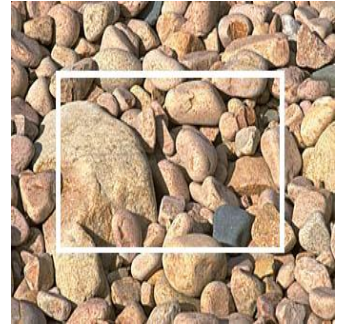


An Introduction to Fundraising



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Course Pack

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Contents	Page No(s)
Introduction	3
Section One – Understanding Your Funders	4-8
Section Two – Application Writing	9-15
Section Seven – Relationship Building	16-30

Introduction

This pack is a comprehensive introduction to a wide range of fundraising ideas and information. It is more than a record of the ideas and information included in the training events, as there is a lot of material that won't be covered on the two training days.

The ideas and information come from the experience of a wide range of professional fundraisers and they can be used for fundraising by small and large organizations. There should be something new and valuable for everyone, from experienced fundraisers, to people who are new to this challenge and may only have a few hours a month available for fundraising.

Good luck with your fundraising, and you will probably find at least one useful idea in this pack, but don't expect to use all of them.

Bill Bruty
Director
Fundraising Training Ltd

Section One – Understanding Your Funders

The three sources of donors

Introduction

There is only one thing that you can guarantee about all donors – they give money. In all other respects donors are unique. Somehow, when fundraising we can't accept donors as a homogenous mass, neither can we allow them their individuality. We have a passion for categorising our funders, in order to manage our marketing and approaches. We need to use the characteristics of one group of donors to help us to predict the behaviour of new ones.

We're going to fall into this trap, but we're going to recommend a simple system of classification - based upon the donor's connections to the cause prior to making their first gift. Before embracing this concept you need to discard any preconceptions about classifying donors into the normal categories (governmental, foundations, individuals, or companies etc). This new form of classification produces three types of donor:

1. Close Constituents – your “family and friends”
2. The “Usual Suspects” – the high profile donors who support a wide range of causes
3. The “Unusual Suspects” – donors who you would never expect to support you at all or ever provide such large grants.

We'll now look into each group.

The close constituents/the family and friends

These are the people who share a common purpose with your charity. They may be activists, beneficiaries or wealthy individuals or funders who share your passion and ambitions. For these people your charity will be the one that is “closest to their hearts”. These funders may have a fundamental need to support your charity, and they will be accessible to you, responsive to your approaches, but their giving capacity will be variable.

The “usual suspects”

These will be the well-known donors with the capacity to fund a wide range of charities at a significant level. Below is a selection of the classic names:

The Community Fund
Lloyds TSB
The Local Authority
Sure Start
Nationwide Building Society
The Children’s Fund
Neighbourhood Renewal Fund

They will be the first funders to be approached by every charity. Their policies and priorities may change from time to time, but for most charities these funders will dominate their fortunes. The ability to secure funding from these donors will be essential to the fundraising strategy of most charities.

The “unusual suspects”

These donors are the “surprise packages”. They may be located a long way from your charity or have shown no previous interest in your work and almost “out of the blue” they appear with a substantial donation. We tend to include only substantial donors within this group, as these are the ones that matter, most charities can boast a host of unusual low-level donors.

The strategy for approaching each group

Step One

It is essential that every charities fundraising strategy start with the “Close Constituents”. A close constituent is defined as “someone who shares a common purpose with the charity” and they regard this as their most important community activity. The aim in reaching out to close constituents is to generate substantial numbers of people or organisations that have some funding connection with your charity. These constituents should be “data-captured”, i.e.: you should have a record of their contact details. The value of their direct financial support is not as important as the proof they provide about the commitment of your core constituency.

This element of your fundraising activities is likely to be very time-consuming and not very profitable in the early years. It should be evaluated by the proportion of the constituency engaged with the charity - not by the financial return.

This form of fundraising is time consuming with little immediate financial return. However, if you don't make some effort to approach your "family and friends" why should an external donor get involved? It's the effort that's crucial not the results. You need to demonstrate this effort to the "usual suspects".

Step Two

Alongside the development of connections with the close constituency a fundraising strategy needs to be equally targeted on the "usual suspects" – the governmental funds and the major foundations. Funding from these sources may not be reliable, but the gifts are likely to be substantial. You are likely to be competing with a wide range of other charities. Above all, it is a good policy to "rotate" your exploitation of the "usual suspects" so that you don't approach them all in one year. You need to be saving up future prospects as well as maximising your current income from this group.

