DON'T EVER GIVE UP !!!

Growing Our Fundraising from Good to Great
Dick Cook
BANKS AND BORDERS CONFERENCE

AGENDA FOR GROWING OUR FUNDRAISING FROM GOOD TO GREAT

Introductions
What do I most need to know about growing our fundraising?

Fundraising [short term crisis approach]
vs
Fund Development [long term approach]

Fund Development Strategies
Fundraising Pyramids

Warwick’s 5 Strategies for Fundraising Success

Ledvinova’s Methods Chart

Strategies for growing fundraising from good to great
Using participants organizations and experiences walk through strategy improvement using above tools.

A fund development story.
Social Work Community Outreach Service [SWCOS]
Growing annual fundraising from $250,000/year to $2,000,000/year.

May all your fundraisers grow to be GREAT ones!!!
FUNDRAISING OR FUND DEVELOPMENT?

FUNDRAISING
Immediate or short term needs

Urgency or crisis

No long term solution

Quick ask for money. Need for immediate response.

FUND DEVELOPMENT
Long term view

Starts with developing friends of the organization.

Pays attention to developing the organization in such a way that it invites and welcomes the involvement and participation of others who share in its hopes and dreams.

Creates opportunities for friends to make gifts of time, talent and money.

Welcomes and stewards all gifts.
The Fund Raising Pyramid

Universe of Donors

- **Lifetime Commitment**
  - Planned Gift

- **Priority Commitment**
  - Capital/Endowment

- **Serious**
  - Major Gifts
  - 2 on 1 Visits

- **Thought**
  - Contribute Above Member Phone, House Meeting, Workplace

- **Habit**
  - Regular Small Contributions
  - Membership, Direct Mail

- **Impulse**
  - Occasional Small Contributions
  - Prospecting Events, Petitions, Ad Books

Universe of Dollars

- **More Personal Method of Asking**
  - More Information Needed
  - More Dollars Gained

- **Less Personal Method of Asking**
  - Less Information Needed
  - Less Dollars Gained
FIVE STRATEGIES OF FUNDRAISING SUCCESS
By Mal Warwick

G. Going for Growth
I. Enhancing Involvement
V. Increasing Visibility
E. Fine Tuning for Efficiency
S. Ensuring Stability
## Methods of Fundraising and Basic Groups of Donors

<table>
<thead>
<tr>
<th>Donor Method</th>
<th>Foundations</th>
<th>Civic Association Church, Other Non-Profits</th>
<th>Entrepreneurs, Manufacturers, Trading Organizations</th>
<th>Government, State</th>
<th>Individual Members, Fans, Public</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposal Writing</td>
<td>✓</td>
<td>□</td>
<td>☆</td>
<td>✓</td>
<td>●</td>
</tr>
<tr>
<td>Advertisement</td>
<td>□</td>
<td>□</td>
<td>☆</td>
<td>□</td>
<td>□</td>
</tr>
<tr>
<td>Events</td>
<td>□</td>
<td>☆</td>
<td>☆</td>
<td>□</td>
<td>□</td>
</tr>
<tr>
<td>Mailing</td>
<td>●</td>
<td>☆</td>
<td>□</td>
<td>●</td>
<td>☆</td>
</tr>
<tr>
<td>Phonathon</td>
<td>●</td>
<td>☆</td>
<td>☆</td>
<td>●</td>
<td>□</td>
</tr>
<tr>
<td>Membership</td>
<td>●</td>
<td>☆</td>
<td>☆</td>
<td>●</td>
<td>□</td>
</tr>
<tr>
<td>Face-to-Face</td>
<td>☆</td>
<td>☆</td>
<td>□</td>
<td>☆</td>
<td>□</td>
</tr>
<tr>
<td>Endowment</td>
<td>☆</td>
<td>☆</td>
<td>□</td>
<td>●</td>
<td>□</td>
</tr>
<tr>
<td>Bequest</td>
<td>●</td>
<td>●</td>
<td>□</td>
<td>●</td>
<td>□</td>
</tr>
<tr>
<td>Employee Contribution</td>
<td>●</td>
<td>●</td>
<td>□</td>
<td>●</td>
<td>□</td>
</tr>
<tr>
<td>Loans (money or time)</td>
<td>□</td>
<td>☆</td>
<td>□</td>
<td>●</td>
<td>□</td>
</tr>
<tr>
<td>In Kind Support</td>
<td>□</td>
<td>☆</td>
<td>□</td>
<td>●</td>
<td>□</td>
</tr>
<tr>
<td>Ad Book</td>
<td>●</td>
<td>●</td>
<td>□</td>
<td>●</td>
<td>□</td>
</tr>
<tr>
<td>Cause Related Marketing</td>
<td>●</td>
<td>●</td>
<td>□</td>
<td>●</td>
<td>□</td>
</tr>
<tr>
<td>Contracting</td>
<td>●</td>
<td>☆</td>
<td>□</td>
<td>✓</td>
<td>●</td>
</tr>
</tbody>
</table>

- ✓ Most Effective
- ☆ Somewhat Effective
- □ Less Effective
- ● Not Effective

Source: Jane Levitinova
FUNDRAISING WITH EVENTS

Pros
1. They can be lots of fun.
2. They publicize the organization.
3. They attract new members and activists.
4. They give lots of people something to do.
5. They are an excellent leadership training ground.
6. They can raise lots of public awareness about your cause.

