supposed to represent the entire group.

Melanie Schnoll Begun:

They're representing all of us, both leadership from the past and they're going to be our future. We need to be mindful of the pressure that we're placing on them. Again, we need to recognize the opportunities. As I think about boards for the other nonprofit organizations, the organizations that listen to your show, that you serve, bringing on young talent is incredibly important. But, that common denominator. Youth doesn't necessarily mean that, wow that's a person I want sitting on my board. As I think about the colleagues on my team, even Craig who's on my team who's here in the studio with us today, when I think about how do we bring young talent on to nonprofit boards, you've got to do the same personal assessment of them.

That's what I help nonprofits do. We help them analyze [00:32:00] the potential of a young board member. Giving them almost like a questionnaire and analysis. Who am I? What kind of board member could I be? What kind of time could I give? What kind of thoughts could I offer? Would I be intimidated sitting among a board of people so much senior to me? Coming in and they've been there for 16 years. Am I going to have a permanent gag order? Will I ever feel comfortable offering my opinion having a voice at that table? You need to really look at millennials who come onto your board. If they're going to join your big board. Make sure that they have the potential to be an equal participating board member.

Tony Martignetti:

The support, the reassurance, the coaching. One of your ideas is that there be a board buddy system.

Melanie Schnoll Begun:

I love it.

Tony Martignetti:

Talk about that.

Melanie Schnoll Begun:

I love it. It's like anything else. When you learned how to swim, no one went into a pool on their own.

Tony Martignetti:

I had these little sensitive hands under me as I was kicking and flailing.

Melanie Schnoll Begun:

Exactly.

Tony Martignetti:

I still need that. I'm actually not a very good swimmer, even though I live on the ocean. I flail. The hands have grown and they're a little different now, but it's the same idea.

Melanie Schnoll Begun:

I love it. Well, maybe that's because you should be using your feet more than the hands as a swimmer. It's really, the power comes from the feet, from the legs. You're right. It's that support underneath you until you're ready to swim on your own. Until you're ready to swim on your own. It's the same exact idea.

Tony Martignetti:

You'd like to see a mentor assigned?

Melanie Schnoll Begun:

Different than a mentor because a mentor—

Tony Martignetti:

Is a buddy. Friends are friends, pals are pals, and buddies sleep together. That's not the kind of buddy you're talking about.

Melanie Schnoll Begun:

You know what? We're going to keep this show really clean.

Tony Martignetti:

That's clean.

Melanie Schnoll Begun:

We're not talking about—

Tony Martignetti:

I said the word sleep, that's clean.

Melanie Schnoll Begun:

You're right. It was the together part.

Tony Martignetti:

Oh, okay. You're blushing a little bit now. Look at you. She's blushing.

Melanie Schnoll Begun:

It's really warm in the studio.

Tony Martignetti:

It is warm in the studio, but you're blushing more now than you were in the past half hour. Okay, the buddy system.

Melanie Schnoll Begun:

The idea of the buddy system, [00:34:00] it's not a mentor and it's not a sponsor. It's not someone who's going to be there, guiding your path, and it's not someone there who's going to sponsor you to take on a bigger role at the organization. It's someone who's going to share with you what they went through when they were joining the board.

What do you need to know about? I'll give you something. This is an amazing issue that people have when they're first joining the board. Where do I sit? Oh my, God. I'm walking into this board room, there's ten board members. Do we have assigned seats? Am I sitting in someone's chair and that's their chair? Right? How do I prepare for a board meeting? Should I come in, should I have notes all over the board book? Should my book be all highlighted? Do I ask questions? Should I answer questions? I mean, all of these things that go on in someone's head when they're first joining a board because remember, you're joining a family. A board is a family. These are people who work together, live together, pray together, cry together sometimes over the issues that they're working on.

Tony Martignetti:

You're the newcomer.

