

The Road to Fundraising Success

Planning the Work and Working the Plan

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Learning Outcomes

- ▶ Review best practices and success strategies in the board's fundraising role
- ▶ Define the value of a team approach in fundraising (called a Culture of Philanthropy)
- ▶ Identify components of a fundraising plan
- ▶ Define what you'll measure, how your results will be evidenced

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Development vs. Fundraising

- | | |
|------------------------------|-----------------------------|
| ▶ A process | ▶ Activities (often events) |
| ▶ Strategic/proactive | ▶ Limited plans/objectives |
| ▶ Goal-oriented | ▶ Limited success measures |
| ▶ Measurable steps | ▶ No lessons learned |
| ▶ Evaluates progress | ▶ Temporary solutions |
| ▶ Invites investment | ▶ Panic reaction/crisis |
| ▶ Cultivates relationships | ▶ No target audience |
| ▶ Predictable revenues | ▶ Financial issues recur |
| ▶ Proven methods and sources | ▶ Unwritten assumptions |

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What's Missing in Your Strategy?

Original source unknown but worth citing!

Vision	+	Skills	+	Incentives	+	Resources	+	Action Plan	=	Effective, managed CHANGE
	+	Skills	+	Incentives	+	Resources	+	Action Plan	=	Confusion
Vision	+		+	Incentives	+	Resources	+	Action Plan	=	Anxiety (where 90% of resistance lays)
Vision	+	Skills	+		+	Resources	+	Action Plan	=	Gradual Change
Vision	+	Skills	+	Incentives	+		+	Action Plan	=	Frustration
Vision	+	Skills	+	Incentives	+	Resources	+		=	False Starts and Wasted Time

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Reasonable Cost Guidelines

Source: Greenfield - Fund-Raising Cost Effectiveness

- | | |
|--------------------------------------|--|
| ▶ Direct mail acquisition | \$1.25 to \$1.50 per \$1.00 raised |
| ▶ Benefit/Special events | \$0.50 per \$1.00 raised (<i>gross to net</i>) |
| ▶ Membership associations | \$0.20 to \$0.30 per \$1.00 raised |
| ▶ Donor clubs | \$0.20 to \$0.30 per \$1.00 raised |
| ▶ Planned Giving | \$0.20 to \$0.30 per \$1.00 raised |
| ▶ Direct mail renewal | \$0.20 to \$0.25 per \$1.00 raised |
| ▶ Corporations | \$0.20 per \$1.00 raised |
| ▶ Foundations | \$0.20 per \$1.00 raised |
| ▶ Volunteer-led solicitations | \$0.10 to \$0.20 per \$1.00 raised |
| ▶ Special projects | \$0.10 to \$0.20 per \$1.00 raised |
| ▶ Capital campaigns | \$0.10 to \$0.20 per \$1.00 raised |

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BoardSource Fact:

- ▶ 60% of CEOs and 58% of board chairs identify fundraising as one of the most important areas for board improvement.



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Success Requires...



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Fund Development Best Practices

- ▶ Board Led-Team Driven
 - Grounded in charity's mission and core values
 - Boasts 100% support
 - Understands costs
 - Partners with staff & volunteers
- ▶ Donor-centred focus
 - Answers WIIFT
 - Cultivates and Stewards constantly
- ▶ Personal
 - Relationship-based
 - Shared values
- ▶ **Identifies and asks investors directly for support!**
- ▶ Ethical
 - Above legal requirements
- ▶ Strategic
 - Board sets direction
 - Goal-oriented
 - Measured, monitored and revised
 - Cost effective

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Cynthia's Board Fund Development Roles

- | | |
|----------------------|--------------------|
| ▶ Ambassador | ▶ Canvasser |
| ▶ Donor | ▶ Public speaker |
| ▶ Planner | ▶ Prompt responder |
| ▶ Matchmaker | ▶ Banker |
| ▶ Social convenor | ▶ Steward/Guardian |
| ▶ Enthusiast | ▶ Tracker |
| ▶ Prospector/Sleuth | ▶ Statistician |
| ▶ Director connector | ▶ Party Person |
| ▶ Cultivator | ▶ Deputy |
| ▶ Story teller | ▶ Posse |
| ▶ Solicitor | ▶ Others?? |
| ▶ Negotiator | |

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Strategies You Can Implement Immediately – Answer the Following:

- ▶ Where do you see yourself (in the previous slide)?
- ▶ Who's missing? (compare your conclusions with staff perspective?)
- ▶ Whom do you know that would *willingly* fill your team's void?
- ▶ What training and coaching is needed to build confidence?

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Success Factors

- ▶ Clear and compelling purpose, direction and benefits
- ▶ Strong, involved board *in partnership* with the chief executive, staff members and volunteers
- ▶ Growing structure that encourages efficient and effective service delivery
- ▶ Learning culture that's not afraid of change
- ▶ Financially sound and prudent strategic plan
- ▶ Tenacious nature with courage to ask and thank
- ▶ Enduring commitment to lasting relationships!

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Set Up for Success

- ▶ When recruiting new board members, is your organization communicating expectations (with written back-up to reinforce)?
- ▶ How are staff and existing board members *helping* new recruits identify their role?
- ▶ What training, support and coaching have you provided to build confidence and ensure your team triumphs in its goals and tactics?

