

Christian Nonprofit CFO Podcast

EPISODE #40 TRANSCRIPT

Three Crucial Steps to Take After Every Key Conversation

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David Beroth:

Have you intentionally evaluated the crucial steps to take after every key conversation? This is really essential if you want to succeed long-term as a financial leader. And today on this episode, we are going to consider those three crucial steps for your consideration.

Intro:

*Welcome to another episode of the **Christian Nonprofit CFO Podcast**. This is the place to enhance your insight as a CFO in order to expand your influence and optimize your ministries impact. Content on this show is to inform, instruct and encourage your strategic development. It is not to render specific financial or legal advice for your organization. Now here's your host, David Beroth.*

David Beroth:

Hello, my friends, and welcome to episode number 40 of the Christian Nonprofit CFO podcast. Thanks for taking your time to join me for today's episode. If you are new to the community here—the Christian Nonprofit CFO podcast—my desire is to focus on financial leadership for nonprofit organizations, to really help you in your role to succeed long-term. And I love doing this podcast as a hobby to serve you, and I hope that the episodes have been and will continue to be a blessing to you. Question for you today: Who has been the CEO of three of the most impactful organizations in Bible translation and engagement? Well, stay tuned! Because for the April episode, I plan to interview this individual to hear his story and glean his thoughts around financial leadership. So, today, what I would like to do is to spend time in this episode, focus on some basics where it is important for us to look at a couple insights, which you can use every day and every week in your role.

And I think you will find that to be true as we unpack the content for today's episode. as I reflect in my own role as a financial leader, as a CFO, one who practices financial leadership every day, I desire to implement what I'm going to be sharing with you in this episode, in my own activities. As I was thinking about today's episode, I was just reflecting that as a financial leader, you and I primarily deal in two currencies. It's not simply dollars or euros or yen or things such as that, but we deal in, one: we deal in the currency of money. No big surprise

there. Number two, however, is that you and I, as financial leaders deal every day in the currency of information. Both money and information are essential to handle wisely and with great care to succeed as a financial leader.

So in this episode today, we're going to focus on how to handle information wisely. Now, I would imagine that many of you have served under leaders over the course of your career that did not, unfortunately, with intentionality communicate relevant information. You and I would imagine that it probably made your job a little bit difficult for you to say, Well, if I only would've known that piece of information, I would have had better context additional insight to know how to, how to thrive in my role. And that perhaps has frustrated you. I would say, don't be like one of those leaders. Don't make it difficult for your staff to serve well in their roles because you are not intentionally communicating to them the information that they need to know to succeed. So be careful, and with intentionality, once again look at how you can handle information that comes to you and the information that you process with your team and with those in your organization, to allow them to thrive and for you to be able to thrive in your role as the financial leader.

I imagine you've been in a situation, as I have certainly been, where you're in a conversation with somebody, and they're starting to ask you some questions, you think to yourself, Well, I just emailed your supervisor some information about that point—maybe a week ago, maybe two weeks ago—and you're a little bit surprised that they're asking you questions about content that you had given to their team previously. Well, unfortunately that leader of the person talking to you did not communicate adequately to them what they needed to know to succeed in this particular element in this particular transaction. And I mean, I find myself having those types of conversations periodically, where it's just unfortunate, where people are not always carefully transmitting the appropriate information to allow folks to do well and accomplish what's being asked of them in your organization.

You and I need to work hard at what do we communicate, how should it be communicated, and what information should be shared that others can do well. So we're going to be doing what we can do to discuss today how we can assist with a transmission of relevant information, whether it be with your direct reports, whether it be with your supervisor, the finance team, whoever it might be, how do you handle information wisely with them. And what I'll be sharing with you once again today is literally things that I deal with on a daily basis with my organization, with my team. So in every significant conversation, you need to ask a couple of key questions. You need to ask yourself who needs to know the information that has just been discussed in this key conversation, who needs to know information for general awareness, maybe they're particular finance team members, maybe it's others throughout your organization who need to know this information for their context, who needs to know the information for decisions to be made. Maybe it's a particular point that has to be brought up to your boss, maybe the CEO, the COO, maybe other VPs in the organization who need to be aware of this information for next steps that would be impacting their work. Those are the

types of questions you need to start asking yourself to be a good steward of the information that you process.

