



## Fundraising Essentials: Thinking Strategically for Success

**W**e all want to be successful at fundraising, but too often fundraising is the last thing on our “to-do” list when running a small organization. Yet success in fundraising is something that must be planned and scheduled, not left for when the organization is desperate for funds. Fundraising can be challenging, sometimes discouraging, and always time consuming, but it is an absolute necessity. Analyzing both your organization and its fundraising efforts can help you develop a strategic plan that should increase the financial stability and potential of your organization.

### Know Your Organization

#### I. Writing the Case Statement

The first step in developing a fundraising campaign is to write or update the case statement for your organization. A case statement provides an overview of your organization. You begin by describing the need or problem the organization addresses. You then provide your mission statement, and explain how you are fulfilling that mission. Not only will you describe your programs in general, but you will also want to provide specific examples of your activities. For example, a wildlife rehabilitation clinic may supply examples of animals treated and benchmarks of success, such as how many animals were treated in the past year. If the organization has a strategic plan describing where it will be in the next year, the next three years, or the next five years, those goals should also be included in the case statement.

The case statement can be used for many purposes. Certainly, once it has been completed, the reader (and you) should have a thorough understanding of the organization’s mission and how it is being carried out. People have the opportunity to give to many causes and, indeed, to many similar organizations, so knowing your organization well will help to persuade them of the specific importance of your group. Information in the case statement can be used in brochures, letters, and grant proposals. It also plays a key role in developing a strategic fundraising plan. Use the case statement to determine what the organization needs money for now and in the near future. The first step in raising money is to figure out specifically why you need that money.

Writing your case statement will allow you to see your organization from the perspective of a potential donor. In order to raise money, you have to convince people that:

- a) Your organization is fulfilling an essential role and benefiting the larger community.
- b) Your organization holds a singular niche in the community – no other group is doing the same thing in the same way.
- c) Your organization will use donations to make an impact on the need addressed by your group, and donors



*Begin your fundraising efforts by reflecting on your mission, how you want to fulfill that mission, and specifically what you want new funds to support.*

can be assured that their donation will be spent responsibly.

- d) Your organization is well respected in the community.

#### II. Assessing Your Fundraising Strengths and Weaknesses

Once you have written the case statement, you will have a thorough grasp of your organization’s role in the community and its financial needs. Now you are ready to begin planning for how to meet those financial needs.

At this point, you may want to do what is called a SWOT analysis. SWOT stands for Strengths/Weaknesses/Opportunities/Threats. An Internet search can provide you with more information on how to conduct a SWOT analysis, but the general principle is to list the SWOT items and then determine how to best use your strengths and opportunities, shore up your weaknesses, and defuse your threats. A SWOT analysis of your fundraising plan might look like this:

## Developing a Successful Strategic Fundraising Plan

Based on your SWOT analysis, you need to identify the fundraising strategies that will work best for your organization. Some common fundraising methods are described below, and you should include as many of these methods as possible in your strategic plan. Just as financial experts advise having a diverse stock portfolio as a safeguard against loss, the more sources of income that are available to the organization, the less damage a retiring donor is likely to inflict on your budget.

A strategic fundraising plan based on the SWOT analysis given above might include the following efforts:

- 1) Ask the board member who sits on the board of the local community foundation to approach the foundation about considering a grant proposal. Find out whether the foundation is more likely to fund the cost of a specific need or project or operating expenses.
- 2) Send every member a personal letter from your board president thanking each for his or her support of the organization and describing your latest successful efforts to aid wildlife. Be certain to ask for money and track those who respond. Compile a list of names and phone numbers of everyone who sends a donation. Divide the list between the board members and your staff and call everyone to thank them for their gift.
- 3) Ask your board members to identify anyone on the membership list that they think may be able to give a gift of \$500 or more. The executive director and the board member who knows the individual will visit these prospects over a year's time—working to develop those all-important major donors.
- 4) Make a point of getting to know the reporters on the local paper and on the local television station. If you have news to report with a strong

visual hook—for example, the release of a raptor who has been rehabilitated at your wildlife center—invite them out to photograph the release. Any positive news will help attract potential donors to your organization, and the newspaper clippings can be included in letters and along with grant proposals.

- 5) Hold a special event – perhaps “Dinner Under the Stars” – in that beautiful, but isolated, setting that is your office. Consider renting space to other groups or for wedding and graduation parties.
- 6) Counter the organization’s lack of visibility by creating inexpensive brochures and placing them at tourist information sites, libraries and even grocery stores to let the public know of your good work.