Melanie Schnoll Begun:

You're brand new. A buddy is someone who gives that kind of support. The first thing a buddy does is, they find a seat for their buddy. They walk in and they go, you know what? You're going to sit right next to me. That reassurance when you just walk in for that first meeting, knowing that you've got someone right next to you, and who whispers something in your ear, like oh by the way, don't listen to that woman, she doesn't have a clue what the hell she's talking about. That guy talks about fundraising, but he hasn't raised a dollar for this organization in ten years. That kind of insight, the kibitzing, really helps someone get comfortable and ease into their fiduciary responsibilities sitting on the board.

Tony Martignetti:

Outstanding, because I wanted to talk about making explicit the responsibilities of the board member. Clearly, the organization has responsibilities to the board, but the board member has responsibilities to the organization. [00:36:00] They go way beyond fundraising and we need to make these explicit.

Melanie Schnoll Begun:

I think going back again to governance, many organizations, even small organizations, even startup organizations, recognize the need to have a policy. They'll perhaps even have to write a policy. They'll perhaps copy some other organization's policy and make it their own, not knowing what should be in their policy. At the end of the day, whatever their policy suggests that are the board members' responsibilities, should be in writing. Why is that so critically important? Because new board members, especially for small organizations, they need to understand, what am I supposed to be doing here? What is my role? The first critical role is to talk about raising money. For some reason, we leave it for last. We nominate people to the board, we cultivate them, we're so excited to bring them on. Sometimes we're bringing them on because they actually gave a gift to the organization in the past, right? They were a donor to the organization.

Then, when we bring them on to the board, all of a sudden, we don't talk about fundraising. I start, I lead with fundraising. In fact, we have no policy usually. Usually there's this give and get expectation of the board. I hate that word. I hate that word. What do you mean by expectation? The reality is, if there is a need, then we should say there is board fundraising policy. Some boards will explicitly say how much the number is that they have to raise. They don't necessarily have to say how they get the money, but every board needs to realize if there are ten people sitting at this table and if there's an expectation for us to each raise \$10,000 or \$5,000 or \$1,000. I don't know how much some of these organizations who are listening might expect of their board members.

Tony Martignetti:

I think that's in the range.

Melanie Schnoll Begun:

In the range. [00:38:00] Let's just say it's \$10,000, because it's easier for me to do that kind of math, and there's ten people sitting around the table. \$10,000 times 10, you can even do that math, Tony. What's that number?

Tony Martignetti:

That would be \$100,000. From a lawyer.

Melanie Schnoll Begun:

We're both formal lawyers, exactly. Imagine the difference in a nonprofit organization if it knew every single year before it even had to open its doors, it knew it had a commitment because the board understood that each of them had the responsibility, and not a goal. Not an expectation, but the responsibility to get \$10,000 in. If that organization knew, we have \$100,000 to work with.

Tony Martignetti:

Do you prefer to see those expectations as a dollar amount or something, you see the phrase, a personally significant gift each year?

Melanie Schnoll Begun:

I like clarity. I'm all about being clear and concise. What I hope is that \$10,000 is the floor, not the ceiling.

Tony Martignetti:

Yeah, see, that's the problem. If you say there is a responsibility to do that, that becomes the person's ceiling.

Melanie Schnoll Begun:

Exactly.

Tony Martignetti:

Oh, I've got \$10,000.

Melanie Schnoll Begun:

I'm done. I've got \$10,000 in January and I could fall asleep for the next 11 months.

Tony Martignetti:

What do you do though if you have a diverse board in terms of assets and ability to give? For some people, \$10,000 is a stretch and for some people it's a remainder in the checking account at the end of the week.

Melanie Schnoll Begun:

That's right. Now let's get back to this ultra-high net worth, people that we were talking about at the beginning of the hour. Policy in that regard doesn't necessarily have to be the same for everybody. When you're recruiting a member to your board, when you're recruiting someone and you know that they have the potential to give higher than other board members, I'm very clear with that new potential board member. I will explain the composition of the board. **[00:40:00]** I want you to understand who you're going to be sitting with. You're going to be sitting with some people who are academics, who don't have the opportunity to give themselves significantly, but man, they give intellectual capital to this organization. We have some board members who can give a small amount of money, but give their time. Then you Tony, you don't have a lot of time. You're running a big business, you live in North Carolina, you're on the radio, you've got a lot of people who want your attention. Right?