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Fundraising Secrets of Success

To succeed in fundraising you must know four things:

1. The mission and goals of the organization
2. The interests of your prospect
3. How to ask for support
4. How to overcome your fears

If you don't ask, you won't receive.
The only way to fail is by not trying.

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Important Lessons/Remember!

- ▶ Patience – it takes 3–5 years to get a solid (strategic) fund development program launched
- ▶ Special events distract efforts away from more efficient and cost-effective methods
- ▶ There is high fundraising staff turnover – don't expect miracles, particularly if they lack support
- ▶ **SPREAD FUND DEVELOPMENT RESPONSIBILITIES ACROSS A BROAD TEAM OF VOLUNTEERS & STAFF**

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Culture of Philanthropy

(Source: On Course Consulting)

- ▶ **Fundraising is ultimately about relationships.** More than anything, a Culture of Philanthropy is an *attitude* that *embraces relationship building*.
- ▶ Once you build a *community of believers*, the money will follow.
- ▶ Organizations that have adopted a Culture of Philanthropy have *matured* in their development efforts.
- ▶ They have *evolved* from a focus on money to a focus on building lasting relationships.

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Beware of Unseen Obstacles...



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Culture of Philanthropy Questions

Source: Karla A. Williams, Nurturing a Culture of Philanthropy

- ▶ Does everyone in the organization know what *giving* means?
- ▶ Do staff understand the rationale for philanthropy and the role it plays?
- ▶ Have people insider the organization seen the impact of giving firsthand?
- ▶ Do people know where to direct someone who wishes to give?
- ▶ Do employees engage others in philanthropy even if this responsibility is not included in their job description?
- ▶ Can everyone from frontline staff to board members explain how gifts are used?
- ▶ Is giving seen as an imposition or a noble way to engage others?

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Fund Development Plan Components

- | | |
|------------------------|-------------------------------|
| ▶ Mission Statement | ▶ Donor Relations |
| ▶ Strategic Priorities | ▶ Budget |
| ▶ FR Readiness | ▶ External Forces |
| ▶ Case(s) for Support | ▶ Timetable |
| ▶ Human Resources | ▶ Fundraising Policies |
| ▶ Donor History | ▶ Disclosure & Accountability |
| ▶ Prospect Research | ▶ Evaluation |
| ▶ Fundraising Goal | |

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FD Plan Status Check

(Score 1 (help?!)) to 5 (we've aced it!)

► **Mission Statement**

- Matches charity's objects
- Succinct
- Pervasive throughout organization
- Reflected on board agenda for focus

► **Organization's Strategic Plan**

- Exists
- Sets 3–5 year plan
- Drives priorities (and case for support)
- Progress is evaluated and adjustments made

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FD Plan Status Check

(Score 1 (help?!)) to 5 (we've aced it!)

► **Fundraising Readiness**

- Infrastructure in place to support FR efforts
- Board accepts role as champions
- Staff and volunteers get training
- Organizational track record documented

► **Case(s) for Support**

- Clear & compelling stories
- Linked to strategic plan
- Calls for action
- Makes donor an agent of change

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FD Plan Status Check

(Score 1 (help?!)) to 5 (we've aced it!)

► **Human Resources**

- Team approach to fundraising
- Staff supported by peers, mentor or coach
- Volunteer supported by staff and/or coach
- Fundraising training available

► **Donor History**

- Tracked and easily retrievable
- Top donors are known to board and CEO
- Can identify lapsed donors for renewal

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FD Plan Status Check

(Score 1 (help?!)) to 5 (we've aced it!)

► **Prospecting – research based on**

- Linkage (connection)
- Ability (finances)
- Interest (theirs!)

► **Fundraising Goal**

- Is realistic based on facts
- Income from multiple sources
- Helps close revenue/expenditure gap

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FD Plan Status Check

(Score 1 (help?!)) to 5 (we've aced it!)

► **Donor Relations**

- Thank before you bank
- Primary focus: relationship-building
- Encourages 2-way communication
- Reports back on donors' investments

► **Budget**

- Fundraising costs \$\$
- Cost of methods are varied and understood
- Return on Investment factored into decisions
- No commission-based fundraising

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FD Plan Status Check

(Score 1 (help?!)) to 5 (we've aced it!)

► **External Forces & Trends**

- In community
- In sector
- In economic climate

► **Timetable**

- 12–15 month schedule
- Breaks down activities
- Works backwards
- Catches potential logjams before they happen

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FD Plan Status Check

(Score | (help?) to 5 (we've aced it!))

► **Fundraising Policies**

- Board directed (with guidance from staff)
- Anticipates issues before they arise
- Guides decisions (now and future)

► **Disclosure & Accountability**

- Public transparency
- CRA Fundraising Guidance-compliant

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FD Plan Status Check

(Score | (help?) to 5 (we've aced it!))

► **Evaluation**

- Goals established
- Divided by fundraising methods
- Progress is measured quarterly
- Course is adjusted as need
- Facts drive decision-making

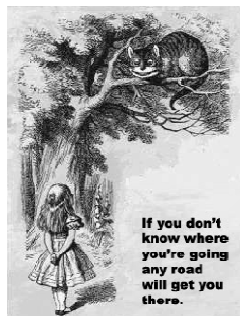
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Which brings us full circle...

Thanks to
Lewis Carroll...

and the Cheshire
Cat!



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Applying what you've learned

Identify one change you can make in your organization to strengthen its Culture of Philanthropy.
Keep me posted!



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