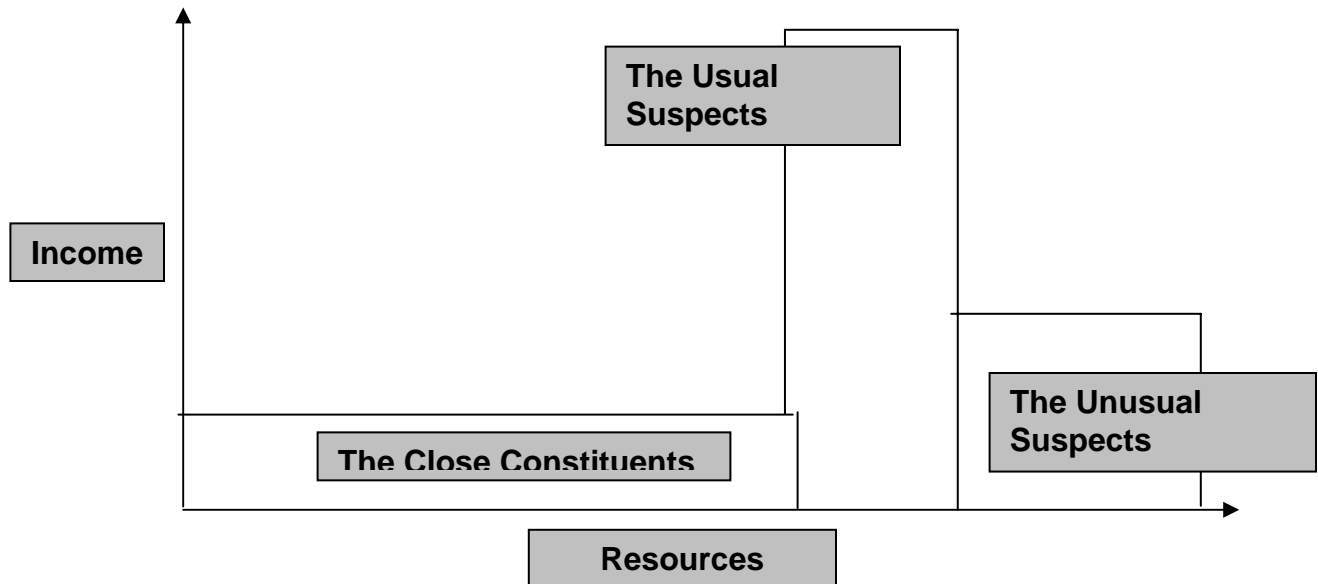
It is usually the case that the funding and commitments that you have from your close constituents can be used as valuable leverage with these more general funders. This is why it is essential to approach your close constituents first of all.

Step Three

A charity which relies exclusively upon funding from the "usual suspects" will be very vulnerable to the inevitable withdrawal in funding and in danger of pandering to the priorities of these funders, rather than being answerable to its own beneficiaries and key decision-makers. A charity, which has some support from its close constituency, as well as a substantial proportion of funding from the "usual suspects", will be less vulnerable. However, it is unlikely that the net funding from close constituents will ever match the value of money from the "usual suspects".

To break out of the confines of these two funding sources a charity will need to develop its own unique "unusual suspects". Unusual suspects often come from the connections of your close constituents and intuitive fundraising, which can turn an interested enquirer into a major donor.

The balance of resources and return for these three sources can be portrayed diagrammatically:



This diagram shows that the bulk of the fundraising effort will be applied to the close constituency, but the returns will come from the usual suspects. The additional effort put into the unusual suspects will produce the difference between exceptional or adequate fundraising performance. This marginal effort will not be as cost-effective as the approaches to the usual suspects (but these are always limited).

A Case Study in Developing All Three Sources

A refugee group in the UK had reached the point whereby their services were being damaged by a lack of stable premises. They had always dreamed of buying their own location to provide continuity in the services for people whose lives had been ruined by uncertainty.

For many years a small fund had been building up from subscriptions from the refugee community themselves (close constituents), these were often small donations or low-level membership fees. After a few years this fund grew to around £15,000. In 1994 the organisation was offered ideal premises at a reasonable price - £150,000. The building fund would never be able to expand to this amount. An appeal was developed to approach the UK's largest Foundations (the usual suspects). A combination of three major Foundations then offered £100,000, primarily because of the organisation's effective management team, but in addition they were impressed by the communities efforts to raise the £15,000 from a very poor constituency.

The group was still £35,000 short of the target and to generate extra support an event was organised to publicise the appeal within the refugee community. A few days after an event a local solicitor contacted the group and explained that he was the key decision-maker of a local funder and he'd like details of the new proposed centre. He'd never contacted the organisation before, but a friend had attended the recent event. A few weeks later a cheque for £35,000 arrived from this donor who wished to remain anonymous (an unusual suspect).

Conclusion

This theory categorises donors by their relative connection with the cause. You should be able to use this categorisation to influence your fundraising strategy in the following ways:

- To ensure that you maximise the funding from your close constituency
- To use this funding to "lever" funds from the usual suspects
- To make sure that you are not wholly reliant on funding from the usual suspects
- To ensure that you develop activities that will attract unusual suspects to your cause.
- To recognise that the three categories of donors will have different cost-income ratios

Section Two: Application Writing

After an exhausting study of the application forms of fifty of the largest grantmakers in the UK, including government and charitable trust donors, a pattern emerged revealing the common questions. If you can prepare your organisation to answer these questions as a standard part of project development, you should have sufficient information to complete the application forms of most sophisticated funders:

One	The projects goals and target beneficiaries
	<ul style="list-style-type: none"> a. What are the aims of the project? b. Who are the main beneficiaries? c. How many of them? d. How do you know there is a need?
Two	The external relevance of the project
	<ul style="list-style-type: none"> a. How does your project relate to the work of other organisations? b. How does your project meet our funding priorities?
Three	The context of your organisation
	<ul style="list-style-type: none"> a. What are the overall aims of your organisation? b. How do you involve your beneficiaries?
Four	The key activities of the project
	<ul style="list-style-type: none"> a. What are the key activities of your project? b. When will it start? c. How much do you need and what for?
Five	The monitoring and evaluation systems
	<ul style="list-style-type: none"> a. How will you monitor progress ? b. How will you evaluate the results? c. How will you use this information to adjust your project?
Six	The continuation plans
	<ul style="list-style-type: none"> a. If the project is to continue, how will it be funded? b. If the project will end after our funding, how will you disseminate the results?