I'm going to look at three crucial steps that you need to take after every key conversation in today's episode. So the first one we're going to talk about is around the word document, what is essential of how you document the information that you process after every conversation. I will say, I spent about a decade in public accounting, a local CPA firm in Ohio before I got directly and full-time involved in financial leadership in the nonprofit world. And it was deeply impressed upon me, when you complete worksheets, when you work on various items in the world of public accounting, you need to document things well, because you come back to the information six months, 12 months, perhaps longer you come back to the information you're trying to remember now— "what was I processing?" and "how do we make this decision" and "who was involved in this discussion." So the whole element of documentation was deeply impressed upon me. So I'd like to just kind of give one kind of example that might be relevant in your world, and then go through seven items briefly of what are essential to document if you want to be a good steward of your information.

Let's think about an example. Let's say that somebody—we'll just say in South America—someone who is involved in outreach projects in South America connects with you and they say their name is John. John comes to you. And John says, "I've got some ideas. There are some unique ministry opportunities that I think we could pursue in the South American context." And more conversations begin to ensue. And they say, I think this could fit well into our overall organizational mission. There are some specific needs—and we'll call it Brazil or call it Argentina, wherever it may be—there are some specific ministry opportunities in Brazil. And I think we have funding abilities. I think that this would resonate with our donors. This would fit well with what we're trying to accomplish. And so the conversations begin to occur between John and yourself. And pretty soon you're saying, You know, let's beta test this. And so you develop a small project around John's idea. You beta test the thing and you realize, yeah, there really is some potential in it. It really has resonated with donors that we can process and communicate with them how we are meeting the specific ministry need in a Brazilian context, based on John's contacts and the information and the the work that John can do in Brazil with his team.

Pretty soon, John says, I think it'd be a good idea to expand these ministry opportunities. So you say, Okay, John, why don't you bring to the table the relevant field folks that would be engaged in these ministry opportunities in Brazil. And I'd like to bring some of the appropriate folks in the finance team and maybe somebody from communications or donor ministry engagement that could be part of the conversation. So you finally sit down and you begin to process questions around financial accountability. How are they going to be reporting back to your ministry the expenses that were incurred for this ministry event? How are you going to handle the international banking transactions with some office around Brazil who can assist with the financial purchases and disbursements in the local context there in Brazil? You're going to have questions around reporting: What is confidential, what's not confidential. When

are you going to get the reports back? Is it going to be monthly, quarterly or on some other reporting basis? Who's going to be approving these projects, and who needs to be involved on the front end throughout the implementation of this project and on the backend to make sure that the reporting all occurs? So these are the sorts of things that you are having to address as a financial leader.

Let me quickly go through seven areas that are really, really essential for you to document for these discussions. The first are pretty intuitive, and the tail end of these seven will hopefully be some additional insights for you.

So, always, you want to document the day of the meeting. If I'm having some real key conversations with this leader who's recommended these Brazilian outreach opportunities, I'll certainly say, Okay, I talked to John on January 5th, and we talked about these couple items to the day of the meeting.

Number two, who was involved in the meeting. Maybe it's John and yourself, and maybe there's one another person from finance involved in those conversations. You might want to write in your notes or maybe just leave it in your Outlook meeting invitation, but you want to know who is involved in the conversation for additional awareness when you come back and you look at what was discussed.

