

# CULTURE OF PHILANTHROPY

How to Engage  
Everyone in Effective  
Fundraising



# CULTURE OF PHILANTHROPY

A culture of philanthropy refers to your organization's attitude toward philanthropy and fund development (fundraising).

- Philanthropy is part of the mission of a nonprofit
- Effective organizations embrace a culture of philanthropy
- Each volunteer and every employee feels it
- Clients and donors recognize it whenever they connect with the organization



# WHAT DOES THIS MEAN?



Everyone in your organization is responsible for philanthropy.



Everyone in the organization embraces customer-centered and donor-centered...not just mission-centered and client-centered.

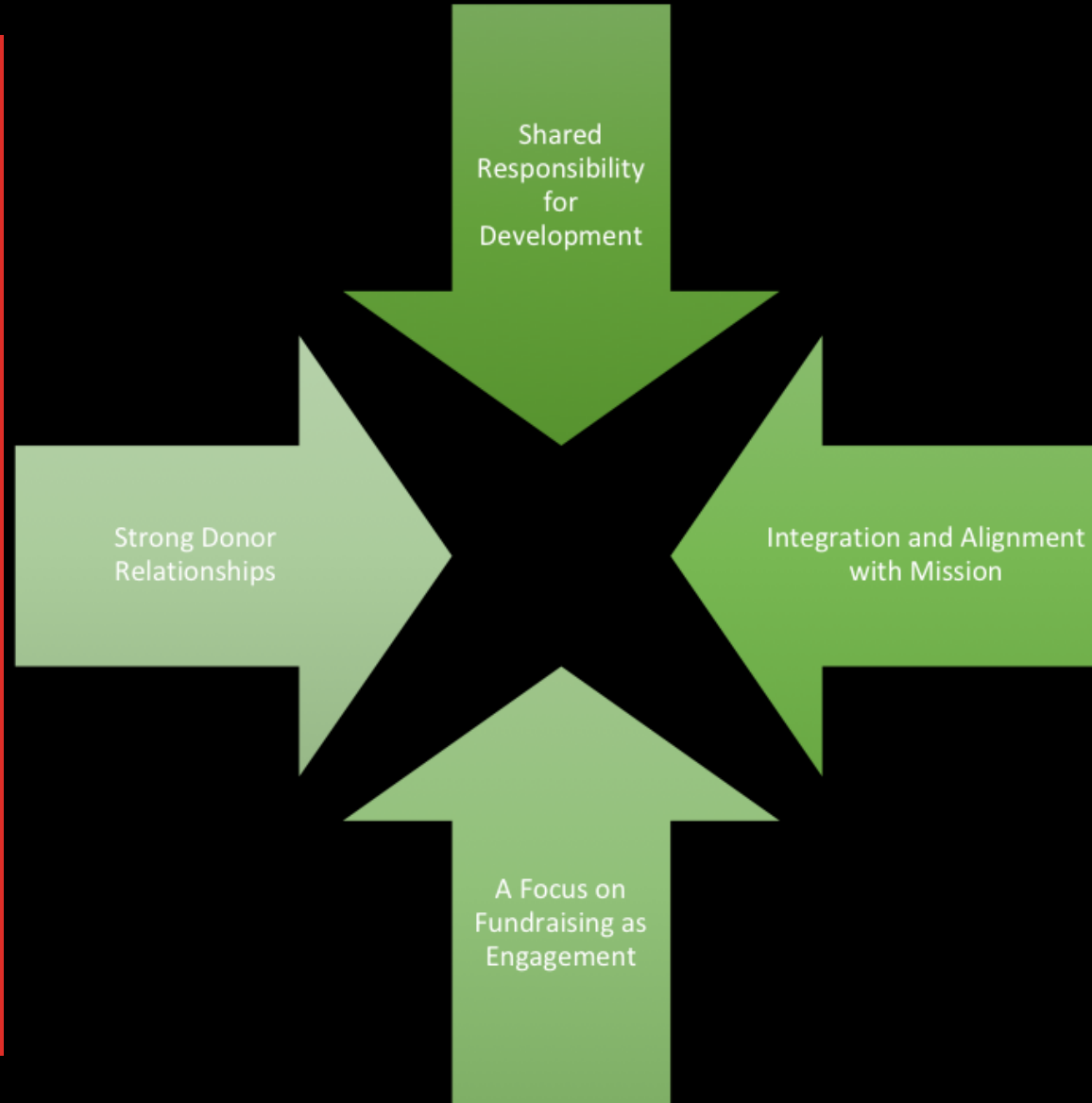


Everyone in the organization, from the janitor to the chair of the board, understands that philanthropy and fund development are critical to the organization health and that each individual has a role in the process.



