

## Creating A Culture of Philanthropy: Thoughts from the Trenches

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*"Sustainability encompasses both financial sustainability (the ability to generate resources to meet the needs of the present without compromising the future) and programmatic sustainability (the ability to develop, mature, and cycle out programs to be responsive to constituencies over time).*

--- Bell, Masaoka, and Zimmerman

### Greatest Challenges

- Enough time to do everything
- Community support is more difficult now
- Getting donors to continue support
- Declining support from businesses and corporations
- Engaging the entire organization in development

### Challenges.....

- Convincing community that disabilities don't just go away
- Lack of being known in community
- Elevator speeches
- People are uncomfortable making an ask
- Need ideas from /contact with others raising resources for the same purpose

### Strategies

- Focus on individual donors and building a donor base
- Engaging entire organization:
  - All new staff receive orientation on development role
  - Capturing and using stories about families
  - Using staff meeting not just to report but to engage
- Placing additional emphasis raising the organization's overall name recognition and visibility in the community

### Words of Wisdom

- **Everyone** has a role in development
- Diversity of funding is critical
- BUT !!!!!
- A thoughtful development plan is needed, regardless

## Elements of a Development Plan

- Goal: How much to raise?
- Example: \$275,000 annual budget
  - Contracts/grants cover \$265,000
  - Need to fundraise \$10,000
- Now...How to do that?

## What, Who, When, Where, How

- Usually start with "WHO" but that will depend on the type of activity
- We start with WHAT...
- Different Types of Development Activities require different types of WHO

## Types of Development Activities

- Appeal Letters/Mail Campaigns
- Online Fundraising
- Cultivation of Individual Donors
- Major Donor Campaigns
- Events
- Grant Writing
- Corporate/Business Sponsorships
- Capital Campaigns
- Endowments

## That's Quite a List...

- What's the right ones for your agency?
- Should you consider more than one?
- How do you decide what is doable?
- What resources do you already have?
  - Time, volunteers, mailing lists, commitment

## Appeal Letters Annual Mail Campaign

- Do you have a vigorous database?
- Can you write a compelling appeal?
- Costs of printing, return envelopes, postage
- Return rate of 3-4% is considered pretty good.

## Electronic Version

- Compelling Subject Line- so they open it
- Harder to personalize
- Can be a series of emails- all related

### Email subgroups

- Different Subject line and text for different audiences
  - Loyal donors- "Matrix is Turning 30 - Can you believe it?"
  - Occasional donors- "Please Jump Back on Our Bandwagon"
  - Families served who have not donated- "Remember Life Before Matrix?"

### More subgroups...

- Businesses - "Feel the urge to give back to the community and help kids with special needs?"
- Organizations- "When you think children with special needs, do you think of Matrix?"
- Others- Do you know a family that's been helped by Matrix?

### Ingredients of An Effective Appeal

- Personalize as much as possible
- Suggested action they can take
- What their gift will provide
- Eye catching- a few seconds to grab their attention

### Eye Catching...

- A few seconds to capture their attention
- Compelling subject line
- Great graphics
- Not text- dense
- Format & Font critical

### Make it personal...

- Person's name
  - Hi Susan
  - Dear Thompson Nora
- Mention previous gifts if possible
- Personal handwritten notes

### Call to Action...

- About what **you** (recipient) can do, not what we do
  - Call, send, click, save,....
  - Verbs! Simple language
  - Make it as easy as possible

## What their gift will do...

- What are they “buying”?
  - Hours of service
  - Training materials
  - Computers
- How does that help?
  - How many more families served?
  - How to package that better?

## Who, How, When,

- Writing can be handled in-house or by a volunteer
- Can printing and envelope stuffing be handled in-house?
- Generally done once a year- before end of year so folks can have tax deduction

## Online Fundraising

- It's in it's infancy, still emerging
- Do you have a “Donate Now” button easy to find?
- Secure website? https versus http
- PayPal account? Network for Good?
- Both have costs associated

## Who, When, How

- Webmaster to add donate button to website
- Anytime, the sooner the better
- Who understands social media and mobile giving?
  - NTEN as a resource

## Cultivation of Individual Donors

- Individuals make up the majority of donations to nonprofits
- How to find potential donors beyond your client base
- Donor loyalty...
  - Families “age-out” –may go onto support adult services

