Session on
Fundraising

Cali, 29-30th June 2022

What it actually is...

noun [∪]
UK /ˈfʌndˌreɪ.zɪŋ/ **US** /ˈfʌndˌreɪ.zɪŋ/

the act of collecting or producing money for a particular purpose, especially for a charity (Cambridge dictionary)

→ democratic and popular way **to share the power** (not just economic) **to change the reality with the community**

At its heart, fundraising is about **relationships**, fundamental to ensure **organizational sustainability** and it is a **strategic process** > need to be connect to the organisation's medium term goals

"Fundraising is the gentle art of **teaching the joy of giving**"

~ *Hank Rosso*, founder of The Fundraising School and of the Center on Philanthropy at Indiana University, first fundraising school

People give to people (also in institutional f.), because they want to and **they are asked to**!

They don't: since needs don't match, absence of organization planning, Inadequate communication and cultivation of donors, bad fundraisers :P

Mission

Brief, powerful statement including the **reason the organization exists**. It often **explains why it was founded**, along with what it actually does in terms that convey the **organization's values**.

Mission statements look at **what can be accomplished today**.

• What do we do?

• For whom do we do it?

• What is the benefit?

Vision

A one-sentence statement describing the **clear and inspirational long-term desired change**. It is partly emotional, intending to **inspire people to imagine a better future**, and partly rational, presenting **a view of the future** that **everyone can believe in**.

• What does success look like for our organization?

• How will the world be different if we succeed in our mission?

• What makes our organization unique?

Exercise 1

1. What are the **mission and vision of your organisation**?
    Are they used in your communication and
    fundraising strategy? If yes, how?
    (15 minutes)

2. Debrief in plenary (5 minutes)

Case for Support

One of the most important documents you should create for your organization. It explains what your nonprofit does, why it's crucial and, most importantly, **why people should support you**.

It will serve as the foundation for all fundraising communications including **grant proposals**, major donors (e.g. operating and corporate foundations, government), capital campaigns…

so think about **your story from** the **donor's perspective**!

https://www.habitat.org/multimedia/case-for-support / .pdf
https://waterwise.org.uk/wp-content/uploads/2019/08/Case-for-support.pdf

a) Make your case **donor-centric**

b) Write in clear, **easy-to-understand language**

c) Write with passion and **think big**

d) Make it **visually appealing** and easy-to-read

e) Don't worry about length and feel free to edit, improve, iterate it

f) Get buy-in from leadership and board members

How to do fundraising in times of (post?) Covid

Since 2020, NGOs had to face quite a few challenges. The new reality amplified some of the dysfunctionalities and made the organisations realise that their fundraising approach needs to be adapted.

Two key points:

1. All NGOs have their own unique fundraising story, fundraising environment, and resources that can be dedicated to fundraising and partnership management;

2. When does the future start?
Adapting and transitioning to the future takes time, potentially years. **Only time will tell which solutions are best suited for adapting and transitioning to the future!**

3 (possible) solutions:

a) **Be strategic** > create a *fundraising strategy*, a document summarising the medium-term fundraising objectives and activities that ensure the successful implementation of the NGOs strategic plan.
It can be used to build a <u>common understanding of what fundraising is within the organisation</u>'s context and who should play a role in the fundraising process;

b) **Have a specific focus** > in case of working on multiple, diverse topics, a way forward is to define one or two specific "niche" topics and identify the most relevant funding stream and reach out to donors + necessity to diversify funding;

c) **Dare to connect!** > easier to plan an online donor meeting but need to reimagine networking!

Exercise

1. Which is the **fundraising strategy/expertise** of my organisation (rate on a scale 1-10) and has been affected by the pandemic? (15)

2. Share within your team about the previous question and **find common points** (15)
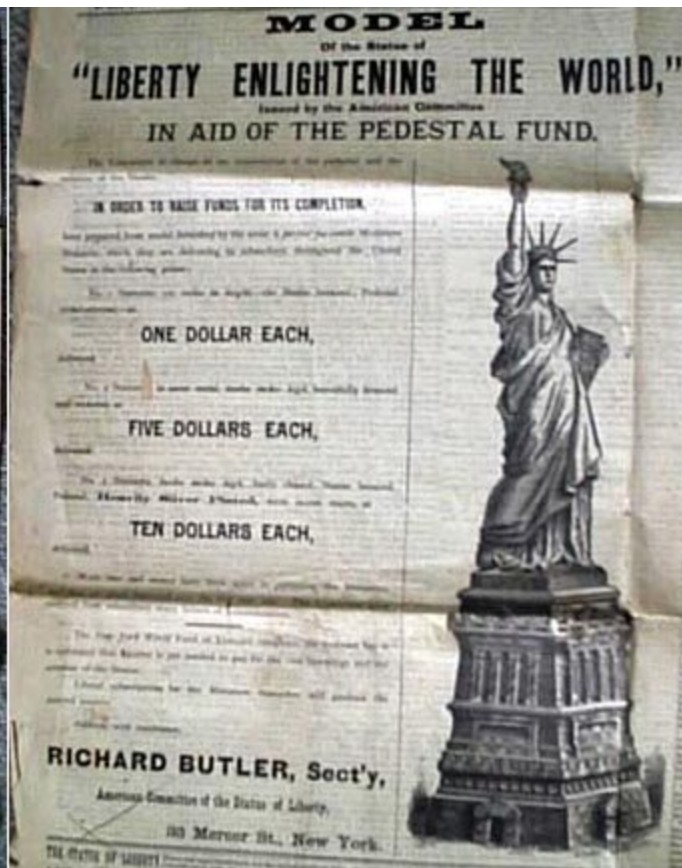
3. Debrief in plenary

The Brooklyn Sunday Press.