Gift size doesn't matter. Everyone respects and honors all donors.

# What is Culture of Philanthropy?



# 1. SHARED RESPONSIBILITY FOR DEVELOPMENT

- “Fundraising isn’t just one person’s job or the job of one department. Everyone – staff, CEO/ED, constituents, board and volunteers – shares responsibility for fund development.”

# 1. SHARED RESPONSIBILITY

- Everyone in your organization agrees that fundraising is important.
- Everyone promotes and supports all fundraising initiatives and projects
- Everyone shares a sense of responsibility for fundraising success
- Everyone participates at some level in fundraising:
  - Talking with donors
  - Building relationships
  - Sharing stories
  - Networking
  - Spreading the word
  - Making connections

# 1. SHARED RESPONSIBILITY

- Fundraising is seen as something that everyone does, not just your development staff alone.
- Your marketing, finance and program areas also support and value fundraising.
- Your CEO and your board members all embrace and support fundraising. They participate when needed.
- Fundraising is seen as a broader activity than just “getting money” – it’s seen as developing relationships with supporters.



## **2. FUNDRAISING IS INTEGRATED AND ALIGNED WITH YOUR MISSION.**

- “Fund Development is a valued and mission-aligned component of the organization’s overall work, rather than a stand alone function.”



## 2. FUNDRAISING IS...CONT.

- The activities of fundraising are not walled off in a silo – instead everyone promotes and participates in philanthropy.
- Fundraising staff are seen as “equal and valued partners” inside the organization.
- Fundraising is respected as an important, vital and even happy function that you are proud of being part of.

## 2. FUNDRAISING IS...CONT.

- Fundraising is adequately funded, and planned for and staffed with enough resources to do this important work.
- Fundraising is prioritized when the organization is distributing resources.

### 3. FOCUS ON FUNDRAISING AS ENGAGEMENT

- “Fund Development is no longer separated from engagement. This reflects the fact that people today are connecting with nonprofits via multiple channels (e.g., social media, volunteering, blogs, meet ups, petitions) and engaging them in multiple ways (e.g., as donors, volunteers, board members, constituents).”

# 3. FOCUS CONT.

- Your organization appreciates that engaging stakeholders and supporters is an important function/goal.
- Your organization:
  - See fundraising as a means to engage supporters
  - Offers opportunities for donors and supporters to engage
- Your organization combines fundraising and engagement into one larger function – including communications, marketing, fundraising and even **programming**.

# 3. FOCUS CONT.

- You look for ways to fuse activism and fundraising.
- Your organization agrees that it owes your donors a great service, great communications and opportunities to engage.
- Your organization looks for ways to bring the entire community together to “engage with the mission in authentic and meaningful ways.”

## 4. STRONG DONOR RELATIONSHIPS

- “Donors are seen as authentic partners in the work, not simply as targets or dollar signs. These organizations establish systems to build strong – relationship and support donor’s connection to the work.”

## 4. STRONG DONOR RELATIONSHIPS CONT.

- Your organization values the overall relationship with donors – not just the short term/money/gift. Fundraising is about **relationships** not transactions.
- Your organization honors your donors by asking for more than just money - - you also ask for their help, their support, their ideas, their “skills, time, networks and talents.”
- Your organization values donor retention over donor acquisition.

## 4. STRONG DONOR RELATIONSHIPS CONT.

- Your organization communicates your results and overall impact to your donors and supporters.
- Your organization offers donors personalized attention.
- Your have a culture of terrific post-gift customer service to donors.



# PHILANTHROPY AND FUND DEVELOPMENT BELONG TO THE ENTIRE ORGANIZATION

- Everyone is an Ambassador
  - Every Individual
  - Every Department
  - All Volunteers
- Everyone has a role
- Everyone understands that Philanthropy is critical to the organizational health
- It is an attitude, an understanding, a behavior!
- Without out charitable giving, most nonprofits can not survive

# THE DILEMMA OF ESTABLISHING A CULTURE OF PHILANTHROPY

The most common barriers to growth for any organization include the following key factors:

1. No clarity around vision for the future
2. No clear path to desired results
3. Inward focus
4. Complexity vs. Focus
5. Weak or misaligned leadership

# THE DILEMMA OF ESTABLISHING A CULTURE OF PHILANTHROPY

- Many organizations have not gone through the process of truly defining who they are, what it is exactly they do, where they started, where they want to go and how they plan to get there.
- many nonprofit leaders have big ideas for their organization, but struggle with time, money and other resources to achieve their vision.
- No foundation to stand on creates huge issues for future sustainability and growth.

