

VITROO

Bold Leadership. Transformative Fundraising.

Board Leadership

October 21, 2017

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Session Objectives



The Taronga Zoo in Sydney devised a fantastic fundraising idea.

1. What is fundraising really all about?
2. What is the board's role in fundraising?
3. What can I do as an individual board member?





Question 1:

I need your help to raise some money?



Question 2:

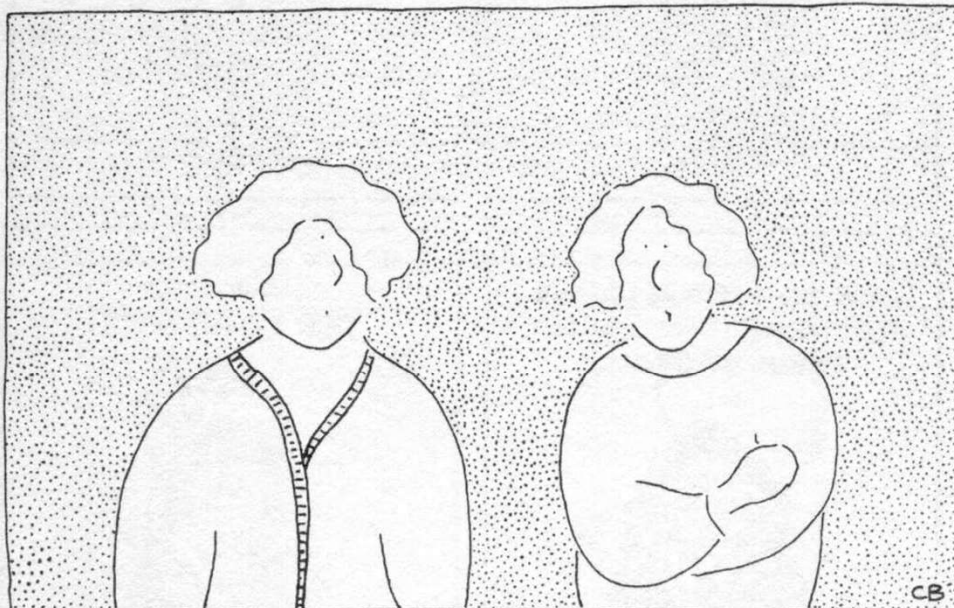
How do you feel when you make a gift?

Think about the last time you donated to an organization/cause you like.
How did you feel?



Fundraising vs Philanthropy

*...it's more than
a bake sale!*



"A bake sale may be tried and true, Isabel,
but we're trying to raise \$5-million here."



Canada's Charitable Sector



2ND LARGEST IN THE WORLD

Canada's charitable and nonprofit sector is the 2nd largest in the world; the Netherlands is the largest; the United States is the 5th.



8% GDP

Charities and nonprofits meet real demands in every part of Canada. The sector represents \$135 billion or 8.1% of the GDP (larger than the oil and gas or finance industries).



170,000+ ORGANIZATIONS

There are an estimated 170,000 nonprofits and charities in Canada. Half of these (54%) are run entirely by volunteers. The top 1% of organizations command 60% of all revenues.



2 MILLION CANADIANS

2 million people are employed by these organizations representing 11.1% of the economically active population.

Source: ImagineCanda

Did you know?

Smaller provinces have a higher number of organizations relative to their populations



Giving In Canada



- Charities raise 30% more from individuals than from foundations & corporate donations
- Over 80% of dollars donated in Canada are donated by individuals and family foundations
- Over 80% of corporations in Canada are family-owned