The third item to document is, What are the main points that were discussed in this particular key conversation? In particular, I'm looking for what's the new information that was discovered when you had the conversation. What was it that you didn't know when you went into the meeting? That was a new insight that you gained during the meeting that helps with the processing of that potential project in the days to come? You need to work at documenting it. I don't know about you, I find that there is no way I can remember all the conversations that I had, what was discussed, what were the key points. You must intentionally say, I need to capture in bullet point fashion, What are these main points? And in particular, the new information that was discovered.

Now we get into some other areas that perhaps are not as intuitive, but number four, you want to make sure you document, what were the specific decisions made in this key conversation? It is frustrating if you get into a conversation and you're all excited about the conversation. You walk away and you think to yourself now, Wait a second. What do we actually decide? Is John doing something? Is John's field leader doing something? Am I supposed to be doing something? What was decided? So it's really, really essential in that conversation to specifically identify, this is the decision we're making. We either are going forward or not going forward. We either are taking this next step or not taking the next step. What is the decision that's made? And you got a document that was a decision that was made. So you can come back and say, Well, John, you know, a month later, you're a little bit confused; this is a decision that was made on January 10th when we discussed this potential project. You gotta document it.

Number five, what the next steps will be. So not only the ultimate decision of, This is the overall direction of strategy— What are the specific next steps we're going to take place to move this decision forward, to see this decision implemented and to see this project come to fruition. So for instance, if you're talking to John about this Brazilian opportunity. You might say, okay, John, here's the deal. You and your team are going to go and put together a specific proposal. And you need to get back to us in, by the end of February, about what that proposal looked like, what the reporting requirements will look like. And you're going to let us know what we can communicate to our donors around these possibilities. These are the next steps. You gotta document that if you're going to really know what's going on and with intentionality be able to say, this is how we're going to implement the discussion and the information that we've processed together.

Number six, when you look at next steps, you need to be really clear on who will be handling which next steps. If you're expecting John and his team to develop a proposal, you need to make sure John has assumed responsibility, that he knows. That is the expectation for John to come back by the end of February to process that next step. If John is looking to you to say okay, like I'm David, and John might be saying, David, I want to know how much money do we have available to spend? Do I have 30,000 to spend, do I have 50,000, do I have 5,000? Can you, David, go and talk to whomever about how much we can put forward in this proposal for this Brazilian outreach? So that would have to be, Okay, that's my responsibility that I need to handle that next step in order to move this decision forward.

Then the seventh item that you really need to document is not only what the next steps will be and who will be handling the next steps, but when the next steps are to be completed. Do you expect the next step to be done by the end of February? Or you saying, okay, this is a long-term project, I realize it's going to take time. Why don't we give it until the end of June? And I'd like to hear back from you, John, every month at the end of the month, your progress and moving this decision forward with the final outcome being at the end of June. But you got to say when the expectations are for those next steps to be completed, if you want to handle the information and steward it wisely and carefully to see any particular item move forward.

I've been fascinated when I've engaged with people who are project management professionals and you have discussions with them. And as a project management professional, they begin to say, What's the beginning of a project? What are all of the relevant steps in that project? What are the expectations of when those steps will be accomplished? And then ultimately, what does the conclusion look like in order to say this project was a success? And as I wrap my mind around that, I think how important it is as a financial leader— I deal in money and I deal in information, but when I look at a project, am I careful? And do I communicate in such a way that I want to see specific steps put into action in order to accomplish a specific outcome? And that is my responsibility, my opportunity as a financial leader, to work on that. And this all comes under this element of documenting what has taken place and what the expectations are after every key conversation. So, number one, document,

you gotta document if you want to do well following those key conversations. Number two, you need to look at and to consider, What do I need to inform people about and who do I need to relay this information to?

And I came up with three ideas in my mind under this notion of inform. The first element is, I need to inform people for awareness. And you can just do a 360 about your own role. When I think about my direct reports, who needs to know this information in order to allow them to accomplish what's being asked of them, if you are working on this project in Brazil, you need to think about, Okay, who is handling these international banking transactions? They're gonna need to know about, "Yeah, we're gonna have to set up, you know, a bank account in Brazil" and figure out what those transactions will look like if you're thinking about transmitting the funds. And you've got folks in accounts payable maybe with a different person— accounts payable, you need to be processing with them, What will the AP processes and steps look like for this type of transaction?