# A ROADMAP FOR DEVELOPING A CULTURE OF PHILANTHROPY

## **STEP 1 – CREATE/FINALIZE YOUR STRATEGIC PLAN**

Every decision made in an organization should be wrapped around a strategic focus or initiative that aligns with short and long-term goals of the agency. Therefore, step one should be the establishment of a solid strategic plan.

## **STEP 2 – ESTABLISH A DETAILED FUNDRAISING DEVELOPMENT PLAN**

Once your strategies are solidified you will be able to determine your specific fundraising needs. How you will approach raising the necessary resources to meet these needs should be planned out and synthesized in your development plan in the short and long-term.

## **STEP 3 – BUILD A CASE FOR SUPPORT**

The case for support is essentially your business plan. It is the document where anyone can go to learn all about your organization. This document also works as a resource pool to ensure all branding, language and any other communication is clear, consistent and strategic.

# CREATING A GREAT DEVELOPMENT PLAN

# WHY CREATE A DEVELOPMENT PLAN?

ADAPTED FROM THE NON-PROFIT FORMULA BY JOE GARECHT

- **Provides Organization**
  - A detailed fundraising plan creates organization and order in the chaotic world of non-profit development.
  - Roadmap to achieve fundraising goals.
- **Defines responsibilities**
  - A fundraising plan determines who does what, and adds accountability to your fundraising efforts.
  - Helps Board and Staff stay focused!
- **Sets deadlines**
  - A good fundraising plan tells you when you need the money.
  - Deadlines help motivate your team to perform.
- **Measures Progress**
  - Your fundraising plan shows why you need the money and lets your donors know you are serious about your mission.
- **Is an Effective Fundraising Tool**
  - A detailed fundraising plan lets you measure your fundraising progress, thus allowing you to make needed adjustments before it is too late.

# WHO NEEDS TO BE INVOLVED IN THE PLANNING PROCESS?

- Development Director has primary responsibility for developing the plan.
- Board members, especially Development Committee, should be involved in at least the goal setting stage.
- Input from the CEO/ED and Finance Officer should have input as well.



# ELEMENTS OF A DEVELOPMENT PLAN

- **Statement of Annual Goals**
- **Plan of Action**



# STATEMENT OF ANNUAL GOALS

- Determine the total amount of fundraising that needs to be completed in the coming year. This includes annual operating and special projects...All anticipated expenses.
- This is based on identified goals, strategies and objectives from your strategic plan.
- Create your annual fundraising budget.

# STATEMENT OF ANNUAL GOALS

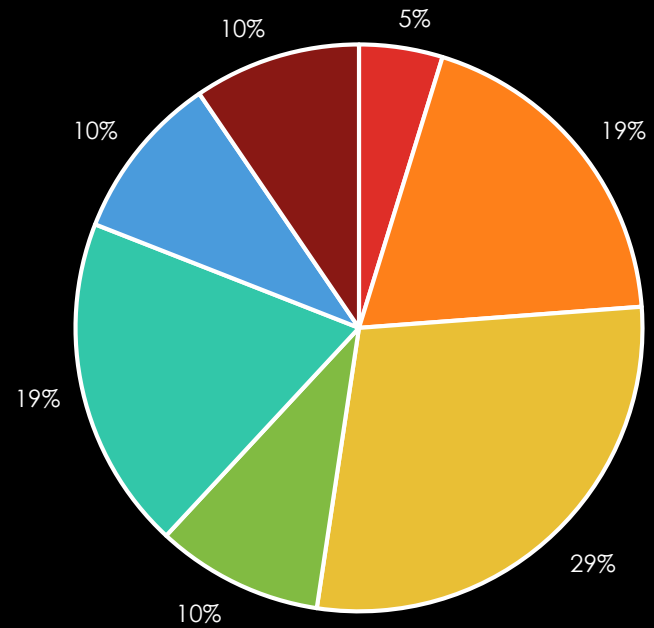
- Identify potential sources of income and fundraising goals/schedule/requirement
- Typical donor categories are:
  - Board of Directors
  - Major Gifts
  - Annual Grants (i.e. United Way)
  - Government Grants
  - Foundation Grants
  - Fundraising Events
  - Annual Giving

# STATEMENT OF ANNUAL GOALS

Summary	Amount	%
Board Gifts	\$ 25,000.00	5%
Major Gifts	\$ 100,000.00	19%
Government	\$ 150,000.00	29%
United Way	\$ 50,000.00	10%
Foundation Support	\$ 100,000.00	19%
Special Event	\$ 50,000.00	10%
Annual Giving	\$ 50,000.00	10%
<b>TOTAL</b>	<b>\$ 525,000.00</b>	<b>100%</b>

# STATEMENT OF ANNUAL GOALS

Fundraising Breakdown



■ Board Gifts ■ Major Gifts ■ Government ■ United Way ■ Foundation Support ■ Special Event ■ Annual Giving

# PLAN OF ACTION

- Furthermore, the following criteria will be determined for each donor category:
  - Responsibility
  - Timeframe/Due Date
  - # of Prospects
  - Methods of Interaction
  - Associated Fundraising Direct Costs
- Once identified, each category from above will be further broken into giving levels by way of a gift chart.