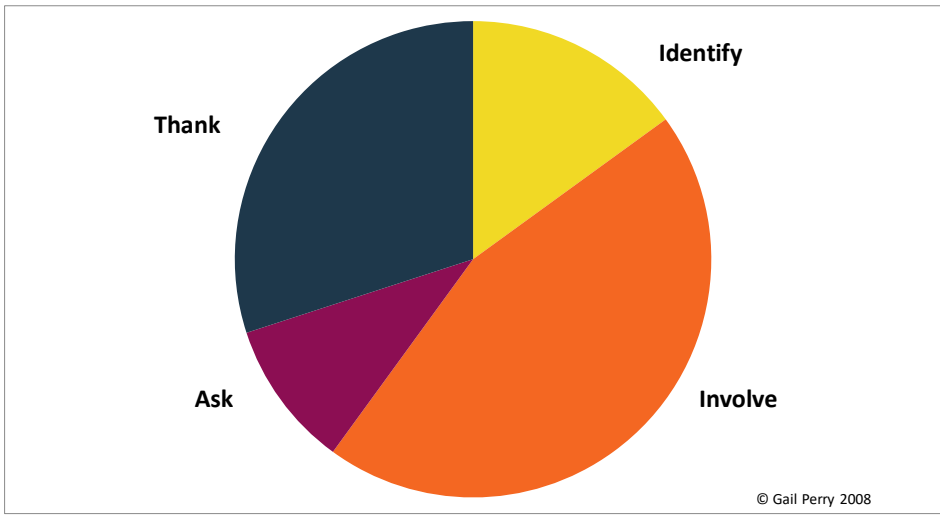
Individual Giving

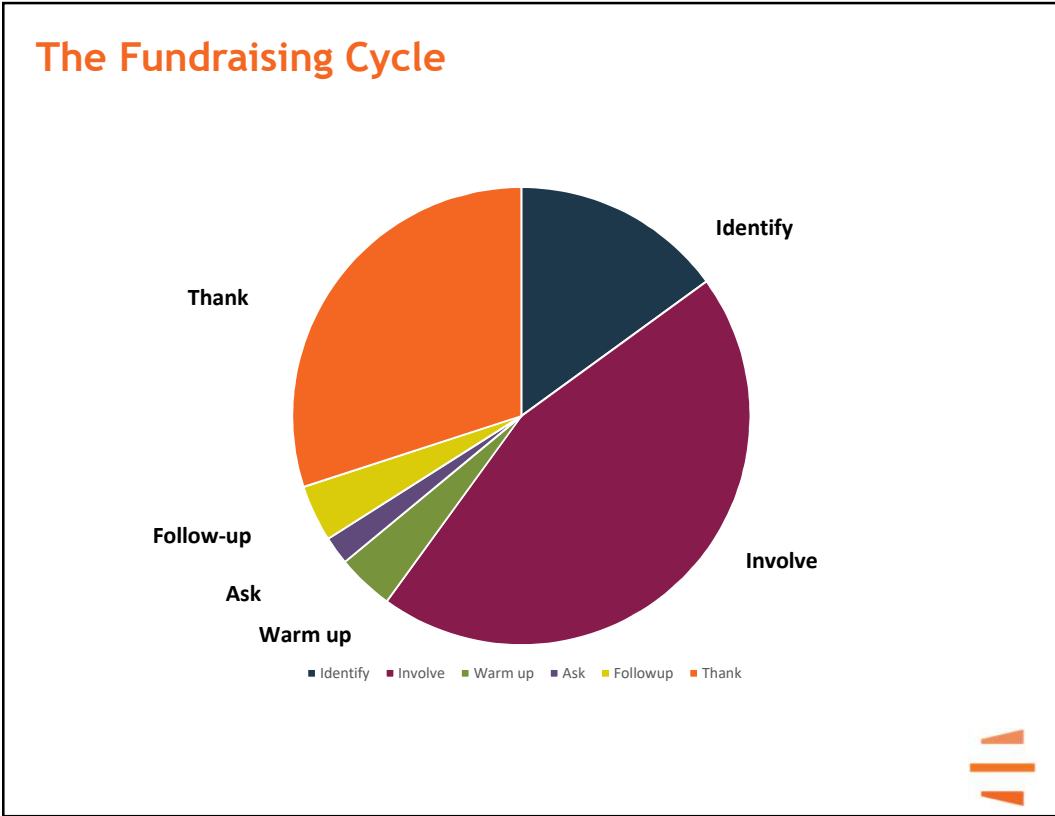


- 90 % of gifts come from 10 % of individuals
- Most individual gifts are unrestricted income – important to assist with operation costs
- Gifts from individuals can increase dramatically over time



The Fundraising Cycle






It's Not About The Money!!

“When you ask people to invest... in a new future, you honour them by asking them to risk, to take a stand, to cause something unpredictable to happen.”

Lynne Twist
Author: “The Soul of Money”





It's Not About You!!

