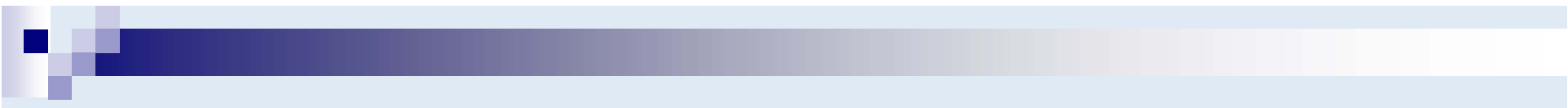




Fund Raising Friend Raising

Presented by Sandra Thomson
Development Consultant



"I'll work on the campaign - I'll
do anything:....

But I can't ask for money. I'm
no good at fund raising"

Anonymous



The Fund Raising Process

- 1) Identify the community's needs
- 2) Determine how we can meet one or two or six of these needs
- 3) Develop a strategy and related plan that fits our mission
- 4) Ask the public to fund the plan with contributions



The Fund Raising Process

- 5) Tell the story of how the money was used
- 6) Show results
- 7) Measure these results against the original needs of the community in terms of benefits delivered



Thoughts on Fund Raising

“When it comes to giving, most people stop at nothing”

“It is more difficult to get someone to give a dollar than to spend a dollar”

What is Fund Raising?

- Is it begging?
- Is it collecting?
- Is it campaigning?
- Is it development?



Friend Raising vs. Fund Raising

- A friend shares your values
- A friend sticks with you thru thick and thin
- A friend introduces you to other friends
- A friend will share your triumphs and your sorrows



Show me the
money!

Sources of funds

There are very clear segments

- Foundations
- Governments
- Community Organizations
- Corporations
- Individuals



There are very clear segments

- All of these differ in motivation and amounts they will contribute
- We need to apply different strategies to each segment

Foundations:

- Created to give money away
- Support everything from special projects to buildings and capital equipment
- Fields of support include education, environment, culture, health, education and social services,

Foundations:

■ Pros:

- Information is available about giving levels, patterns, guidelines, applications and procedures
- Easy to match your needs with their mandate and purpose

Foundations:

■ Cons:

- Usually give project money not operating
- Specific, one time grants
- Time consuming
- Who you know may figure into the decision

Governments:

- Funding available at all four levels
- Structure and interests change periodically
- Need to be on top of change
- Be prepared to capitalize on your opportunities
- Political climate in your area has significant impact

Governments:

- Giving habits: projects, research, equipment, training, facilities, operations
- Fields of support: culture, social services, health, education, science, environment

Governments:

- Pros:

- Grants can be for significant amounts
- Once you receive funding you can usually repeat funding

Governments:

■ Cons:

- Huge reporting requirements
- Funding tied to political winds
- Can cause dependency



Community Organizations:

- Service clubs
- Unions
- Professional associations
- Retired professionals organizations
- Special interest groups

Community Organizations:

- Various levels of support available depending upon their areas of interest.
- They are seeking direct community benefits
- They like to see their “name” on things



Community Organizations:

- Giving habits

- Annual
- Some will pledge over 2-3 years
- More likely to give if their members are involved



Community Organizations:

- Fields of interest include social services, education, arts, health, environment and local community needs

Community Organizations:

■ Pros:

- Accessible
- Focus is on local issues
- Possible source of volunteers

Community Organizations:

■ Cons:

- Leadership changes yearly
- Not usually large sums
- Special event driven
- Many were reliant on Gaming Funding

Corporations:

Giving Motives:

- Obligation
- Good citizen
- Enlightened self-interest
- Employees benefit
- Most not abdicate to government



Corporations:

Giving Motives:

- Seeking a return on investment
- Organization is worthy
- Organization is well run
- Organization is local

Corporations:

- Giving habits: projects, research, equipment, training, facilities, annual campaigns
- Fields of support: culture, social services, health, education, science, environment

Corporations:

■ Pros:

- Interested in projects where employees are involved
- Focus on areas where they do business
- Good source of support for expertise and gifts other than cash

Corporations:

■ Cons:

- Geographic limits
- May not support you if you are funded in large part by government
- May not support your field of interest



Corporate Giving Decision Process

1. Awareness of organization and the community need
2. Knowledge about the opportunity
3. Attitude towards the opportunity
4. Decision
5. Post decision reassurance



Corporate Giving Decision Process

- Being asked for money is being presented with a problem
- Do you understand how the potential donor solves problems?
- Have you made it easy for them to solve the problem in your favour?



Corporate Giving Decision Process

- We offer public recognition
- They may feel this will just lead to more requests
- It helps to show that the corporation is meeting social expectations
- Marketing budget vs. donation budget?