MODEL
Of the Statue of
"LIBERTY ENLIGHTENING THE WORLD,"
Issued by the American Committee
IN AID OF THE PEDESTAL FUND.

IN ORDER TO RAISE FUNDS FOR ITS COMPLETION,

ONE DOLLAR EACH,

FIVE DOLLARS EACH,

TEN DOLLARS EACH,

RICHARD BUTLER, Sect'y,
American Committee of the Statue of Liberty,
33 Mercer St., New York.

Fundraising vs crowdfunding

*noun* [∪]
UK /ˈkraʊd.fʌn.dɪŋ/ *US* /ˈkraʊd.fʌn.dɪŋ/

the practice of getting a large number of **people** to each give **small amounts of money** in order to provide the finance for a project, typically using the internet (Cambridge dictionary)

Crowdfunding isn't really new: back to the **18th century** when writers/musicians gathered money from many investors to publish their pieces of work; then by church and civic groups that would raise money (e.g. to build a school or some community project)

Small donations from many people can raise a lot of money.

By tapping into your **online social connections**, you can reach a much **broader audience** (visibility for the network/organisation) in less time than traditional fundraising processes
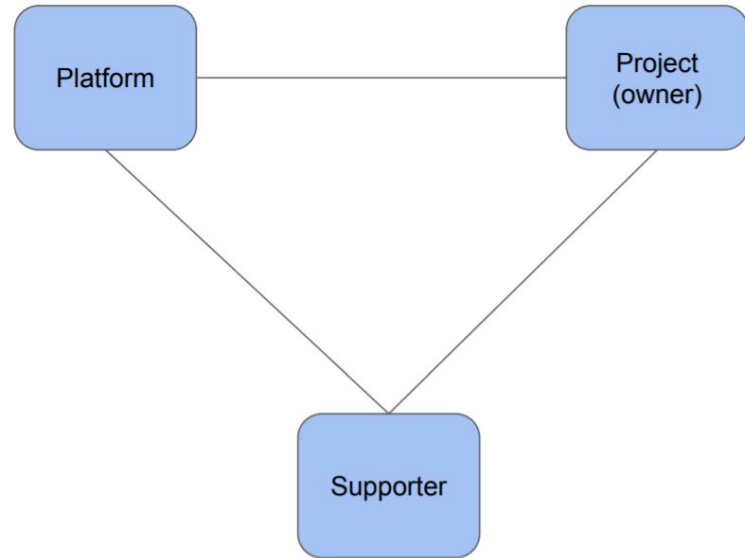
> **community building**
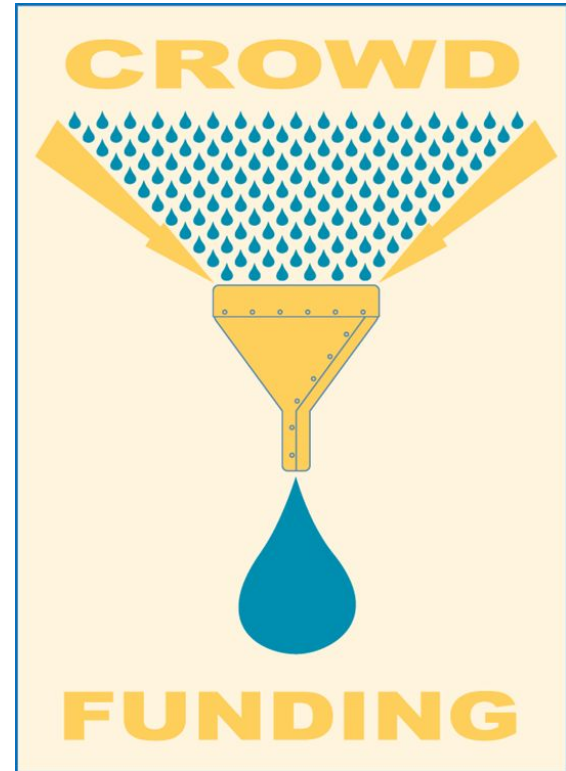
Crowdfunding triangle

Project > entity seeking money

Supporter > entity giving money

Platform > intermediary between project and supporter

More than 1478 crowdfunding **platforms** worldwide: GoFundMe, Fundrazr, Fundly, Donorbox, Global Giving…
+ <u>national platforms</u>

4 types, mainly defined by the remuneration for the supporters:

a) **Donation-based crowdfunding** > donors provide funding to projects based on philanthropic or civic motivations with no expectation of monetary or material return;

b) **Reward-based c.** > contribution in exchange non monetary rewards or products;

c) Equity-based c. > collective effort of individuals to support efforts initiated by other people or organizations through the provision of finance in the form of equity;

d) Lending-based c. > capital repayment most often with interest

Before starting a crowdfunding campaign, you should define the basics and be aware of c. works in general:

Campaign > all activities to reach out your target, key role of communication (e.g. use a title to tell a sharable story, update your supporters regularly on social media… > storytelling);

(Funding) time > (often) specified time in which to reach the funding goal (average between 30/45 days, must last at least 3 weeks);

(Funding) goal > can be adjusted (fees range from 5% to 12%), be realistic + strategy + human resources needed;

pre-campaigning	campaigning	post-campaigning
• Identify! • Prepare! • Build!	• Generate! • Engage! • Update!	• Thank! • Fulfill! • Grow!

Any questions?