Question 2b – how does this project meet our funding priorities – will need to be adjusted for each application. Question three can be a standard piece of information, which is used for all applications.

If you can produce a summary of your project which answers all of these questions (except 2b) before you complete a single application form, then you will be able to adapt the core information for each separate funder without having to repeat the information trawl each time. This will leave only one question that needs to be adapted for each form – how your project meets their priorities.

It's worth looking into some of the more awkward questions in greater depth:

One	The projects goals and target beneficiaries
	e. What are the aims of the project? f. Who are the main beneficiaries? g. How many of them? h. How do you know there is a need?

The important point to consider in answering these questions is to be precise over the numbers and types of beneficiaries. Most funders are used to dividing beneficiaries into two groups:

1. Primary beneficiaries. These are the people who are going to be directly affected by your project. The numbers might be small, but the project will have a high impact upon them. Many of the more sophisticated funders accept that the cost per beneficiary may be very substantial.
2. Secondary Beneficiaries. These are people who will have a less direct relationship with your project, but it will have an impact on their lives, although this may be less easy to quantify and for the exact impact of your project to be identifiable.

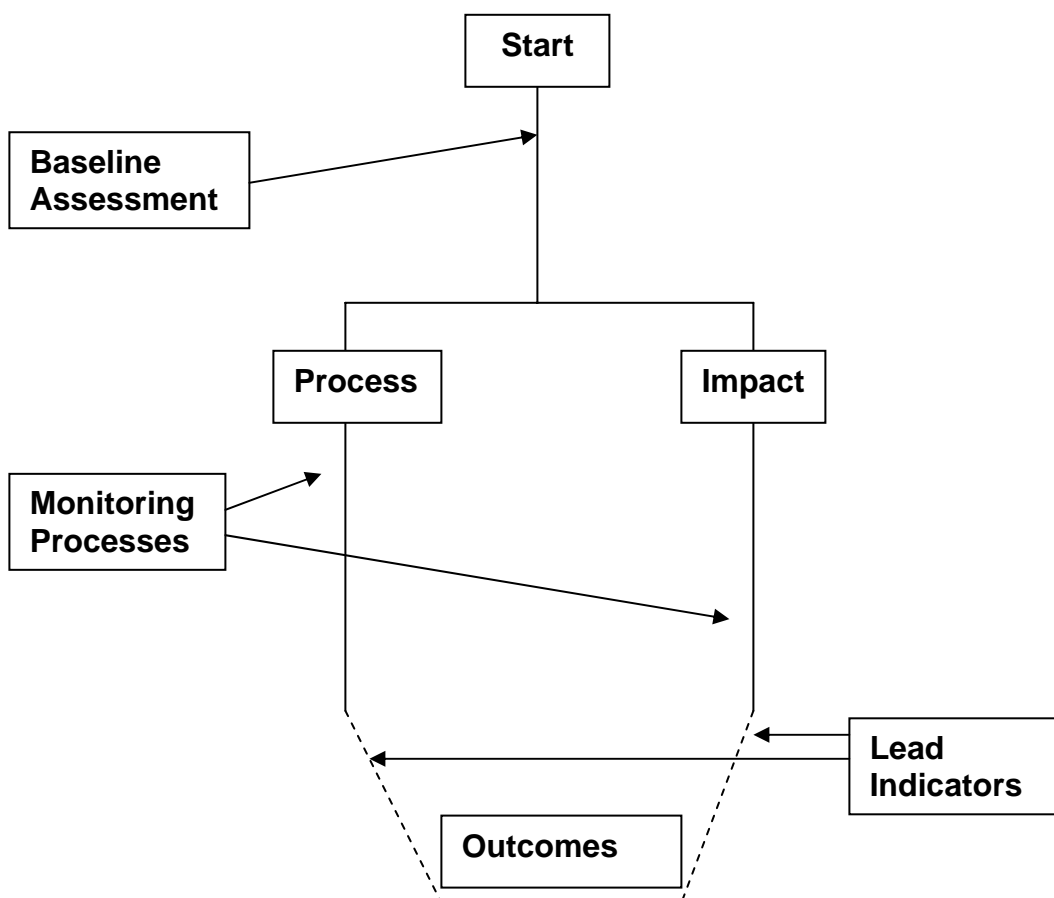
You'll need to make a judgement as to whether you're going to base your argument for support upon a high impact on a small group of primary beneficiaries, with a high cost per beneficiary, or whether you're going to include a wider group of people with a more diluted impact.

An example of the former could be an intensive health programme that works with people with complex addiction problems. An example of the latter could be an environmental project where a large number of people will visit the area and the impact on their lives will be less dramatic.

Five	The monitoring and evaluation systems
	d. How will you monitor progress ? e. How will you evaluate the results? f. How will you use this information to adjust your project?

As a fundraiser it is worth having a rudimentary understanding of the principles of evaluation, both to be convincing with funders and to spot a sound answer from your operational colleagues.

There is basic process to monitoring and evaluation:



Ideally at the start of any project process, there should be a 'baseline assessment'. This is a measurement of the current situation, before the project has got underway. Without this it will be difficult to identify the changes that have taken place.