Tony Martignetti:

Sounds good. I wish it was the reality.

Melanie Schnoll Begun:

It's a good story. I'm creating a good public narrative for you.

Tony Martignetti:

The drama you add to it is intense.

Melanie Schnoll Begun:

It's all about creating—

Tony Martignetti:

It was all factual, but very intense.

Melanie Schnoll Begun:

Creating the public narrative here, creating the public narrative.

Tony Martignetti:

Okay, thank you so much.

Melanie Schnoll Begun:

Around that story, I know you have the potential to give more, but you don't have as much time. You don't live in New York, so you can't always be here for board meetings. You can't always be here at the volunteer events. You're in North Carolina, but you have the potential to give more. I would be very explicit with you. I'd say Tony, I want you to understand something. The required give for this board is \$10,000. One of the reasons that we want you on this board is because we know you have some tremendous networks, we know that you're very affluent. We know that you run a great business. We know that you don't have a lot of time, so we want you to realize that we're not going to ask as much time of you as we might be asking of other board members. We do hope that you can give at a higher potential. What are we embarrassed about? Seriously, what are we embarrassed about asking? We know it. We're thinking it, but for some reason somewhere between our brain and our mouth, there's this disconnect and we can't get those words out.

Tony Martignetti:

We know the person we're talking to is thinking it because as I'm describing the diversity of the board, I know that the academics don't have the capacity to give at the hypothetical Tony level.

Melanie Schnoll Begun:

That's exactly right.

Tony Martignetti:

I know it, you know it. Let's talk about it. It's the elephant in the room.

Melanie Schnoll Begun:

[00:42:00] It's the elephant in the room and instead, we're going to be professionals, we're going to be genuine, we're going to be authentic, and we're going to be transparent. If I'm going to allow you to serve in excellence, what I don't want to happen is I don't want Tony in North Carolina running a big business who says wow, I feel totally guilty because there was a volunteer event today. We were going out and cleaning the park, or the garden, because we're a garden organization. I feel totally guilty I wasn't able to be there and I wasn't able to be there for the last three vegetable growing things, and the flower cutting thing. You know what I know I can do? I

care about this organization. It was in my neighborhood when I was growing up. I want to be a big part of it. I could give more than other people can give.

Tony Martignetti:

Okay. Honesty, explicitness, professionalism. We're adults here. I'll tell you what. Let's go out for our last break a little early and then we'll wrap it up. We still have another nine or ten minutes or so. Hang in there.

Announcer:

Like what you're hearing on Nonprofit Radio? Tony's got more. On YouTube, you'll find clips from his standup comedy, TV spots, and exclusive interviews. Catch guests like Seth Goden, Craig Newmark, the Founder of Craigslist, Marc Ecko of Ecko Enterprises, Charles Best from Donorschoose.org, Aria Finger of Dosomething.org, and Naomi Levine from New York University's Heyman Center for Philanthropy. Tony Tweets, too. He finds the best content from the most knowledgeable and interesting people in and around nonprofits to share on his stream. If you have valuable info, he wants to retweet you. During the show, you can join the conversation on Twitter using #nonprofitradio. Twitter is an easy way to reach Tony. He's @Tonymartignetti M-A-R-T-I-G-N-E-T-T-I. Remember, there's a G before the N. [00:44:00]

He hosts a podcast for the Chronicle of Philanthropy. Fundraising Fundamentals is a short, monthly show devoted to getting you over your fundraising hurdles. Just like Nonprofit Radio, Tony talks to leading thinkers, experts, and cool people with great ideas. As one fan said, Tony picks their brains and I don't have to leave my office. Fundraising Fundamentals was recently dubbed the most helpful nonprofit podcast you have ever heard. You can also join the conversation on Facebook, where you can ask questions before or after the show. The guests are there, too. Get insider show alerts by email. Tony tells you who's on each week and always includes links so that you can contact guests directly. To sign up, visit the Facebook page or tonymartignetti.com.