# PLAN OF ACTION EXAMPLE

## Board Gifts

**Goal: \$25,000**

Responsible: Board President

Time Frame: On going

# of prospects: 30

Method: In-person

Direct Costs: Time/\$\$

#	Levels	Amounts	Possible names
1	\$5,000	\$5,000	Bill Gates
6	\$2,500	\$15,000	Warren Buffet...
5	\$1,000	\$5,000	Johnny Smith
<b>TOTAL</b>		\$25,000	

**Repeat this for all donor categories that have been established.**

# PLAN OF ACTION

- Once you have broken down each donor category, you will then determine your strategies for engagement.
- Strategies for engagement will be individualized for every donor you intend to reach. This even includes annual giving efforts and events.
- Once engagement strategies have been implemented you will then establish a calendar of activities to strategy implementation.

# TIPS FOR CREATING A GREAT DEVELOPMENT PLAN



# THE SPECTRUM OF FUNDRAISING

High Visibility/Low Propensity – Low Visibility/High Propensity

- **Personal/Close Interaction:**
  - Examples: face to face meetings, coffee, one on one interaction, individual home tours
- **Small Social**
  - Examples: House parties, dinner parties, limited seating events, small venue events where RSVP is required, group home tours
- **Affinity**
  - Mailers, newsletters, phone calls, memberships
- **Large Social**
  - Large events with no RSVP required, participation in community functions
- **Broadcasting**
  - Speaking Engagements, advertisements, social media

# WHEN ARE YOU ASKING FOR IT?

- Boards are ALWAYS asked first and the next wave of asks begins as soon as 100% is achieved (volunteers, staff, clients)
- Get the major gift asks done early so you can report success or issue the challenge.
- Individual asking happens **every week** based on the individual calendars of the donor/prospect.

# WHEN ARE YOU ASKING FOR IT?

- If you are going to apply for grants, get those deadlines on the calendar first. Include all research, writing and approvals.
- If you have major fundraising events that occur the same time every year, get those on the calendar.
- Likewise, if there are months or dates that have to “black out” for any reason, do that next.
- Mail is always the last ask made. It is broad, it requires at least one follow-up mailing to those who don’t respond.

# WHO IS GOING TO DO THE ASKING?

- Whoever you feel is the best person...This is based on linkage to the donor and their ability/willingness to make the ask.
- The board and key volunteers are going to be trained by someone who is knowledgeable and enthusiastic about asking.
- A knowledgeable staff person is going to be on every face to face ask to help provide facts for the ask.
- The top solicitation team is usually the organization's CEO (ED) and the board chair.

# WHAT COMMUNICATIONS ARE NEEDED?

The most frequent complaints donors have is:

- *“I only hear from them when they need money.”*
- Not being thanked properly in a timely manner.

# WHAT COMMUNICATIONS ARE NEEDED?

## Awareness

- **Mass:** Publicity, press releases, advertising, radio, tv, feature stories, events

## Comprehension

- **Direct:** Case for Support, letters, direct mail, newsletter, annual event, cultivation events, education events, open house

## Conviction

- **Small groups:** Meetings, cultivation events, seminars, private dinners, peers who are enthusiastic

## Commitment

- **Person to person:** Face to Face with key volunteers, top personnel, important donors

# STEWARDSHIP OF DONORS

- The **PROCESS** that occurs once a donor has given to your organization.
- The Relationship Building and communications that take place **AFTER** the gift has been received.
- Meeting a donor's gift intentions and expectations within the parameters of your organization to create a **LONG-TERM**, mutually beneficial relationship.

Include monthly stewardship pieces as part of your overall Development Plan.

# NEXT STEPS

- Commit to writing your Development Plan
  - Plan time
    - Set aside 4 hours a week for four weeks to work on plan
  - Start by looking at last year's fundraising goals and how this will change in the new year.
  - Pull out your calendar and work your way back to add monthly tasks.
  - Buddy up with another participant to share completed Development Plan in six weeks!



# REFERENCES AND RESOURCES

- *Building a Culture of Philanthropy in Your Organization*, Simone P. Joyaux, ACFRE
- *Beyond Fundraising: What Does it Mean to Build a Culture of Philanthropy?* Report by the Evelyn and Walter Hass Jr. Fund Haas, Jr Foundation;  
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- *Want to Develop a Culture of Philanthropy? 2017*  
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