Evaluation of a project can often be split into two aspects: process and impact. Process evaluation seeks to assess the effectiveness of the methodology – this may show how the same way of working can be applied to other issues, a real 'spin-off'

from a project. Impact evaluation seeks to measure the changes in the target beneficiaries. There can be 'outcomes' for both the process and the impact. It's important to know whether a project is to be evaluated for either of these aspects, or whether it will be a combination of both.

One of the tricky issues is that funders want to see outcomes from the funding – genuine improvements and changes in the lives of your beneficiaries. Often these outcomes might not happen for a long time after the funding period. Furthermore, it becomes very difficult to decide your precise contribution to these outcomes, as, over time, many other factors might influence the changes.

One way of getting around this dilemma is to generate 'lead indicators' for the outcomes. These are short term signs that the eventual outcomes will happen.

Let's look at these elements in an example. A project to prevent youth homelessness had discovered that young people with a combination of three 'risk factors' were much more likely to become homeless.

1. high risk of permanent school exclusion
2. low self esteem
3. family breakdown and tensions

Therefore a group of vulnerable young people were assessed as to their exposure to these risk factors. This was the 'baseline assessment'. These young people were then put through a unique programme that combined three forms of support as an integrated service: family support, personal development programmes, and educational support. The evaluation of the programme aimed to look at the value of the three services collaborating together for a single purpose (a process evaluation). This was intended to show whether this model could be used for other social problems. An another form of evaluation looked at how effective the programme was at reducing the risk factors within this group of young people.(impact evaluation).

Ultimately it was virtually impossible to measure a real impact of this programme within the three year time frame of the funding. Therefore they established a number of 'lead indicators' which would show within a short time frame that progress was being made towards the ultimately outcomes.

Six	The continuation plans
	c. If the project is to continue, how will it be funded? d. If the project will end after our funding, how will you disseminate the results?

One of the most difficult challenges in fundraising is to provide a decent answer to Question Six, c:

If the project is to continue, how will it be funded?

The basic 'trick' is to continue to run the project, but to not go back to the same funder with the same proposition. The technique of rotating donors, explained elsewhere in this pack is one way of achieving this. Below are four more possible solutions:

1. Combining Projects

It could be feasible to merge elements of two existing projects to create a new one, without actually making significant operational changes. For example, out of an established advocacy project and a separate information service there could be the opportunity to create an user involvement project as which steals elements of both projects. A third 'new' project is apparently created out of two core functions. It's bit like combining bits of different coloured dough to create new shapes and colours. Whatever you do, you're still using the same base material.

2. Three Phases of a Project

I once came across a charity, which had managed to secure nine years of consecutive funding out of the same funder for essentially the same project. It was a fantastic achievement and the fundraiser had a simple solution. The projects were always presented as going through three phases.

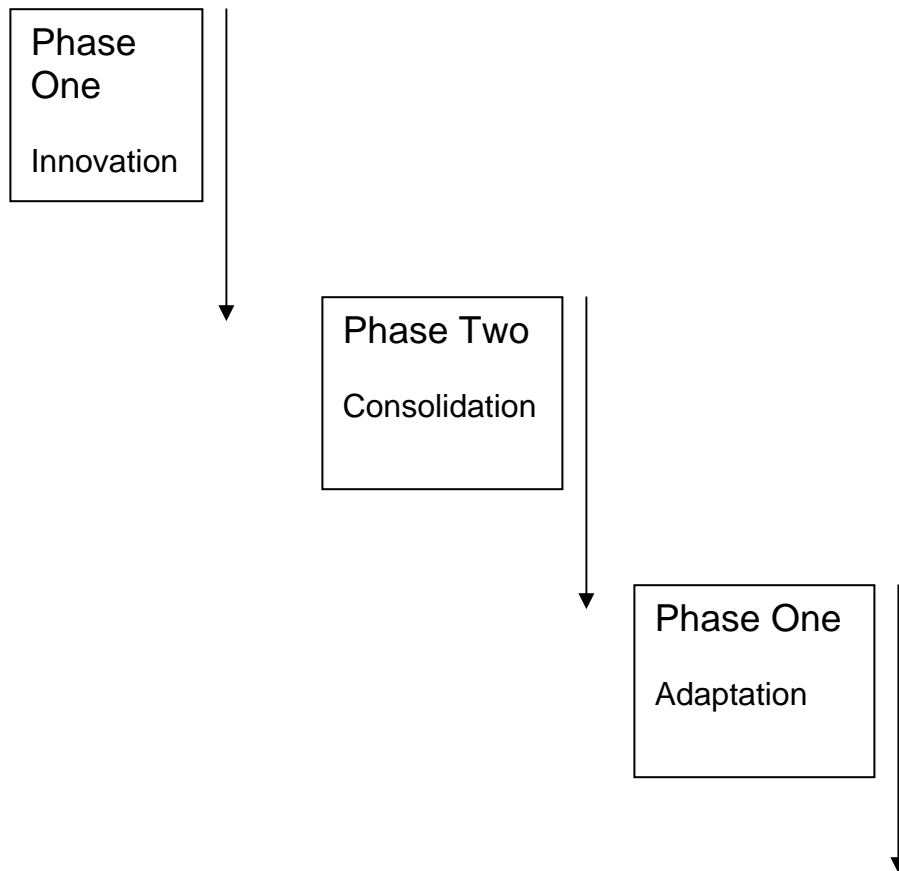
The first phase is 'innovation'. This is the experimental, risk taking early stages of the project. This phase appeals to many donors as the project is obviously new. The charity would ask for three years funding for the set-up costs of the project.