Cons
1. They require lots of time in planning and preparation.
2. They require lots of personpower.
3. They usually produce a low net income in the beginning.

10 WAYS TO INCREASE THE FINANCIAL SUCCESS OF YOUR EVENT

1. Make the event repeatable so that costly mistakes the first year will turn into income on following years.
2. Get everything donated!! Remember that this is a sweat equity version of selling tickets to a professional event.
   Materials, food, advertising, sound equipment, space, and person power all need to be donated to make it pay.
3. Start small enough that you can handle it (sell tickets, organize it, do the necessary publicity), but make it attractive enough that people will want to come.
4. Start planning twice as far ahead of time as you'll need.
5. When the event will involve significant advance costs, establish a "break glass" procedure. (In case ___ tickets are not sold by ___ date we will cancel the event. Make that date and number of tickets contingent on (a) covering your minimum operating costs, and (b) before your major cost outlay.
6. Use an Ad Book or souvenir program as an additional way to raise funds for the event.
7. Make sure that your organization runs the concession which is most likely to generate high income.
8. Make sure that a detail person is in a key leadership role for planning and conducting the event.
9. Plan to secure and protect any cash which changes hands.
10. Media! Media!! Media!!!
THE 12 STEPS IN DEVELOPING AN AD BOOK

1. Organize the Committee.

2. Make the following decisions.
   a. What type of book will it be?
   b. How much money will you try to raise? What costs?
   c. What will you include in it?
   d. What is your timeline?
   e. Who is responsible?
      Coordinator
      Sales
      Finances
      Production

   a. Businesses-drug stores, banks, credit unions, s&l's, restaurants, food stores, home repair businesses, hardware stores, real estate, utility companies, heating oil companies.
   b. Unions.
   c. Churches and religious organizations.
   d. Hospitals and health care organizations and professionals.
   e. Service organizations
   f. Attorneys
   g. Social clubs and organizations.
   h. Elected officials and candidates.
   i. Individuals

4. Decide how much to ask them for. Try to be fair/consistent. Consider
   a. their capability of buying an ad—sales, employees, assets, number of clients.
   b. the amount of benefits they receive from your organization.
   c. the amount of their support for your issues.
   d. your personal relationship.
Decide the ad size you want to ask for. Then start by asking them to consider the next larger ad size than you think they are likely to want.
   a. they will be flattered.
   b. Their expectations will be set higher. They'll know you're serious.
   c. You will have room to negotiate.
5. Identify the contact person and send letter describing the ad book and showing the sizes of ads and prices for each.

6. Make an initial contact. Get an appointment.
   Personal approach is best.
   Phone is OK if you know them well.

7. Prepare
   Confirm your schedule with your partner.
   Know what you are going to say and how you will handle likely questions.
   Bring copy of ad form and prices.

8. Meet and ASK!

9. Layout and Pasteup

10. Printing and Distribution
    Make a big deal out of it.
    Recognize the volunteers.
    Recognize contributors and urge people to patronize the friends of your organization. Use it as a reference throughout the year.

11. Follow-up
    - Mail thanks and copy of book.
    - Keep in touch about the organization.

12. Evaluate!!
    Get everybody's advice, suggestions and criticisms.
    Write down everything—how you did it, contacts, recommendations for next year.
CHECKLIST FOR EVALUATING A DIRECT MAIL PACKAGE

THE OUTER ENVELOPE GET IT OPENED!!!!

__1. Does it resemble a personal letter?
__2. Does it have a stamp on it rather than a bulk rate imprint?
__3. Is it different from the rest of your mail?

THE LETTER GET IT READ!!!!

__1. Is the date and the subject current?
__3. Is the message powerfully contained in the first sentence, last sentence and the P. S.?
__4. Is it easy to read? Space? Logic? Grammar and spelling?
__5. Are the sentences and paragraphs short and to the point?
__6. Is it emotional, about real people rather than about statistics?
__7. Does it ask the reader for a gift?
__8. Does the signature have any meaning?

THE RESPONSE CARD GET IT BACK!!!!