If you're looking at reporting responsibilities, who in your team will be responsible to handle the detailed reports, think about what needs to be informed to whom for their awareness. Maybe it's peers, maybe it's other vice-presidents, maybe it's other leaders in the project areas. Maybe it's your communication leadership, maybe, once again, your donor ministry leadership. Think about your supervisor, the COO, or the CEO or someone else that you report to, and you think, What do they need to be aware of about the information which I just obtained in this key conversation? Now, I hope you have a running list. I keep a running list in my one note file and I have all of the folks that I connect with on a regular basis. And when I come across a data point that I think my direct report needs to know this or my boss needs to know that, I'll just go to that list and I'll just keep this running bullet point list of, All right, I just had this key conversation with John. I need to make sure that my boss is aware of this so that if he has questions or has feedback he wants to share, that he can speak into it at a later point in time. If I need to make sure my direct reports need to know about it, I just keep populating that list on a daily and a weekly basis to keep folks aware. You really need to focus on who needs to be aware of this information because they will thrive and you will thrive in the process.

Number two, under inform, after awareness, you need to think about who needs to know this information for specific steps of action. It's not only awareness, but you're looking at action. When others need to know this information for a specific and a particular step to take, you need to communicate that with them. I don't like to be blindsided by situations or transactions, which occur, so I always appreciate when my direct reports keep me informed of, Hey, David just wanted you to know this one situation is going down. It might come to you, so here's just a brief overview of it. Or it might be, Hey, David, we're just looking at implementing this or working on this project and we just want you to either affirm it or to speak into it if you think that we need to go a different direction. Well, I don't want to be the one guilty of not communicating that. So when I know there are steps of action that need to be taking place, I will think about, Here's the information, and I'm going to talk to this person about this step of

action to make sure they can either speak into it or affirm it to make sure we're all on the same page. Think about informing for action.

And the third thing I have under inform is, Think about who needs to specifically agree with the items that were discussed in the meeting. I know there are different ways of doing this. I'll just share with you my preference. I don't like getting a very, very lengthy email where somebody is trying to detail every jot and tittle of an item that they think we need to cover initially in a written format. I find that to be difficult to work through a two page email with all sorts of information in it. My preference—and this is just my personal preference, I know people are different in this—my preference is, I would rather have a conversation first to make sure you're talking through any item that could potentially be confusing, difficult to process, hard to understand information that might just be a little challenging and you're wanting to make sure that you're reading the body language correctly and you're you're answering any questions they might have, right at the outset overcoming any obstacles that might be in place.

My preference is to have the conversation first, and then after the conversation to follow up with a brief summary email to say— we'll take John as an instance, Hey John, thanks for that meeting. Just wanted to make sure we're on the same page. Here are the three outcomes that I gathered from the meeting: Number one, number two, number three. Really appreciate what you're doing. Looking forward to this Brazilian opportunity. That way you're putting in a written format what you've agreed to, but, by that point, you've already had the more challenging conversation of who was going to be responsible for what and when, and now you're just capturing it so that John can speak back to you. If he says, Well, wait a second, David, you said you expected this by the end of February. I thought in our conversation, you said it was going to be by the end of April. So let me just clarify, is it the end of February or is it the end of April? And you can quickly resolve that. But look when you're informing to make sure you are putting out there what you agreed to and to document your understanding of the agreement of the items which were discussed.