The second phase is 'consolidation'. This is where the lessons of the pilot phase have been learnt. Some aspects of the project are to be dropped and others changed slightly and some bits have worked and will continue as before. This is the phase when real results are to be expected and there can be a lot of dissemination around other organisations. A second tranche of three year funding is requested for this phase.

The real challenge is to secure the third batch of three year funding. The project is no longer new, full of fresh innovation. It is by now an established way of working

and the rich phase of consolidation has finished. In short, the project is 'part of the furniture'. Now's the time to recognise the impact of external changes over the preceding six years and what you are now proposing is to 'adapt' your successful model to a new context. This new context could be a breakthrough in research, arrival of new technology or learning, or changes in the needs and make-up of the beneficiaries. At this stage you are breathing new life into a safe and established way of working.

These three phases can be reality, but the clever trick is to recognise the natural evolution of a project and to plan to present the project differently over its lifespan.



3. Mainstream funding will follow

Whether the funding comes from your charity's own resources, or from external funders, you need to prove that there will be another source of funding that will 'pick up the tab' in the long run. Macmillan nurses are an excellent example of this model. Macmillan find the funding for the first three years and then the NHS will provide core funding for the post from the fourth onwards.

You may not be able to prove this is possible for the specific project you have in mind, but if your organisation has track record of funding its activities in this way, then you can show the potential of this model.

4. The Project will Generate Increased Revenue

For some projects you might be able to prove that the investment will help the charity to generate increased funds that will more than pay for the increased funds of the project. An example might be the capital and development costs of a visitor centre. It will make the nature reserve more expensive to run, but this will be more than offset by increased income from visitors.

By using any combination of these four approaches you can usually provide a decent answer to this difficult question.

Section Three: Relationship Building

The four stages In making approaches

There are many ways to ask a donor for money. Unfortunately there are as many different ways of being turned down. There are, however, some fundamental elements that need to be considered if your application has any chance of being successful.

The majority of successful applications can be broken down into four key stages:

- Stage One: Identification and Evaluation
- Stage Two: Raising Awareness
- Stage Three: Exploring the Opportunities
- Stage Four: Making the Agreement

Stage One: Identification and Evaluation

There are hundreds of potential sources of funding for your organisation or project. The first key stage of any successful funding application is to correctly identify the best funders to approach.

There are several different research tools you can use to identify potential funders, including directories, specialist databases and the Charity Commission.

Questions that should be asked at this stage include:

- Does the funder's published areas of interest coincide with the activities you want funding for?
- Do they have deadlines for applications and decision making? Do these coincide with your funding needs?
- Do they have the capacity to make a donation? Do they state that their funds are fully committed? Perhaps they only give small grants and you were thinking of asking for a significant donation?
- Is there the potential to develop a dialogue with them? Do they invite unsolicited applications? Do they invite phone enquiries? Do you have any links to the funder?

The majority of applications fail at this stage simply because fundraisers fail to ask these questions, and applications are dispatched which are outside the scope of the funder's giving.

If you have completed your research and identification work effectively, most of your potential funders will now seem inappropriate to approach. This is nothing to worry about, it's merely revealing the likely rejections in advance. This will save you (and

the funder) from going through all the heartache that comes from applying for funds and being rejected.

Below is a handy checklist for the sort of information you need to acquire in this identification stage.

Money – has the donor the financial capacity to make a significant gift?

Accessibility - is the donor prepared to open up a dialogue with you and be responsive to a range of communication techniques?

Need – do they have a proven interest in supporting your charitable activities?

Your most valuable potential supporters will display all three of the above attributes. However this is not always possible and it is quite often likely that you will make more money from a donor with a proven need to support your activities, with a lower potential size of grant, but who is actively responsive to your approaches.

As always, **check your assumptions**, by direct contact if at all possible. Published information is soon out of date.

Indicators that Stage One has been completed

- A list of funders who have a proven interest in your charitable work
- An assessment of the financial potential of each of your prospective donors
- Evidence that each of your prospective donors is amenable to a range of communication techniques

Stage Two: Raising Awareness

You know who your potential donors are; do they know who you are?

The funder needs to be made aware of your organisation's existence, its aims and capabilities. If they don't achieve this basic level of understanding about who you are and what you do then there is little scope for further development of the relationship.

- Take advantage of your initial telephone contact with the funder to explain who you are and what you do.
- Ensure that you have information about your organisation's overall objectives, activities, and achievements as written supporting material to send to the donor. Your Annual Report should provide a good overview.
- Remember the importance of the wider publicity and awareness raising undertaken by your organisation. Invite them to find out more, or at least inform potential donors, about important campaigns or events that they may be interested in.

The key is to establish that link between your objectives and interests and their objectives and interests.

This is a two-way process. You need to be listening as much as you are promoting your cause. To be more precise – the purpose of any first contact with a potential donor will be to complete the research and identification stage. You should be seeking to clarify and confirm your understanding of the trust and in particular to test out their potential for responding to telephone contact and a variety of written submissions (the potential for *Accessibility*).

Ideally, you should end up in the situation where potential funders are readily contacting you.

Indicators that Stage Two has been completed

- *You* understand the donor's priorities and policies
- *They* understand what your charity does
- There is an agreed next stage, e.g.:
 - A meeting
 - Further information to be sent
 - Invitation to submit an application

Stage Three: Exploring the Opportunities

This should be an exchange between the funder and your organisation over their *respective* needs.