Individuals:

- Most money is raised here
- 80% of the money comes from 20% of the people. Why?
- #1 Reason people don't give?

Individuals:

■ Pros:

- Few strings attached
- People give to people
- Relationships are critical
- Stable source of contributions if you have a system

Individuals:

■ Cons:

- Someone has to ask
- Someone has to follow up and ask again next year
- Requires trained volunteers
- Requires good procedures and systems



Individual Giving Motives

- Emotions
- Recognition from others
- Fear of embarrassment
- Moral obligation
- Feel good about self
- compassion



Individual Giving Motives

- Cause is important – urgent
- “Get off my back”
- Required to give
- Personal/family benefit
- Personal relationship with fundraiser

Another way to segment

- Responsible (donates without solicitation)
- Responsive (donates when asked)
- Reacts to compulsion (donates when pressured)

Remember:

- Even if you believe the donor wants nothing back, they have the expectation that the money will be used.
- Too many organizations ask people to give to them as a needy organization, rather than to support promising programs.



Systems are vital



Accurate information is critical:

- Lists of past donors and new prospects
- Match their interests with your cause
- Who to approach first, how, by whom?
- How much to ask for?

Resources other than money:

- Goods
- Services
- Space
- Volunteers
- Marketing research or support
- Management skills



Performance evaluation:

- % of goal
- # of donors – repeat and new
- Average size of gift
- Share of contribution in the community
- Expense/contributions ratio



Effective Fund Raising:

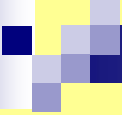
- Is not just isolated money grabbing
- Is integrated with your mission and projects
- Is multi-year focusing on long term growth
- Creates donor loyalty that is worth more than a single gift

Effective Fund Raising:

- Connects all these elements:
 - Public relations
 - Donor acquisition
 - Cultivation
 - Donor renewal
 - Upgrading
 - recognition

Effective Fund Raising

- Your program fits your available resources
 - Human resources – staff and volunteers
 - Financial resources – plans to renew and expand resources
 - People who have given once are treated differently and between 40-80% will renew



What do we mean by Cultivation?

- Research
- Public relations
- Connect donor to project
- Keep up contacts
- Focus on promising prospects
- Don't rush the donor
- They put your organization in their will!



Five Steps to Success:

1. Identification
2. Introduction
3. Cultivation
4. Solicitation
5. Appreciation



Ladder of Communication Effectiveness

- One to one conversation
- Small group discussion
- Large group discussion
- Telephone conversation
- Personal email
- Handwritten letter



Ladder of Communication Effectiveness

- Face Book invitation to event
- Mass produced letter/direct mail
- Mass produced email/Twitter
- Newsletter
- website
- Brochure



Ladder of Communication Effectiveness

- News items TV
- News item Radio/newspaper
- Advertisement
- Handout/flyers
- Computerized telephone calls



Fundraising Techniques



Personal Solicitation

one person asking another person for a contribution

Advantages

- direct
- high ask to give ratio
- good return on your investments

Disadvantages

- time consuming
- finding someone to do the asking

Direct Mail

solicitation of funds through the mail

Advantages

- reach a large audience
- identify new prospects
- peaks interest
- non-threatening
- good public relations / education

Disadvantages

- low return
- expensive
- mechanics of identifying prospect list
- maintenance of mailing list

Telephone

phonathons = asking by telephone

Advantages

- more dollars
- more donors
- cost efficient
- better records
- flexible
- direct
- gives donors a chance to talk
- dispels big gift myth

Disadvantages

- training volunteers
- motivating volunteers
- cost
- building database is not easy or quick

Event

a fund raising effort that generates money through planned activities

Advantages

- creates public awareness
- secures friends & volunteers
- fun
- provides a forum to tell your story
- funds not restricted
- resolves image problems

Disadvantages

- labour intensive
- low donor retention
- cash up front required
- competing with other events

Membership Club

contributors receive some tangible recognition for their gift

Advantages

- build donor involvement
- unrestricted funds
- attract high level of annual support
- upgrade gift size
- develop volunteers
- attract new donors who appreciate recognition