__1. Does it make it easy and clear for a donor to use it?
__2. Does it give the donor choices of gifts?
__3. Is there a self addressed return envelope?
__4. Does the card fit into the return envelope without folding?
__5. Does it have boxes to check for volunteering?
TIPS ON HOW TO RAISE MONEY OVER THE PHONE

1. Get lots of names, addresses and phone #’s of people to phone.
   - board
   - committees
   - volunteers
   - members
   - mailing list
   - people you benefit
   - people you do business with
   - friends of board, committee, volunteers

2. Get lots of people to phone.
   - board
   - committee members
   - active volunteers

3. Have everybody phone in one place.
   - peer support
   - image of more activity
   - immediate feedback on quantity of funds being raised

4. Make it fun.
   - food
   - high spirits
   - goal chart with frequent postings
   - sharing funny stories
   - celebratory drinks after the phoning

5. Minimize the paperwork.
   - design the pledge form so that it fits a windowed envelope
     and saves addressing, and
   - has enough copies that reminders can be sent easily

6. Start your asking high and with confidence.
   - this is an effort to raise serious $$$
   - tie your asking amount to a concrete outcome
   - let the donor negotiate downward

7. Follow up on pledges.
   - send pledge form out immediately
   - send reminder in a month
   - send second reminder in 2 months

8. Thank the donors and the volunteers.
6 WAYS TO INCREASE THE INCOME FROM YOUR PHONATHON

1. Get more names of people to call.
   a. from petitions
   b. raffles
   c. member organization lists
   d. friendly related organization lists
   e. purchased lists

2. More phoners and more phoning times.

3. Increase the overall feeling of importance about it.
   a. clear purpose for the funds being raised
   b. demonstration of strong leadership committment behind it.
      - leaders each responsible for one nite
      - lots of discussion at meetings leading up to it
      - enthusiastic spirit building endorsements
   c. lots of publicity and communications about it
      - kick off rally (a good place to recruit volunteer phoners)
      - major media coverage
      - newsletter and internal communications about the goal, etc.
   d. make the event into a party!
      - prizes (including prizes for everyone who gets hung up on)
      - bells, whistles, noise for large gifts
      - cheerleading throughout the event
      - celebrity phoners

4. Get larger gifts.
   a. Ask for 50% higher amounts across the board.
   b. Substantially increase the top asking level.
   c. Analyze last yrs. gifts. Create giving categories to move donors up.
   d. During training of phoners, encourage them not to begin by asking for
      “whatever you feel comfortable with.” “Comfortable”= $5

5. Get matching gifts.
   a. Use this as an opportunity for major donors, foundations,
      corporate gifts.
   b. Emphasize the match in conversations with donors.

6. Use paid callers to
   a. finish up and reach those who you were unable to reach
      during your volunteer phonathon,
   b. follow up on unpaid pledges, and
   c. prospect/recruit for new members.
RAISING MONEY AT THE WORKPLACE

ADVANTAGES
1. Raises more money/contributor, 2-3X as much as other face to face solicitation.
2. Costs less. Employees do much of the soliciting, and employers pay for publicity and gift processing.
4. Allows you to spread your message, recruit new supporters, raise consciousness, and raise money at the same time.
5. Organizes you for fundraising.
   You prepare and refine your case.
   You develop a prospect list.
   You recruit and train solicitors.
   You plan and coordinate a fundraising campaign.
   You analyze and evaluate your performance in order to increase your proceeds next year.

DISADVANTAGES
1. It is a long term strategy, not a quick fix
2. Starts slowly with few early payoffs.
3. Complicated and potentially difficult to start.

THE TASKS INVOLVED

1. Identify employers and employees who are supportive of your cause.
2. Convince those employers to allow you to solicit their employees on the job, and to allow the employees to make their contributions through a system of payroll deductions.
3. Design and conduct a campaign to raise donations at the workplace. Set a campaign goal and theme. Develop materials. Select and train solicitors. Conduct campaign. Celebrate completion of campaign with recognition of leaders and major contributors. Publicize generosity of employer and employees.
4. Use successful experience in one workplace as example to other employers to open up to you as well.
THE MAJOR GIFT CYCLE

PROSPECT IDENTIFICATION

MAJOR GIFT PROSPECT?

READINESS DECISION

CONTINUED CONTACT

ACCOUNTABILITY

THANKS

GIFT DECISION

REVIEW SITUATION

DELETE FROM MAJOR GIFT LIST

REGULAR APPEAL

RATE PROSPECT

SELECT SOLICITOR TEAM

TRAIN TEAM

MAKE APPOINTMENT

MAKE CALL

PROSPECT NEEDS MORE INFORMATION

SUPPORTIVE BUT UNABLE TO MAKE A MAJOR GIFT

FILE 13

NOT INTERESTED