Funders have needs too!

This should be a dialogue between equal partners, with active listening by both parties in order to select the most appropriate options:

- Be prepared - with several appropriate projects to bring to the discussions
- Be willing to be flexible - if they can't support you this funding cycle, explore the possibility of a commitment to supporting a project next year
- Ask – are there aspects of your work they are particularly interested in, would they prefer to fund a specific item, element or salary?
- Listen

These discussions should result in a mutually agreed proposal for funding being submitted. The donor needs to take active ownership of the proposal. Your aim is to co-develop the idea as much as possible.

Indicators that Stage Three has been completed

- Unsolicited correspondence from the donor
- Your proposals have had amendments made to them at the suggestion of the donor.
- You have a draft proposal under consideration

Stage Four: Making the Agreement

This should be the easiest stage. The previous three stages should have lead to applications that have been initiated and developed by both parties.

There are of course sometimes unexpected 'spanners in the works', but if you have established a genuine dialogue with the funder, you will be aware of these potential problems, and can agree alternative ways forward.

Failure at this stage is usually due to hidden flaws earlier on, and usually because there was insufficient recognition of the genuine needs of the funder.

Essentially, a refusal should be regarded as an opportunity to re-examine, evaluate and further develop your relationship with the funder.

Whatever the conclusion of these four stages, at the end of the process you need to start again at Stage One. You are either aiming to be successful next time or you need to start preparing the donor for a larger request.

Indicators that Stage Four has been completed

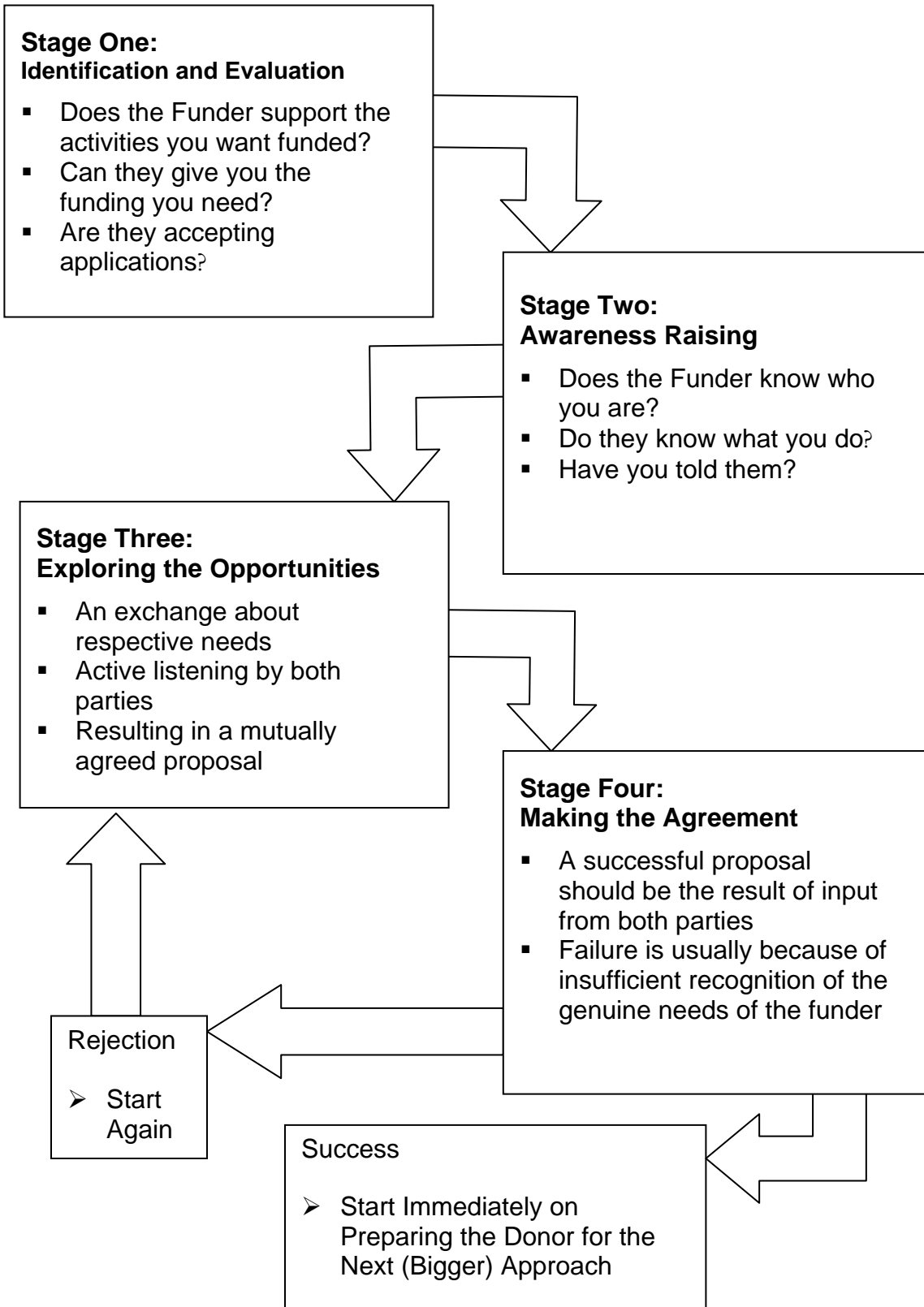
£!