Tony Martignetti:

Welcome back. Big Nonprofit Ideas for the other ninety-five percent. Melanie, I love these ideas you're giving. Really excellent. By the way, you didn't mention beach. I live on the beach in North Carolina.

Melanie Schnoll Begun:

Yes, I forgot.

Tony Martignetti:

If we're going to add drama to the hypothetical, we may as well add that additional layer of fact.

Melanie Schnoll Begun:

The view outside of your window, now you're able to sleep with the shutters open because it's getting a little bit cooler.

Tony Martignetti:

Yes, the sliding doors.

Melanie Schnoll Begun:

The sliding doors. We could definitely do a fundraiser at your beautiful beach house in North Carolina. Thank you so much for offering it.

Tony Martignetti:

JDRF on The Emerald Isle?

Melanie Schnoll Begun:

I appreciate that. We'll take that. Done. Done.

Tony Martignetti:

Let's not get aggressive.

Melanie Schnoll Begun:

Not only are we going to take it—

Tony Martignetti:

This is still Tony Martignetti Nonprofit Radio, not Melanie Schnoll Begun Nonprofit Radio. You're going to admonish me about the sex joke.

Melanie Schnoll Begun:

Not only are we going to take it, but at a gala, we're going to raffle your home off to somebody that you don't even know exactly.

Tony Martignetti:

Yes, it's a beautiful beach house. You would love it. Oh my.

Melanie Schnoll Begun:

Exactly.

Tony Martignetti:

Let's show that our organization measures its own results, shows its impact, assesses its effectiveness to the new potential investor, [00:46:00] etc., that we might be trying to entice.

Melanie Schnoll Begun:

Yes. Effectiveness and measurement. So many conversations about this. I'm sure that you've had conversations like this on your radio show. Lots and lots.

Tony Martignetti:

It bears repeating about impact reporting and measurements.

Melanie Schnoll Begun:

We might have a slightly different opinion than many of the companies that are in the measurements reporting business. I'm going to give you the opinion from the ultra-high net donor. That's where we spend much of my time. Our staff spends much of our time at Morgan

Stanley. You would think that the wealthier someone is, the more big bank accounts that they have, the brokerage statements that they get. They always want all these reports. The reality is, they don't read them. They don't read them. I'm not saying everyone, that no one reads them. They're trust advisers. I might be reading them on behalf of the donor, but the ultra-high net worth donor, the majority of the time, the big paperwork, what you're spending all of your energy on, it goes unread. Most of ultra-high net worth donors want you to know that you're being effective. They want to know that if they have a connection to this organization, you're not doing anything fraudulent.

Tony Martignetti:

That's the floor.

Melanie Schnoll Begun:

That's the floor. They want to know that their money is going to be making a difference, that there's something that their gift is going to be accomplishing with the organization, that if you did not have their gift, you couldn't do it. There's just something else that might not have been able to be happening. The most important, again, is the relationship that they have with the person who's making the ask. Or the relationship that they have with someone on the board. They look at these relationships and time and time again, they go back to even if we might be doing a deep [00:48:00] analysis on the impact of the organization, and a qualitative and quantitative analysis of their work. If an ultra-high net worth client relationship to the organization, if they have a relationship with the money, or a relationship with the board member, the cause, the cause has done something for them personally for their family, all of the statistics, they're not as relevant and I'm going to tell you why.

We think about how do I compare to another organization doing similar work? If I went to, we'll go back to the example of autism. If there was a community center in my neighborhood that was working with a small group of children ages zero to five, and I had a friend whose daughter went to that school and I saw the impact it made on my friend's life, it doesn't matter if there's another bigger organization working on autism, finding the research, working towards the cure. No, because it's so easy for me to distinguish between why this organization versus another. Most don't want to know if there's a cure. The connection to this organization to my friend's daughter excels. It goes back to what we were speaking about at the beginning. Results matter, they absolutely matter when you're looking for very large gifts, you need to make sure that you can back up what you've accomplished with someone's donation. At the end of the day, working on that relationship, nine times out of ten is what an ultra-high net worth person is looking for. Just like a high net worth person or a low net worth person, they're looking for the relationship, the connection.