## Who, When, How

- Everyone associated with your parent center
  - Front desk folks who greet and answer phone
  - Direct service staff
  - Board members
  - Everyone - All the time
- By being comfortable when someone tells them what a great job they did and how can they help
- Practicing the elevator speech
- Keeping your database up to date



## Major Donors- Anyone know any?

- Define “Major”- set level... \$1000? \$5000?
- Develop marketing materials
- Who has contacts and can introduce you?
- It’s about building relationships
  - Make take some time to pay off
- Learn how to do an “ask”

## Who, What, When

- It helps...
  - To have help for introductions
  - To do visits in pairs
  - To have help in developing good marketing materials
- Find out as much background on potential donor in advance.
  - Interests, where else they donate- look at donor lists from other places
  - Regular correspondence to keep them informed
  - Find out how they wish to be acknowledged

## Great resource...

- Seven Faces of Philanthropy: A New Approach to Cultivating Major Donors
- Authors: Russ Alan Prince & Karen Maru File
- (Jossey-Bass Nonprofit and Public Management Series)

## Events

- Friend-raiser or Fundraiser?
- Costs versus Benefits
- Finding something unique in your community and making it yours
- May have to build on successive years

## Annual Author Luncheon...

- Invite author with book related to our field
- Host a luncheon where author reads from book
- Table captains do an “ask”
- \$\$ Raised from sponsors

## Corporate/Business Support

- Sponsorships for events
  - Have a benefits package available.
- Most corporations have some philanthropic division
  - A “give-back” to their community
  - Grants versus volunteers
  - Do they have a focus area?
- Where do your families work? – natural connection
- Outreach to train on family issues

## Who, When, How

- Need someone to do research- volunteers, board members?
- Put together profiles, contact information, what focus areas are.
- Don't forget small businesses
- When? Ongoing

## Capital Campaign

- To raise major sums for a building or endowment, and generally keep such funds separate from operating funds.
- These campaigns encourage donors to give more than they would normally give and tap donors,
- Such as corporations and foundations who would not otherwise give.
- A capital campaign normally begins with a private phase before launching a public appeal.

## Who, When, How

- May need an experienced consultant for this activity

## Grants and Foundations

- Finding a match of your work and their priorities
- Use for programs not general operating
- Have to apply annually
- Some are one time only or must wait XX cycles before reapplying
- This field has become very competitive

## Who, When, How

- Subscribe to service such as the Foundation Center
  - Database of available funds that can be sorted in several ways
    - Geographic area served
    - Focus area
    - Type of funding, general operating, capacity building, etc.
- There is an annual cost to subscribe and someone needs to be doing regular research

## Endowments, Wills Trusts

- A sum of money that is invested to generate an annual return.
- Although endowments may be created when a sizeable gift is received from an individual or family, often as directed in the will upon the death of a family member, they are more typically the results of many gifts over time from many sources.

## Who, When, How

- Some foundations have “donor-advised” funds, are they aware of you?
- Attorneys specializing in wills and trusts need to be contacted.
- Materials developed and distributed- like the ones done for Major Donors- it's more than a brochure

## Creating Revenue Stream

- Are there any services that you can charge for?
- Are there any products developed that you can sell?

## Who, When, How

- Need to develop business plan
- Need to determine Product or Service
- Need to set fee or price

## Development Plans

- Should be jointly developed by staff and board
- Systems & procedures are critical to implement the plan... who does what, by when
- Must have the right tools
  - Donor database/software
  - Decent website
  - Ability to do e-marketing

## If You Hire a Development person

- It is an investment based on **building relationships**, your return on investment may be some years down the road
- A development person with concrete experience can bring you the expertise to make your resource development more effective
- Remember - development is more than asking people for money; there are many related tasks **to** be done, even for those who are averse to asking for money

## But what if you can't hire a development person?

- “The only way to get more productivity without adding people is to do better and longer range planning so that everyone knows what is going to happen.”
- You still need a good development plan, systems & procedures to implement that plan and the right tools.

## Very important!!!

- Be passionate about what your organization does!
- Remember, you are not begging for money
- You are offering a service that you are asking people to pay for because they think it is important service to have done;
- and your organization does it well.

## WRAP UP

- Money doesn't grow on trees.
- Development is **everyone's** responsibility but it will look different for different folks.
- Diverse funding is necessary and requires a thoughtful plan with the right tools.
- We provide an important service that we need to market better- we aren't "begging".
- Funders want to help us.

Thank You!

