

Fundraising Realities Every Board Member Must Face
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Summary – 4 pages and some change

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This summary is organized by topics within the book, not necessarily the order the book presents them in or in Chapter groups.

INTRODUCTION

The mission **MUST** be clear.

ARE WE READY as an organization for a capital campaign???

Fundamental questions

- are our goals unmistakably clear?
- are we seen as a worthwhile asset to the community?
- do board members believe the cause is important?
- will they contribute time and money?
- can we make a strong case for funding the project?
- do you have the required leadership for the campaign, including a good candidate for the chairperson?

Once you have decided to conduct a campaign it is important to recruit an effective chairperson. The right person will greatly influence the amount you can raise. The profile of the right person might look like this: He or she is wealthy, influential, generous to a range of causes, and is recognized as a community leader. Since such people are not readily available, consider yourself lucky if you land a candidate with the first two attributes – Affluence and Influence. Once you have identified a promising candidate, consider the following questions...

- is this person experienced in organizing people and working in committees?
- is he or she a leader, someone who easily elicits loyalty?
- will this person add credibility to your campaign and motivate others to participate?
- will the person contribute financially and at what level?
- will he or she solicit others?
- do they have the time and energy required?
- are they an appropriate spokesperson for your cause?

DIRECT ROLE OF THE BOARD

The Board of Directors has the responsibility for ensuring that the organization's mission is carried out, and of necessity this means finding the financial and human resources to do so.

In other words – the board is responsible for the **MISSION** and **MEANS**.

To demonstrate their commitment, board members must first make a generous gift proportionate to their means and second, they must agree to devote adequate time and energy to secure organizational success.

In other words – they must devote their TIME AND TREASURE.

Summary – they are responsible for the MISSION AND MEANS and this is accomplished through TIME and TREASURE.

You cannot raise money, at least big money, casually. Unless the board commits to the campaign, with able leadership and generous giving, you are best advised to retreat and re-examine.

If it is clear that it will be impossible to raise a significant amount of money from the board, take that as a warning that your entire campaign needs to be reassessed.

OVER COMING RELUCTANCE, FEAR, AND LOSS OF ENTHUSIASM

If members of the board are reluctant to take responsibility, it is probably because; 1) they don't understand the importance of assuming the helm of fund-raising, and 2) they're afraid they will be required to ask others for money.

In truth, board members will often be required to ask, but in a well-run fund raising program, they can participate in other ways too. Some can solicit others, some can plan social events, and others can help with researching and gathering prospects, or making introductions for others. – THESE ARE WAYS OF CREATIVELY USING THE GIFTS OF ALL MEMBERS IN MEANINGFUL WAYS.

Perhaps the best medicine for the anxiety of asking is to remember that you are not asking for yourself, nor do you have anything to gain financially, nor are you seeking something from others which you have not yourself given. Your position is above reproach: you are a volunteer working on behalf of a great cause that serves God and the general good.

To combat everyone's natural tendency to procrastinate and stall out:

- structure the campaign so that all chairs must keep in regular touch with their leaders, and those leaders in touch with their workers.
- establish deadlines and prod each person to complete assignments on schedule.
- pay special attention to unfinished solicitations, especially those involving top prospects.
- use a troubleshooting committee to focus on key problems.
- hold a rally, midway through the campaign with all chairs and leaders present to report on their progress.

Fear can be lessened, though not eliminated if solicitors are:

- is well prepared
- is genuinely enthusiastic about the cause
- possesses a degree of leverage with the prospect
- communicates a sense of urgency about the campaign
- is a generous giver themselves.

METHODS AND TACTICS

Remember that approx 90% of all non-profit funding comes from individuals, not corporations and foundations. Therefore, don't neglect institutions, but focus 90% of your time and energy and money on individuals.

Matching the prospect and the asker is very important. Each prospect should be asked by that person or team of persons, with the best chance of securing the gift.

Remember...

- most private support comes from individuals.
- much of the wealth in the world is in the hands of individuals in the form of real property.
- individuals need not adhere to particular priorities – they can give whatever they wish, to whomever they wish, whenever they wish.

The largest givers are in fact so important that you should treat each one as a mini campaign in and of themselves – taking care to find the right solicitor, equip them with the most persuasive arguments, and then thoroughly train the asker.

Fears of asking can be mitigated by following an agenda such as:

- prepare for the meeting by studying the information you have on the prospect.
- begin by thanking him or her for taking the time to meet.
- engage in small talk to get comfortable
- talk about your organization and it's mission and succinctly explain the project for which you are raising money – Unless your prospect is already very familiar with your organization, focus on your mission first. Sell it before you sell your project. You won't attract meaningful support unless you do.
- discuss your own interest and involvement
- if asked, share the amount you have contributed
- invite questions
- ask for the gift – asking for a specific amount is a must. There is a direct way and a more indirect way of doing this.