Tony Martignetti:

We want to reassure our volunteers that their time is going to be used wisely, efficiently, that we [00:50:00] support our volunteers, our meetings are efficient. Let's talk a little bit about overcoming some of the objections that people might have to volunteering. The perception is that all the volunteers are retired and they have lots of time.

Melanie Schnoll Begun:

They have jobs, or they're at home with their kids. They enjoy their breaks with their kids. They're trying to find meaning in their lives.

Tony Martignetti:

Those are the people you should be asking to volunteer. Not me so much. How do we as a nonprofit organization overcome that objection?

Melanie Schnoll Begun:

I don't want to assume that moms at home who have tremendous potential to volunteer, really who have no time because it's the hardest job in the universe to be at home with your children. That's why I never stayed home with my children. It's much easier for me to into Morgan Stanley, but ultimately, volunteers—

Tony Martignetti:

Is it going to be an issue if your children are listening to this? Is this going to cause any dissent in the family?

Melanie Schnoll Begun:

It could. Ryder and Hawke, I just want you to know, later in life when you're lying on the couch, just say it was because of my mom. It was because of my mom. Don't spend all the money on the psychiatrists. Save all the money. Going back to the volunteers, we can find volunteers anywhere. The problem that I see nonprofits have, is they don't have an established volunteer program. They don't know how to maximize the effort and the energy of their volunteer base. If we are going after established individuals who have very, very busy lives and you want them to volunteer for a particular purpose, then outline what is the project, the program, the day, the hour that you want them to spend? Maybe it's doing a radio show like this. Maybe it's coming into your studio and spending one hour with you talking about the work of their organization. Man, is that a way to volunteer and to volunteer at excellence. [00:52:00]

Many organizations who have or who bring in a lot of volunteers, they become their staff to some extent. They're not spending the time giving their volunteers the preparation to be really good volunteers. Even small organizations that are run by predominantly a volunteer base, volunteers can get lost. They don't understand, how am I going to be useful to this organization? If they go into a small school, or they go into a library—let's make it into a library. I'm going to volunteer for a library in my neighborhood. I'm not a librarian and I don't know how to use the Dewey Decimal System anymore. Do they even use that in libraries? I don't even know.

Tony Martignetti:

I don't know. I remember it though. I loved doing it. It was one through nine.

Melanie Schnoll Begun:

Yeah, that's because we're old.

Tony Martignetti:

The cards, the card catalog.

Melanie Schnoll Begun:

I used to love to go through the card catalogue.

Tony Martignetti:

They would just glide out so nice. They were all wood.

Melanie Schnoll Begun:

Smooth.

Tony Martignetti:

With the satiny brass fixture on it. You pull the handle out, and the little tag inside. The little frame.

Melanie Schnoll Begun:

Then if somebody was eating an Oreo cookie, there was that little thumb print stain.

Tony Martignetti:

That little grease stain.

Melanie Schnoll Begun:

That little grease stain on the car. I don't know if they use that anymore in our libraries. When you're going into a library, how are you going to be volunteering in a library and making sure that the volunteers that come in there, that there's real potential for them to feel effective? The one opportunity to do that is, appoint someone who's going to be the leader of their volunteers. Who is responsible for this incredible group of people who are going to be our staff for free? Someone needs to be assigned, to be responsible for those volunteers. They could check in with them, they give them their work orders, they evaluate them, they let them know if they're being good volunteers, bad volunteers. How they could improve their volunteerism.

Tony Martignetti:

So there's accountability and support.

Melanie Schnoll Begun:

Absolutely.

Tony Martignetti:

Okay. We have just like a minute and a half left and I want to—how **[00:54:00]** does the nonprofit get the attention of the kinds of people we're talking about? We just have like a minute or so left.

Melanie Schnoll Begun:

Let them realize that if they are working in the space of educating kids, healthcare, feeding the poor, those are issues that ultra-high net worth individuals care about. We have to stop thinking that small nonprofits need to be in the shadow of large established organizations. Ultra-high net worths care about the issues.

Tony Martignetti:

How do we get their attention for our smaller organizations?

