



Fundraising Principles and Tips

Principles

Fund raising is a valuable part of the strengthening of NGOs and communities; cash (and non cash) contributions are needed by them to carry out their desired and planned activities. The obtaining of resources is therefore a desired and honourable task; fund raisers should be acknowledged and praised. Fund raising is a job to which all should contribute, and for which all should be responsible.

- Funders are not ATMs. Real people review proposals and make decisions—Get to know them! Funders want to use their funds to make a difference. They have a mission, and it isn't just to give away money. Giving away money can be difficult.
- Fund raising is not a simple exercise, nor should it ever be. Fund raising is the complex process of seeking to involve people in a cause that is responsive to human needs and that is worthy of gift support.
- So you need to know your potential funders and get acquainted with their motivations and their expectations. Contact partners who know them, read their documents or publications, try to meet their representatives.
- You are asking the donor to become a partner in a successful, important program in their community, not for money to keep the lights on.
- Make it known why you need the funds, what the funds will be used for, *what difference it will make* and when the funds will be spent. The more funding you ask for, the more details you need to provide potential donors.
- The principles of sincerity and ethical integrity especially apply to fund raising. Fund raising should be the responsibility of all members of the organization, although they may participate in different ways. It should not be simply left to the professionals. All of us/you, therefore, should know about principles as well as techniques of fund raising.
- The fund raiser, first and foremost, must be honestly convinced in the integrity of the organization, and in the benefit and value of the activity or project of the organization. Potential and past donors very quickly spot insincerity, dishonesty, and diversion of "their" donated resources.

Tips

1. Don't expect that for which you don't ask.
2. A good image will not raise funds for you, but a poor image can hinder your fund raising.
3. Prospective donors are increasingly interested in proof that their money is producing the results that were promised in the solicitation.
4. Ask for contributions for a program. Don't ask for an amount of money. Suggest a level of contribution.
5. People give to people, not causes. Face to face is the best solicitation method.
6. To keep your donors and get them to increase: send them a receipt, thank them, communicate with them, cultivate them.
7. The purpose, or case statement, of an agency plays a major role in fund raising.
8. Break your program into components, each of which can be funded separately.

9. The majority of contribution money comes from individuals.
10. The size of contributions tends to relate directly to the size of the goal.
11. The more sources of funding you have, the more stable your funding.
12. Put a specific amount of your fund raising revenue toward new fund raising activities.
13. Start with low-risk fund raising (major gifts) and then move into more sophisticated methods (deferred giving).
14. Know in advance how much money you want to raise with each method during the next 1, 2 and 5 years.
15. Research who your donors are, test new methods on some of them, monitor your success rate.
16. Ask your donors to help with fund raising.
17. Ask for money with conviction that the association is doing an outstanding, important job for its stakeholders. You're not asking for money for yourself. Do not beg.
18. Fund raisers often play one of four roles that turn people away: the "bill collector" (it's that time of year again); the "slick salesman" (solicitation is seen as a battle which you can only win with a hard sell); the "cry wolf" (if you don't give, we will surely die); "the flagellant" (someone has to do it, so it might as well be me).
19. Fund raisers are: brokers, wholesalers, subdividers, executors, and evangelists:
 - a) Broker -- A broker puts the needs of a buyer and seller together. He creates a situation where both parties get what they want from an exchange. That's what you do when you ask for a donation.
 - b) Wholesaler/Subdivider—You are giving your donors an opportunity to share in your good works at a very modest investment. Rather than "wholesaling" good works, many organizations "retail" their organization with hefty mark-ups based on their growing financial problems.
 - c) Executor -- An executor administers an estate on behalf of another. You are an executor for your donor's money; you make sure it gets spent as wisely and efficiently as possible, to the benefit of the greatest number.
 - d) Evangelist -- You are literally the "bringer of good news." You have a mission, and you are helping your donors "hear the good word" and join that mission.
20. Before you hire a professional fund raiser, develop your goals and action plans. The professional can help you meet your goals.
21. A professional fund raiser will give you the tools to make effective presentations. He/she will not do the asking for you.

How to Respond to Prospect Objections

22. Be prepared to respond to: "Prove that your organization is the best."
23. Be prepared to respond to: "Prove that you will be able to do what you say you will do."
24. Be prepared to respond to: "Prove that you will be the best in the future."
25. Be prepared to answer the question "How will I be paid back for my I investment?"
26. Prepare answers for common objections in advance.
27. Bring up objections before your prospect does, and treat them as minor points. Then restate the benefits of your project.
28. Anticipate and reinterpret an objection. Turn a "too small facility" into an "economical to operate facility."
29. Show your prospect your organization in action. This will create involvement that will overcome many objections.
30. Never argue with your prospect.
31. Quickly dismiss prospect objections. Restate a feature he has responded favorably to during your meeting.

32. Identify honest objection by discussing it.
33. Avoid inflating an objection by discussing it too much.
34. Show respect for an objection, then continue "however"
35. Search for common ground. "I too don't like ..."
36. Ignore excuses and weak objections.
37. Dramatize the cost of not meeting your goals. Use facts and figures to support your case.
38. Compromise on minor points to reach your major objective.
39. Start responding to your prospect's objection empathetically "I understand how you feel..."
40. Never take an objection as a personal attack. Try to understand why the prospect is bringing up this particular objection.
41. Prepare a question/answer brochure that answers the most common prospect objections. Hand it to him/her after your first meeting.
42. Ask your prospect what s/he would do to solve the problem s/he brings up. Then suggest your organization as a way of doing that.
43. Express understanding of the objection, then compare your program to an alternative (not having the program, for example).
44. Prepare charts and forms you can use to illustrate points you make in response to common objections.
45. Turn an objection into a question--then answer it.
 - a)"I can understand..."
 - b)"You've brought up an important question many ask..."
 - c)State the objection as a question
 - d)Get agreement on the question, then answer it with facts or a dramatic story
46. Feel Felt Found
 - a)"I understand how you FEEL"
 - b)"Others have FELT the same way."
 - c)"They FOUND that"
47. Compare PRICE to COST.
48. Turn the objection into a reason for giving.
49. Just suppose that weren't the case . . . would you contribute then?"

Keep a Positive Attitude

Not everybody is a donor. Some of the people, agencies or groups can or will not give to your community or organization. If you do not recognize that failure to obtain a donation from one source does not imply that you or your organization is a failure, you may be tempted to be discouraged and give up.

Do not give up. You can not allow yourself to be discouraged; it is a luxury that you, your organization and your community can not afford. You may experience eight rejections; do not give up because the ninth and tenth may bring the needed donation.