**or a
*Rejection Letter***

If you are not progressing in any of these stages then don't try to get too clever and pushy in completing that stage. Instead go back a stage. Often the main reason why donors are not taking an interest in you (Stage Two) is because you have identified the wrong prospect (Stage One).

Alternatively, you may be getting frustrated that a donor is not moving into Stage Three (Exploring Opportunities). This reluctance is more than likely due to a lack of understanding as to what you have to offer. You may think that you have completed Stage Two, but the donor doesn't see it that way!

The Four Stages in Making Approaches



Case Study

A large international aid agency undertook a re-evaluation of its fundraising strategy for Charitable Trusts and Foundations, with a view to potentially increasing levels of restricted and unrestricted income.

A review of the charity's own methods of approach and its relative successes and failures in applications to major Trusts was undertaken. This revealed that:

- Although applications were being relatively successful, additional research into the Trust's areas of interest and patterns of giving would ensure that applications were more closely linked to the Trusts specific areas of interest.
- The charity's major successes had been as a result of sustaining long-term relationships with many of its supporters.
- Securing significant funding, or a major increase in the level of donations had been in response to donors being invited to major and prestigious events.
- The biggest donations had been received following very intensive levels of contact with fundraising staff, and later, senior personnel at the charity, including its chief executive. This had, on one occasional, also included a field visit.

As a result of this analysis:

- Additional research was undertaken, and several trusts were identified who had the capacity to give significant, but restricted, project funding.
- From this group, five key Trusts were identified who would be 'courted' with a view to securing significant funding for two key projects in two countries.
- These would receive the significant and personalised levels of contact from the fundraising staff, with the aim to move towards their involvement in high-level discussions with senior programme staff, which had characterised previous successful applications.
- Where possible, the existing cycle of contact with all other major and medium sized funders were also 'upgraded', to include a more personalised approach and initiations to significant events, so these funders would feel that they were as valued as the other key supporters of the charity.
- A broader range of information materials was included in all mailings, seeking to broaden the Trusts awareness of the range of activities and projects that the Charity undertook. This included publicity linked with the publication of a major piece of research that the charity had recently published.

12 months after these changes were initiated:

- A donation from a major Charitable Trust for project funding of over £500,000 over three years had been secured
- An additional Trust is working with the charity in developing another project proposal for almost £1million in a second country

Exercises

Review Your Successes

Select four of your most successful applications, including historical as well as current grant successes.

1. Using the four stages model, critically review the activities that were undertaken to secure success.
2. Identify any common elements:
 - Personalized contact?
 - Meetings between key individuals?
 - Supporting materials or awareness raising activities?
 - Is there any element or activity that your organisation seems to be particularly good at that is attractive to the donors?

Evaluate Your Rejections

Select four of your unsuccessful applications, be they out and out rejections, or previously warm supporters who have gone cold.

1. Using the four stages model, critically review the activities that were undertaken, looking for evidence of:
 - Research into the donor's interests and ability to fund?
 - Discussion or dialogue about various different projects?
 - Notes about the donor's preferences or requirements?
2. Can you identify any 'gaps' or weaknesses in the preparation, which you feel could have lead to the application being rejected?
 - Are there similar 'gaps' in all the applications? Or does it appear to be a different issue for each application?
3. Consider asking the donor why your application failed.

Plan Your Next Approaches

1. Use the results of your analysis to highlight the 'strengths' and 'weaknesses' of these previous applications, at each of the stages.
2. Use this model to develop a plan for your next approaches, highlighting the preparation and activities to be undertaken at each stage.

Conclusion

As a result of this session, you should be able to:

- ✓ Recognise that developing effective high value approaches goes through four distinct stages
- ✓ Identify the elements of each stage
- ✓ Know when each stage has been completed
- ✓ Realise how to overcome blockages at each stage

7.2 The three levels of contact

The purpose of this idea is to encourage you to consider the range of people within your organisation that can be involved in trust fundraising. We will look at the three key people:

- You, the fundraiser
- The Trustees and/or Chief Executive of your charity
- The project staff

We will aim to show that everyone has a different role to play and that ideally a relationship with a trust should involve all three levels of contact.

This can be best achieved by initially explaining the idea through an analogy.

The scene

A restaurant full of diners

The Cast

The chef

The waiter

The restaurant manager

Grassroots

Chef/Project Worker

- Represent the core message, values and ideals of the charity
- Discuss their work in a way that others working for the charity cannot (e.g. the fundraisers)
- Represent the need being met by the charity
- Offer the chance for a donor to make an emotional connection with them and therefore the work of the charity
- Offer donors the opportunity to ask questions and get answers from those doing the actual work
- Lift the work of the charity up from its Annual Reports and written applications into something real and tangible

Professionals

Waiter/Fundraiser

- Vehicle for making a link between the Trust and the charity
- Make decisions about what projects to sell
- Represent the charity but also represent the needs of the funder
- Answer questions about the wider credibility of the organisation e.g. accounts, cost/income ratios
- Professional interface of the charity

Influencers Restaurant Manager/ Chief Executive and Trustees

- Contact with Trusts should be limited and controlled by the fundraisers!
- Should only really have contact at an appropriate level with the donor (i.e. with the Trustees or the committee)
- Can be used to impress a donor
- Represent the weight/authority of the organisation
- Should not ask for money

