

What are you willing to do to save your organization?

THIS IS A STORY of redemption, which I remember as if it were yesterday, and it's important to share. Every nonprofit leader has either felt or lived this. Most nonprofits don't keep their doors open when failure is imminent, and if you are facing this reality, I share my story to give you some grit...with a side of hope.

When I was executive director, our Dream Cottage Lottery fundraising initiative launched in 1993. Six successful years later, I said to the board, "We've given away six dream cottages. Every winner sold it because they wanted the cash." I had looked more closely at the buyers. I realized the dream cottage was a burden to some people and they weren't buying tickets because of fear of winning a burden. Not everyone wants a cottage they would have to move to a vacant piece of land.

I proposed doing a cash lottery to replace the Dream Cottage Lottery in 2000. This way, we didn't actually have to buy a dream cottage. We structured it to be very attractive, had a great marketing plan, and rolled it out on the same timeline ... without the *physical* dream cottage. So we rolled the Dream Cottage Lottery into a cash lottery. The lottery prize package was all cash draws. A perfect solution given that winners of the cottage converted it to cash.

I told myself it would bring in the non-buyer who saw the prospect of a Dream Cottage as a burden.

The cash option failed *miserably*. Logic told me that if everyone is playing the lottery to win money, then we

should offer money. What I failed to realize is that the dream cottage was the tangible tactile place where people went to get the *dream* and buy a ticket. You don't visualize cash and you can't see what cash can do. You can think about things you want to buy with it, but even then, it's hard to picture it.

We offered cash and failed. Nobody bought tickets. We launched in April. The draw would have been in August or September of 2000, and we knew by June that we were going down. You can only imagine the chuckling of my fundraising friends who had such disdain for lotteries. As executive director, I found myself in the boardroom answering to a board that expected this fundraising disaster would be the crash of our organization. We had lost somewhere between \$100,000 and \$200,000, and there was no money to stay open for even 30 more days.

It was absolutely horrible. Anyone who has been through a similar experience knows that it bears no comparison to simply being let go from your job or even "going out of business." In our nonprofit world, the impact is usually much greater. When a nonprofit faces the real possibility of closing its doors, you are witnessing an entire ecosystem, a living, breathing organization with a Mission to serve, one that you literally helped create, about to disappear permanently. In our case, an emergency board meeting was scheduled to deal with three specific issues: cutting staff, closing programs and informing the community.

Interestingly enough, in the days leading up to that meeting I was feeling anxious. Not anxious in a negative or somber way, but entirely the opposite...energized. I had a fire in my belly to not only keep our organization alive, but to make it positively flourish. Despite what

seemed like insurmountable circumstances, as far as I was concerned there was no way this ship was going down on my watch.

Just before the board meeting took place, I was powerfully pulled to do something. I reached out to a significant donor of the organization and asked to meet with him to share the imminent decisions. I told him what was about to come down, and then did something most people would probably deem insane. I let the donor know I was personally giving \$5,000 to keep us afloat. And then I went a step further. On the spot, I asked the donor to match my pledge and give \$5,000 of his own money. Without any hesitation he agreed to match the money. That exchange took exactly ten minutes.

At the board meeting, after much agonizing discussion mixed with long stretches of uncomfortable silence, I stood up and announced I was personally giving \$5,000 to help us stay afloat. To a table-full of stunned faces I then told them that one of our donors had already agreed to match my \$5,000. At that point I said to all the board members present, “I put my commitment on the table. Who else will match our money so we can stay open?” Seven of the ten members immediately said, “I will”, and each of them gave \$5,000 on the spot. One member gave \$35,000.

The end result? I left what was initially planned as a “close out” meeting with \$80,000 on the table and our organization’s doors not closed, but open. Wide open.

With renewed energy, I declared a comeback in 2001. I said, “We’re going back to the product that worked: the Dream Cottage Lottery. We’re gonna jump off the bridge, hold our nose and believe that we can give away a dream cottage again with a cash prize option. And this time,

we're taking on the burden of selling the dream cottage when the winner takes the cash option." The community responded in spades, and that was the first and only time we sold every single Dream Cottage Lottery ticket. It's never happened that way again, but the organization still runs the Dream Cottage Lottery today, 28 years later, and they sell 85-90% of the tickets every year.

Thriving Point:

Even at your lowest point, you've got to dig deep and find the solution. And that solution often shows up after a giant failure.