So under informed, think to yourself, who do I need to inform about this information for awareness, for action or for agreement of the items that were discussed? Let's take another example. Recently, if you're on a calendar year end, you had year end financial transactions, you close the books, you're working on your audit activities... many financial leaders would have some discussions, whether it's a year end surplus, hopefully not a year end deficit, that you're trying to sort through, but you might say, let's go ahead and see where things stand financially once we have wrapped up the full year. And I'm going to have conversation with, you know, maybe it's the COO or CEO, around some of those financial positions that you have. So you sit down with your leadership and you work through whatever the relevant financial points are. And let's just say that for your organization, there's a \$100,000 surplus that you're evaluating. Okay. Do we want to focus this \$100,000 on opportunity A, B or C? So you have the discussion and and the COO or CEO or whoever else speaks into it. And they say, yeah, I think it would be great to look at opportunity B, that maybe we just weren't sure we could

pursue that because we didn't know if we had the money or not. Praise God, we have the money. And so we can look at opportunity B.

Or once again, if there's a deficit, it might be well, unfortunately we, you know, ended up the year in a deficit position of \$200,000. We're gonna have to make some adjustments. So you discuss what adjustments might have to be made in the current year, based on the prior deficit, whatever those conversations are, you just think about, What were the financial transactions? What was the financial position? What was the decision that was made by the executive leadership? As you work through that, you then think, Okay, who in the finance team needs to be aware of this decision that was made? If you have \$100,000 to invest in ministry opportunity B, who needs to be informed of that, so they're aware that there are some additional transactions that will be occurring around ministry opportunity B? If there's a deficit, who needs to be thinking about who's going to communicate to the project area that unfortunately there's not enough money to fund this specific ministry opportunity? So there's going to be an adjustment to their budget and the current year, who needs to be aware, what steps of action need to be taking place?

Is there reporting that will occur that goes out to your board on a periodic basis, that there are additional ministry opportunities that either can be seized or ministry your opportunity to have to be reduced because of your funding position? You might want to agree or send an email of agreement... Thank you to the executive leaders who are involved in the conversation, thanks for the time. This is what we discussed, and this is the outcome based on that conversation, everyone's tracking together on what determination was made in the conversation. What you're doing is you're looking at this conversation— this is a big deal that at the end of the year, we had this conversation around these financial matters. I'm now informing the appropriate people of the conversation which occurred and the decisions that were made. Think about that, and really lean into that.

And I think that will, that you really bring value to the organization. You will bring a sense of calm, a sense of clarity. You will really reduce the angst and the confusion of, I thought you meant A, but really meant B and A. You can minimize all that, that by really looking at, This is a key conversation, and I'm going to with intentionality inform the right people, that they can handle the items that they need to based on their engagement with this information.

So, number one, document. Number two, inform. And the number three... this is once again something I do each and every week, I think about, How do I file the items around this key conversation that I can readily access the information that was discussed and bring it up in a moment's notice to have future conversations around this information? So what you're trying to do is, you're trying to take all the random notes, the ideas, the documents, the emails, all the items you want to organize them in such a way to be readily available, to be able to access in the future.

Now, this is a little bit difficult. This has been challenging for me, but I've tried to really work at this. And it's no fun when you're in the middle of a conversation and somebody asks you a question and you say, I have no idea where the information is— it's going to take me, five, 10, 15 minutes trying to figure out where on the world I filed that thing. I particularly love OneNote. I've done an episode on OneNote previously, [so you can go back and listen to that if you would like](#). But I find OneNote to be very, very helpful.

As an example, maybe you have a conversation there's a large gift from a donor that comes to you, and maybe this donor gave you three specific donor restrictions and you want to make sure, Okay, I want to be able to access that donor communication, look at what those restrictions were, and be able to have that readily available to make sure we're communicating to the right people around how that money was handled per that very generous gift from a donor. Well, you want to store that away that you can quickly pull up, look at it and be able to communicate around that particular gift. So three items that come to my mind around file.