Level 1 - Grassroots

Chef	Project Workers/Volunteers
Do the actual work	Do the actual work
If the diner wanted to know more about the food or product itself, the chef would be the best person to ask, eg, do they use organic food?	If a donor wanted to know more about the actual service provided, it would be best to ask the project worker directly, eg, how is the success of their work measured, how is it evaluated?
This understanding and involvement may increase the chances of the diner returning	This understanding and involvement may increase the emotional commitment a donor has with the service provided and the charity providing it

Level 2 – Professionals

Waiter	Fundraiser
Public representative of the restaurant responsible for managing the relationship with diners	Public representative of the charity responsible for managing the relationship with the donor
Their manner, efficiency and courtesy is crucial to how the diner will perceive the quality of the service they have received	The ability of the fundraiser to suggest the right mix of projects, understand what the donor is interested in and provide options is crucial
Appears to be on the diner's 'side' and to have their interests at heart	Must position themselves as an advocate for the donor

Level 3 – Influencers

Restaurant Manager	CE, Trustees
Unlikely to be involved in the day-to-day contact with diners	Unlikely to be involved with funders on a day-to-day basis
Will usually mix with people on their own level, eg, VIPS, food critics etc	Their contact will usually be with Trustees not the Directors or Administrators
They don't ask for orders from diners	They don't ask for money

7.3 Giving donors roles

Throughout this pack there will be an underlying theme emphasising the importance of adding variety to your relationships. Donors don't appear out of thin air, they usually have some form of connection with the charity prior to making a gift and even after their funding has ended they are unlikely to disappear completely.

Essentially there are four types of role that a person can have with your charity.

Activist

These are people who are actively involved in your charity, either as clients or beneficiaries, staff or volunteers. They have a significant and non-financial commitment to the charity.

Advocate

These are people who speak out on behalf of your organisation to others, make connections for you and promote your cause. They may often be ex-staff and volunteers or satisfied beneficiaries.

Supporter

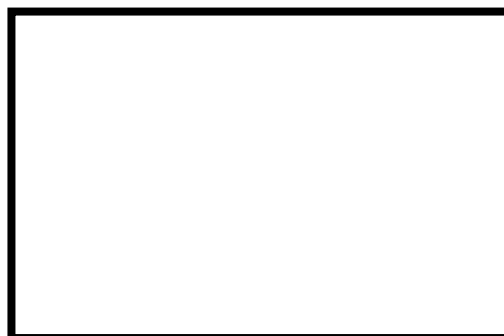
These are your donors, people with a financial commitment to your cause.

Witness

These are people who are not actively involved in your cause, they have no physical or financial commitment. However, they are aware of what you do, as a result of your advertising, personal recommendations, etc... You probably have no idea of who they are.

Activist

Advocate



Witness

Supporter

Managing donors

No donor remains as a financial supporter forever. The key question is how can you manage the ending process. It's always better for you to be pro-active in ending the funding, rather than for your appeals to be rejected.

Option One – changing an activist into a supporter

Many organisations have been searching for ways of turning activists –their volunteers, staff and beneficiaries – into donors. This is particularly important for activists who have ceased volunteering for an agency. Most research shows that ex-activists often have a stronger affinity with the charity immediately after they have ceased being involved. Often charities seek to persuade ex-activists to become supporters at this point, rather than lose them altogether. The results of these approaches haven't been universally successful.

Convincing ex-activists to immediately switch to become donors is difficult, but a more productive alternative can be to equip them to become “advocates” for your charity. They understand the work of the agency, they believe in it more than at any other point and they have a sense of detachment. These are the perfect ingredients for a successful advocate.

Advocates reach out to promote the charity to their own (often new and unexpected) audiences. They can reach new funders. They rarely give themselves and often the period of intense advocacy is limited – it is exhausting work. It's crucial that the charity captures the contact details of all ex-activists and equips these individuals to promote the cause.

Immediately after ceasing as an activist an individual is more likely to want to play an advocacy role and attract new supporters for the charity. After an intense and brief period of advocacy they then may move onto becoming a supporter in their own right

Option Two – changing a supporter into an activist

This is a common recommendation – to encourage your most loyal and valuable donors to become actively involved in your cause. This can be achieved by persuading them to become volunteers, or advisors. This option is fraught with dangers. On the positive side, it can lead to the donor gaining a better understanding of what you do and developing a greater empathy with your cause. However, it can also backfire, as you are providing the supporter with a non-financial means of satisfying their philanthropic motivations. Such activism can suppress giving. You have to make an assessment of whether their financial support is more valuable than their technical support. If this is the case, then try to avoid providing your donors with any chance of making a commitment to your cause - in any other way than by giving.

An alternative option is to entice your donors to become activists for a limited period of time only. They'll learn more about your charity, become inspired but the time limitations will mean that they'll return to their funding role before they become too involved. Over involvement will lead to the individual to consider that their advice is more valuable than their money.

Option Three – Changing a Supporter into an Advocate

This is an alternative, it involves equipping the supporter to promote your cause rather than give to it. This is enabling your donors to “get” as well as “give”. It is an ideal way of making donors feel valuable without over-exploiting their giving potential. It works when the donor has good and valuable contacts (witnesses) which may be willing to give to your cause. You may have to provide some prompting or direction (suggest names) and you have to make sure that the (ex) donor is capable of explaining the work of the charity effectively.

In the terms of funders, this transition most often takes place when donors offer to recommend your cause to their peers. It's an easy request to make when funding has come to an end, or shortly after the donor has given to the cause and is full of enthusiasm. It is also a good way of “testing” a regular relationship.