- It's about families
- It's about community
- It's about the donor and what they are looking for
- It's about opportunity



It's About Building Relationships



5 Most Common Mistakes

1. Asking for money, not building and keeping friends
2. Too many calls at too low a \$ level
3. Cold or Cool calls
4. Lack of training, structure, support
5. Emergency f/r vs. long-term relationships

Darlene, 83, widowed, reminds u to chew your food, writes \$12 checks



Why Do People Give



- To improve or save lives
- To people
- The most money when they are involved
- Because they believe in the mission of the organization
- Out of a personal responsibility to others



Why Do People Give

- To make an investment in creating a better world
- Because they want to
- Because they are asked
- To experience the joy of the results of their gift



“ Nonprofit organizations exist to fulfill community needs. People do not give because an organization has needs. They give because your organization meets needs. ” - Kay Sprinkel Grace. Author ‘ Fundraising Mistakes that Bedevil all Boards (and Staffs Too) ’.



Philanthropic Culture

“An understanding of and respect for the way philanthropy helps an organization achieve its mission. A culture in which every member of the organization understands the role they can play in achieving fundraising goals.”

Philanthropic Trends, Spring 2004



Characteristics of a Philanthropic Culture



- Role of philanthropy in achieving mission is well understood
- Unwavering support from leaders is widely evident
- Accountability is deeply ingrained throughout the organization



Characteristics of a Philanthropic Culture

- Development is recognized as a core function
- Donors, beneficiaries have opportunities to interact
- Donors are valued for more than just financial support
- Philanthropic success is celebrated



Source: Philanthropic Trends, Spring 2006



Role of the Board



Three Main Governance Roles

1. Keeping your organization clean, legal and financially health
2. Defining its future
3. Being the link with the community



The Board's Role in Fundraising

“ Recruiting an AAA Board is one where every board member is motivated to be an Ambassador, Advocate and/or Asker and is assigned according to his or her motivations.” - *Kay Sprinkel Grace*



The Role of the Board

- Critical to fundraising success
- Communicates goals to constituencies
- Community expects them to set an example – commitment must be visible and unanimous
- Gifts from and through board members range from 20-50% of the goal in successful campaigns
- Active in making solicitation visits, recruiting leaders, making personal gift
- Educate, manage, lead, stimulate
- Provide support for the Campaign Committee



AAA Board Roles



Ambassadors

- Making friends
- Building relationships

Advocates

- Making the case (formal and informal)
- Key to solid board recruitment

Askers

- Making the ask
- Front line fundraisers



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Specific Roles



- As donors
- As strategic planners
- As identifiers
- As qualifiers
- As cultivators
- As door openers
- As note writers
- As event attendees
- As stewards
- As advocates
- As solicitors



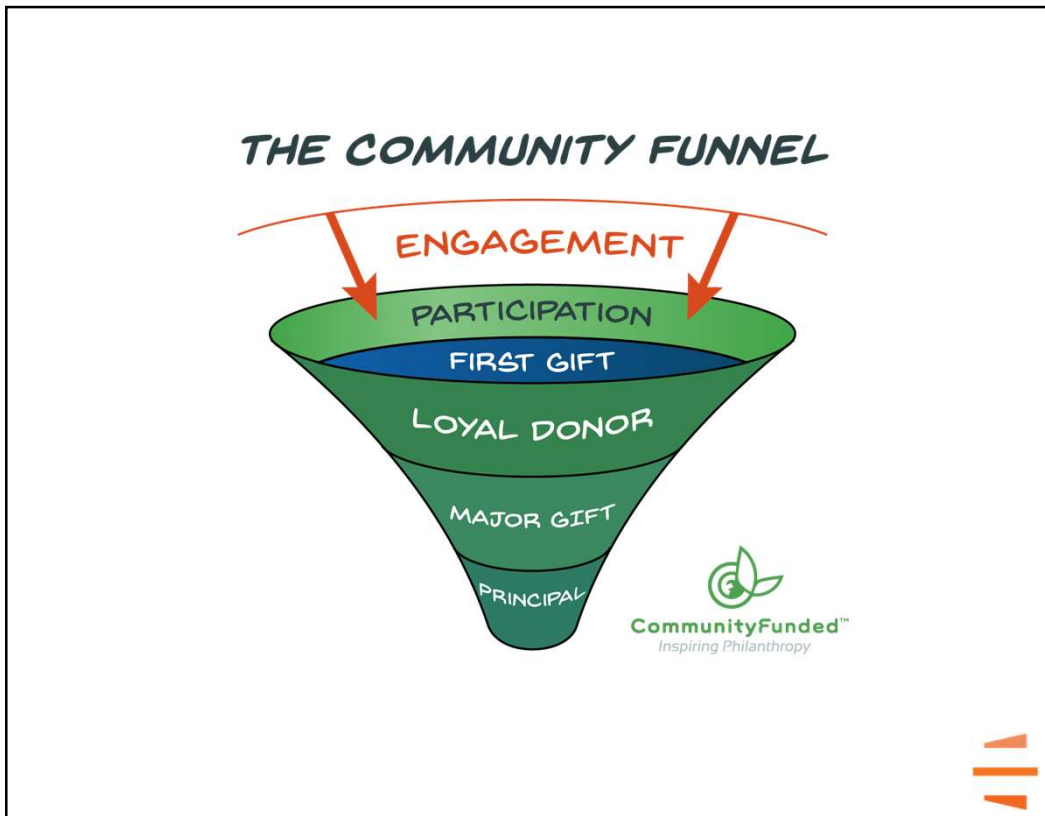
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Key Messages