Melanie Schnoll Begun:

Make sure that we have stories that are powerful. If you're going to use social media, if you're going to use volunteers to get the message out and advocate, if you're going to use a letter to write a campaign, be concise, be clear. Create a public narrative that lets them understand why they are different than other bigger organizations, and make sure that you're getting that message out to people. Not just mass, but make it very pointed. Clarity, concise, transparency, and advocate for your organization because small organizations matter as much as the large ones. The 95% matter.

Tony Martignetti:

What is your Twitter ID?

Melanie Schnoll Begun:

@MelanieSBegun.

Tony Martignetti:

@MelanieSBegunMS, for Morgan Stanley. @MelanieSBegunMS. Thank you very much Craig. Melanie, thank you so much. Great to have you back. Good luck this weekend.

Melanie Schnoll Begun:

Thank you.

Tony Martignetti:

I appreciate you not commenting on my hair. I'm a little self-conscious about my hair.

Melanie Schnoll Begun:

Do I have a second? I have to just tell our listeners. When I first met Tony, when we first became friends, short, cropped hair. Now it's like a lion. It's like a lion.

Tony Martignetti:

Next week, Eight Areas of Nonprofit Excellence. If you've missed any part of today's show, I beseech you. Find it on tonymartignetti.com. We're sponsored by Pursuant. Online tools for small and mid-sized nonprofits, data driven and technology enabled. And by We B-E-E Spelling. Super cool spelling bee fundraisers, ideal for millennial. Webeespelling.com. [00:56:00] Our creative producer is Claire Meyerhoff, Sam Liebowitz is the line producer, Gavin Dahl is our AM and FM outreach director. The show's social media is by Susan Chavez, and this music is by Scott Stein of Brooklyn. Be with me next week for Nonprofit Radio: Big Nonprofit Ideas for the Other ninety-five percent. Go out and be great.

Announcer:

What's not to love about Nonprofit Radio? Tony gets the best guests. Check this out from Seth Godin.

Seth Godin:

This is the first revolution since TV 1950 and Henry Ford 1920. It's the revolution of our lifetime.

Announcer:

Here's a smart, simple idea from Craigslist founder Craig Newmark.

Craig Newmark:

Yeah. Insights or presentation or anything, people don't really need the fancy stuff. They need something which is simple and fast.

Announcer:

When's the best time to post on Facebook? Facebook's Andrew Noyes knows.

Andrew Noyes:

At traffic, is an all-time high, around 9:00 AM or 8:00 PM. That's when you should be posting your most meaningful posts.

Announcer:

Here's Aria Finger, COO of Dosomething.org.

Aria Finger:

Young people are not going to be involved in social change if it's boring and they don't see the impact of what they're doing, so you've got to make it fun and applicable to these young people. Otherwise a 15 and 16-year-old, they have better things to do. They have Xbox, they have TV, they have their cell phones.

Announcer:

Ami Dar is the founder of Idealist.

Ami Dar:

It took two or three years for foundation staff to deign to add an email address to their card. It was phone, this email thing is weird. Plus, why should I give it away?

Announcer:

Charles Best founded Donorschoose.org. [00:58:00]

Charles Best:

Somehow, they've gotten in touch, kind of offline as it were, and now do exchanges of brownies and visits and physical gift.

Announcer:

Mark Ecko is the founder and CEO of Ecko Enterprises. You may be wearing his hoodies and shirts. Tony talked to him.

Transcript: 315 - How To Appeal To High Net Worth

Mark Ecko:

Yeah, I'm a big believer that it's not what you make in life, it's how you make people feel.

Announcer:

This is public radio host Majora Carter.

Majora Carter:

Innovation is in the power of understanding that you don't just put money on a situation and expect it to heal, you put money on a situation and invest it, and expect it to grow.

Announcer:

Savvy advice for success from Eric Saperston.

Eric Saperston:

What separates those who achieve from those who do not is in direct proportion to one's ability to ask others for help.

Announcer:

The smartest experts and leading thinkers are on Tony Martignetti Radio: Big Nonprofit Ideas for the other ninety-five percent.

END OF RECORDING