DIRECT – I would like to ask you to make a \$_____ donation.

INDIRECT – We need several gifts at the \$10,000 amount and I would like you to consider being among them.

Once you have asked, say nothing more. Don't break the silence or the tension – wait until they speak.

- express thanks for a gift, or set up a time to discuss the matter again if the donor needs more time.

DON'T

- browbeat or go over things again and again
- don't con or lie
- don't overstate the need – don't exaggerate
- don't promise things you cannot deliver
- don't think any prospect will be easy
- DON'T APOLOGIZE – there is no need to feel ashamed or embarrassed. You are not begging – you're appealing on behalf of a worthy cause from which you gain nothing financially. Don't demean your effort by saying how sorry you are to ask. Solicitor does not equal beggar.

When talking with a prospect, focus on the deeds the money will accomplish – not the NEEDS of the organization. People give to visions, NOT needs. They give when they feel inspired – when they are confident a cause is worthy and is led by people of integrity.

There is nothing like a generous gift to show you mean business. It is quite effective when you can say "John, I've contributed \$10,000 to this project. I believe it's so important that I am asking you to do the same."

The key to successful fund raising is seeking proportionate gifts: each prospect is asked to contribute an amount that, based upon their means, is considered generous.

Always emphasize the following points:

- know your case – that is the reason you are raising money.
- make your own generous gift first.
- be positive – there is no reason to apologize
- visit your prospects in person
- ask the prospect to consider the amount you suggest
- have a 2nd or 3rd meeting if you are seeking a large gift.
- get the job done – don't delay!

When soliciting top prospects it's almost always advantageous to use teams. For the best prospects you almost always want to use the CEO

One note to help ensure target dates are met; schedule meetings as deadlines against which to press for action. A board member or volunteer, knowing campaign leaders will be attending, will do his or her best to complete assignments before the meeting.

TIPS ON GAINING AND KEEPING VOLUNTEERS

- Give them very clear, simple, and defined tasks – such as calling one prospect per week and meeting with them.
- Don't require too many formal meetings – use the phone and email to communicate with them as much as possible.
- The tasks must be limited in time duration - and be wrapped up as quickly as possible.
- They must be recognized publically for their dedication

Treat major donors as volunteers and "insiders"

Delegation and work distribution – a key principle to success - whoever recruits a worker a personally responsible for making sure that person completes their tasks.

Experience has shown that it is reasonable to expect an individual solicitor to make 5 personal calls. At least start with a list of 5 and then assign more to those with greater enthusiasm and success, 3 or 5 at a time.

Training sessions should cover 3 general stages in the solicitation process:

- preparing for the meeting
- the meeting itself
- the follow up

PITFALLS AND DANGERS

Danger of avoiding one on one asking.....

Be very careful with the temptation to focus on special events as a way to avoid the most difficult part – face to face, one on one asking. Events often consume too much time, money, and emotional energy. If you want to discourage and despair your staff quickly, try to raise large amounts of money by large events or gimmicks.

Danger of relying too much on printed material...

Condense all printed material to be only a supplement to the spoken word. The forces you to meet face to face, and allows you to use printed material as a support, but not as something to hide behind. The shorter they are, the cheaper they are, and the less they will need to be changed as the project adjusts.

A good verbal presentation is far better than any printed material. A good verbal presentation, paired with some printed material (***especially if it is tailor-made for the prospect***) will be far more effective than lots of general material.

One of the big pitfalls is jumping to the lower range donors too early, before dedicating adequate time to the large capacity donors. This is especially tempting and dangerous when the campaign seems to have reached a standstill. The board can often be tempted to make this mistake, and it should be addressed and discussed even before the campaign is launched, to even avoid the discussion.

Be aware that sequential fund raising does demand discipline. A big gift always takes longer to secure than a smaller one. As a result, a lot more activity will take place when soliciting smaller gifts. Some board members, impatient with the measured pace of major givers may want to advance to the lower level. But you will lose the leverage that sequential fund raising provides. This is a mistake. Remember, 90% of your gifts will come from about 10% of the donors. Do despite the seemingly slow pace, spend 90% of your time on the 10% of pivotal donors.

Irving Warner once said “the man who suggests you need 1000 contributions of \$10 each for your \$10,000 project:

- A) know arithmetic
- B) thinks he has given you a brilliant solution
- C) won't give more than \$10