Disadvantages

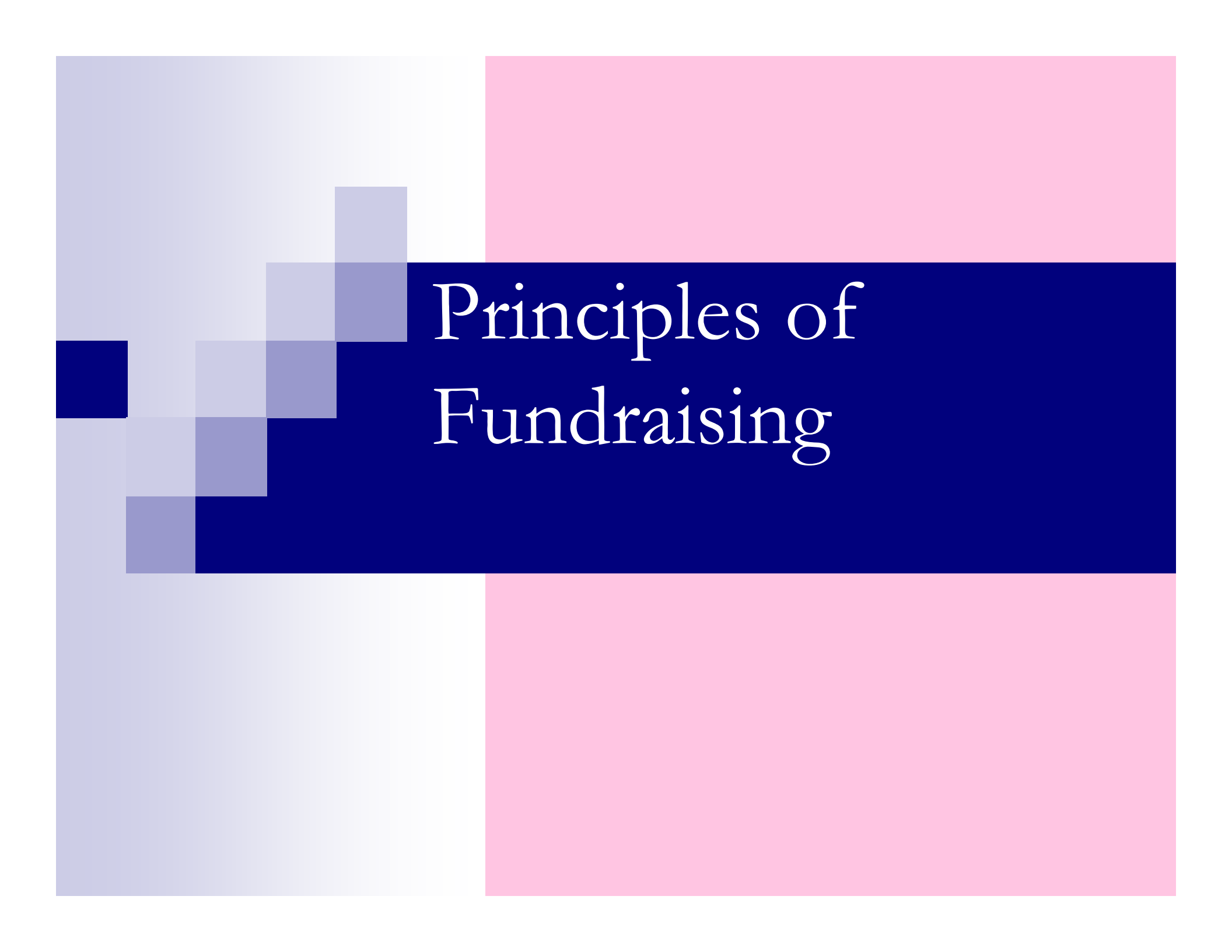
- costs money to launch
- finding and keeping members
- philosophy regarding recognition

Internet Fundraising

- Get Legal – check CRA guidelines
- Market without stop connecting website, newsletter, direct mail, programs
- Explore all options – Facebook, Charity Village, online auctions
- Make your website donation worthy

Internet Fundraising

- Be considerate – don't spam
- Give donors choices – communication methods, planned giving
- Donation button BIG and EASY
- Invite people to volunteer



Principles of Fundraising



Principles of Fund Raising

- Leadership by example is the most important feature of a successful campaign
- We cannot expect someone to do what we are not prepared to do ourselves
- Every member of the Governing Body and the Campaign Executive must give as generously as they can



Principles of Fund Raising

- Leadership gifts will be a major factor in raising the sights of other givers to the project
- People give to people. They rarely give to causes
- Prospective givers must be able to place their trust in the honesty and integrity of the institution involved



Principles of Fund Raising

- Prospective givers should always be approached face to face. Only when asked clearly and directly, will they want to make a generous gift
- Prospective givers will be strongly influenced by someone they know and respect – and who has already given



Principles of Fund Raising

- People like to know what is expected of them.
- In asking for a gift, member of the fund raising team should clearly indicate the level of support being sought
- Team members will usually obtain gifts of a similar size, or commitment to their own



Principles of Fund Raising

- People will often be persuaded to give more, when they are motivated by appropriate forms of recognition
- Prospective givers will be encouraged to raise their sights when give the opportunity to pledge contributions over a period of time
- Publicity will help create the right climate for fund raising but will not in itself raise money
- Campaigns that show early signs of success, usually go on to achieve their target

Enlist Qualified Askers

- Ensure that you have the right person asking the right prospect for the right project at the right time for the right amount in the right environment
- If the person making the ask has no relationship or connection with the prospective donor, then the chances of success are greatly reduced



Approach Qualified Donors

Research your prospect's relationship to your organization, know what / who influences them and plan your strategy accordingly

- Have they given in the past?
- Does your asker know them personally?
- In what way might your prospect benefit from what you do?