Number one, you want to file documents carefully. Whether you use a folder system, whether you use OneNote as I do, or whatever solution you might use, I love to do screenshots that I can copy and paste to OneNote. I love to use the PDF, the Adobe files that come in, I can copy and paste them directly in OneNote. I can do it even a screenshot if I'm wondering where this particular file was filed electronically, I can just do a screenshot even of the the file directory of where the thing resides. But you want to think about, I gotta get this document into my system. My preference is electronic. So it's easy, if you have a paper copy, to scan it and say the electronic copy in OneNote or somewhere else in your filing system, but have it readily available, you can pull up the appropriate documents and access them based on the key conversations that you've just had.

Also you want to look at your emails, whatever your filing system is for your emails— I love to be able to take the really critical emails and I will even save the emails in my OneNote file directly associated with the notes around the key conversation. The goal is to get the off your mind. Once the key conversation has occurred, once you document it, once you inform the right people, you want to get off your mind, but have it readily available that you can pull up, but you want to free up your mind and your mental ability to be able to think about the next project while not losing track of the project you just completed.

And then the third thing under file is around ideas. I love the world of ideas. I love being able to process lots of random ideas, but I hate to lose track of the ideas. So think about, What's my running cumulative list of ideas? If I have ideas for particular people, I will associate them with the list for those folks. As I mentioned earlier, in this episode, if it's just a running list of ideas, I want to consider whether it be as a finance team as a whole, whether it's different vice-presidents, whoever it might be. Develop a list. And then when you get an idea, put that idea— pin it on a list that you can access it later and then have it available that you can always go back to that list at the appropriate time to access those ideas.

You don't want to lose your ideas. There is so much value in your ideas. You don't want to lose track of them, but you don't want to have to think about them constantly and fear that you're gonna lose them. So make sure you have a way to file away your ideas and keep them accessible for future possibilities. And then make sure you put in your system a reminder when those next steps are to occur, when the actions are to happen, when they should be accomplished, that you can move from step A to step B, to step C... Whatever your system is, just work hard to capture when those next steps are to happen, and you'll be ready to see your project succeed.

So I know these things seem basic, but I find myself each and every day, basically every day, if not every week, I work very, very carefully to document, inform, and file things. And I've seen the Lord's blessing in those endeavors. So whatever your system is, I would lean into it, pursue it, try to optimize these things that you can do well in your role. And your team can thrive on your leadership.

I was thinking about 1st Corinthians 14:33, where it says that God is not the author of confusion. And work for your own role, that your team doesn't see you as the author of confusion. They don't want to see you as the author of chaos. They want to see you as the author of clarity and of excellent leadership and of one who brings a calm and profound way of leading out with wisdom, with understanding, and one who can lead well in the area of finances and the information that you process.

So I hope this has been helpful to you as you strategically think through this. I think it will help you in the decisions that you need to make of who is handling what information, how to transfer the relevant items to the relevant people that they can do well. I will have to say my staff does joke with me—I didn't realize I was quite this easy to read—but my staff now jokes with me about my email Friday— and I do my best to avoid specific meetings on Friday because I work very, very hard on kind of my Friday dash, that before I leave the office on Friday afternoon, I try to do these things that I'm fresh and ready to go on Monday morning with the new set of opportunities and challenges that the week will hold. So when I have all my notes from all the meetings that'll occur, Monday, Tuesday, Wednesday, and Thursday, I will work hard to get emails sent out, ideas captured, things filed, informing those right people have the right information and try to have that all taken care of at the end of the week, to be ready to go into your weekend to other areas of life that God has for you and start off well on Monday morning.

So my friends, I do hope that this has been helpful to you. And I thank you again for joining me for this episode of the Christian Nonprofit CFO podcast. As we have been thinking together about the three crucial steps to take after every key conversation, I do look forward to connecting with you again in the months ahead to explore how to best enhance our insight in order to expand our impact. And I will close again with the words of Jude, where he says,

“Now to Him who is able to keep you from stumbling, and to present you faultless before the presence of His glory with exceeding joy, to God our Savior, Who alone is wise, be glory and majesty, dominion and power, both now and forever. Amen.”

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