- Philanthropy is “**the action of transforming the social wellbeing of others through generosity.**” (*how they do it*)
- NOT “the giving of money to nonprofit organizations”
- Giving is a transformational experience where an individual **manifests their aspirational self.**
- Today’s philanthropists want to be told a story that’s relevant to their lives and in which they see an opportunity to create tangible impact
- Not if, but **WHEN**, nonprofits think this way = paradigm shift in the approach to philanthropic giving





The Community Funnel

1. **Engagement:**
 - Most important layer
 - Captive audience for stories you are telling (wallflowers)
 - Relevant, custom, optimization
 - Empowering community members to control their experience
 - Catalytic to next layer ('layers' not 'levels')

THE COMMUNITY FUNNEL

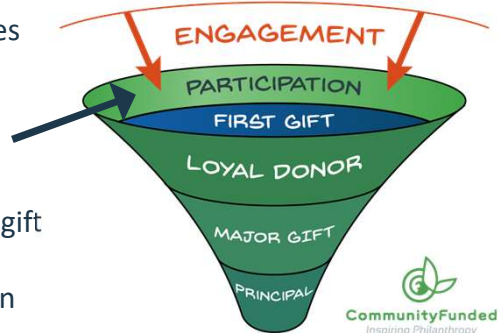
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The Community Funnel

2. Participation:

- Action of any kind, not just a monetary transaction – includes sharing and endorsing stories
- Emphasis on participation and growing your foundational community rather than size of gift
- Evangelists of your organization through affiliation

THE COMMUNITY FUNNEL

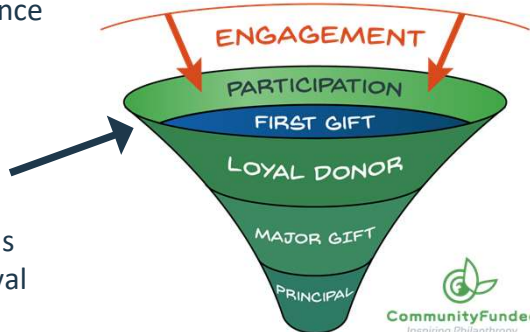


The Community Funnel

3. First-Time Gift:

- All of the community members that have been compelled through affinity to donate once
- Emphasis on moving them forward through effective stewardship.
- In retail, the magic number is three. Three purchases = loyal customer
- Stewardship at this phase determines likelihood and time for move to Loyal Donor layer

THE COMMUNITY FUNNEL



The Community Funnel

4. Loyal Donor:

- Tricky - likely where donors will remain the longest before maturing to major gift
- Personalized communication and often
- Provide a taste of the intimate interaction of the major gift nurture experience



The Community Funnel

5. Major Gift:

- Relationships!
- The authenticity of your organization's representative that will most influence the regularity and size of gifts in this stage.
- Leverage peers "Birds of a feather flock together!"
- Lifetime of major giving leads to principal gift



Discussion Questions

1. What does this philosophy actually mean for our organization and its current and prospective philanthropic supporters?
2. Can we use this philosophy to differentiate ourselves from other service and fundraising organizations?
3. Should we adopt this philosophy in our fundraising work? How? What does this mean for various parts of the organization? The board? Leadership staff? Program staff?



Questions?

Thank You!