Approach Qualified Donors

Before asking, conduct a thorough briefing session to ensure that the right person(s) will be making the ask for the right amount.

Do a role play before you visit – you'll be surprised at the issues and the confidence this will raise.



Case Statement

A Brief Case Statement

- State how many years in operation
- List the names of your board and committees
- How many volunteers participate?
- How many people do you serve each year?
- How many people served over a number of years?
- Who currently supports your programs?

A Brief Case Statement

- What is the purpose of your organization?
- What are the accomplishments realized?
- State the activities that you conduct.
- What are your aims and objectives for the coming year?
- Are you a registered society and/or charity?
- State your total operating income during the past year, your various sources of funds, your expenses and difference between the two



A Brief Case Statement

- State your budget for the coming year
- State your campaign objective and how much of this you expect to get from the various sectors of your community
- Is the campaign annual or specific to this year?
- What potential is there for publicity or other forms of visibility for the donor in the community?

A Brief Case Statement

- Are there any executives, directors, employees or volunteers of the potential donor group associated with your organization?
- How much do you expect to receive as a donation? Sponsorship? Program ad?
- Are there ways in which the potential donor could be of assistance to you other than a cash donation? If so, please specify with a wish list.
- To what segment of the community are you directing your campaign?

The Pyramid of Giving





10 Steps to Excellent Donor Service

- 1) Be committed to the best service
- 2) Be properly resourced so that you can do the job
- 3) Be consistent
- 4) Be quick to respond
- 5) Be appropriate – tailor communication to the individual donor



10 Steps to Excellent Donor Service

- 6) Be personal
- 7) Be known – public relations & marketing strategy
- 8) Be meticulous – pay attention to details
- 9) Be there – be available
- 10) Be open and honest – tell it like it is

Simply Put - Be Nice to Your Donors



7 Keys



7 Keys to Successful Asking

1. Prepare and Research

- Be informed about the project
- Be informed about the prospect
- Determine the relationship between the prospect & your organization
- Ensure that the right person is asking for the right prospect for the right project
- Know the important influences on your donor
- Plan your strategy – who, why, when, where & what
- Role play – it will provide great insight



7 Keys to Successful Asking

2. Relate

- Project a positive attitude
- Acknowledge any past support and discuss common hobbies, interests and experiences
- Don't rush the visit – take time to determine your prospect's position & interest
- Observe body language

Note: the visit may not result in an ask but rather may serve as a cultivation



7 Keys to Successful Asking

3. State the Case

- Tell the story (case statement) using visual aids if appropriate
- State the objectives and theme of the campaign
- Use personal stories
- Include how the community will benefit

7 Keys to Successful Asking

4. Ask

- Ask clearly & directly
- State the amount of the requested gift or indicate a particular dedicated gift
- Know the reason for selecting the amount
- Remember – you are not asking for yourself
- You are creating an opportunity for the donor to share a vision and make a difference



7 Keys to Successful Asking

5. **Don't Talk - Listen**

- Allow the prospect time to reflect and respond (be silent)
- Answer any questions

7 Keys to Successful Asking

6. Tailor

If the response is

YES – review how they wish to proceed as to timing, recognition, form of payment etc

WILL CONSIDER – ask if further information is required. Speak to the options available. Make yourself available for further meetings.

NO – Determine why. Listen to their reasons. “No” may mean “not now” or “not this way.”



7 Keys to Successful Asking

7. Debriefing & Recognition

- Review the ask & results with your team
- Learn what was successful – determine what needs changing
- Recognize your donors
- Celebrate every successful ask and say thank you to every prospect



Remove the Fear Factor

- **Focus on the ask. You are asking for the cause, not for yourself.**
- **Provide thorough training to each volunteer for every ask**
- **Give a high priority to cultivating a winning attitude**



Cultivate a Winning Attitude

- Forge a genuine partnership with your donor
- Make the campaign a priority within your organization
- Personalize your approach to others to share your vision
- Adopt a professional approach
- Demonstrate a passionate belief in your project
- Play – your campaign should be fun!



Sandra Thomson

Development Consultant

www.sandrathomson.ca