## Common Fundraising Methods

While your own SWOT analysis may look far different from the example I provided, you will want to use as many of these methods as possible. And, yes, fundraising is a lot of work and very time-consuming, but you don’t have to go it alone. Your board of directors, your members, and your volunteers all should be pitching in. These people all care deeply about the mission of the organization, so it is only reasonable that they assume some responsibility for its financial well being. Engage them with the process of fundraising, and make sure their efforts are graciously acknowledged.

### 1. The Role of the Board of Directors

Your board of directors should be involved in every aspect of your fundraising efforts, including the planning. Ideally,

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
Active, well-connected board of directors		One member also sits on the board of the local community foundation.	
Hard-working staff	Only 2 full-time staff members – they feel over-extended already.	The Exec. Director has experience asking for major gifts from donors.	A major contributor has retired and says he can no longer afford to make a gift.
20 regular volunteers	Never been asked to fundraise before		May lose volunteers if they are required to fundraise.
Building in a beautiful setting	Isolated location	Could hold a special event on site	Will need to replace roof soon
Membership of 1,500	Little data has been collected on the membership	Plenty of room for growth because city has 75,000 people and lots of tourists	

your board members were selected not only for their concern for the group's mission, but also because they understand how a business should operate and know the community well. This knowledge will help them guide the group's fundraising efforts effectively. The board of directors may be able to help by:

- a) Giving generous, lead gifts to the organization (a lead gift is a large gift that is given by someone in a position to help motivate others, by example, to also give generously).
- b) Providing introductions to potential major donors (usually directors' friends or business colleagues) and accompanying you on the initial donor visit to explain how much they care about the organization.
- c) Helping recruit volunteers for special events, including individuals who can provide such help as donating the use of a hotel ballroom, providing a shop window for a display, or arranging for public service announcements to be played on the local radio station.
- d) Representing the organization at meetings such as those of the Chamber of Commerce, Junior League, and service clubs in order to encourage donations and possible partnership arrangements with businesses.
- e) Helping identify local foundations to solicit and coming with you on visits.

The involvement of your board members will encourage other people to give—either because the donors respect your board members or because their enthusiasm is contagious.

## II. Major Donors

Most of your income will be the result of individual donors giving you small gifts of \$10 and \$25. These individual donors are the bread and butter of your organization, and they care about the organization and its mission. But some of the donors who give you \$25 a year are actually capable of giving your organization hundreds, or even thou-

sands, of dollars at a time. Stephanie Nichols-Young, a volunteer for nearly 20 years with the Animal Defense League of Arizona, notes that, "Every organization has members with the capacity to write a check for \$500, but they never know it because they don't ask." Your job is to identify those individuals and convince them to increase the size of their gifts. This process, often called donor cultivation, can take months or even years, but contrary to what many people think, cumulatively, these individuals will give your organization more money than you are likely to get from foundations. Fundraising experts agree that major donors are key to the financial stability of any organization. The majority of your fundraising efforts should be spent on increasing the number of donors who give your organization large gifts.

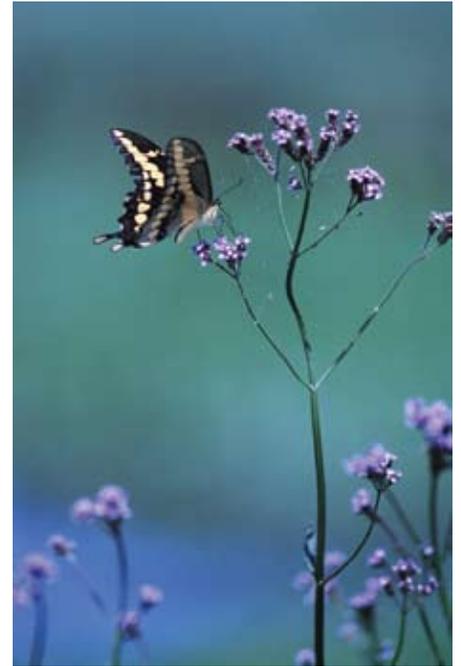
The problem, of course, is that few of us feel comfortable asking people for money. No one wants to cause offense or embarrassment, but with a little training, anyone can learn to ask for money in an effective way. The Association for Fundraising Professionals (AFP), a national membership organization, offers training throughout the United States. Your community may have other resources as well. A local college or the United Way office may be able to steer you toward a nearby workshop.

## III. Direct Mail

Many people have a negative response to direct mail fundraising efforts. We all get far more junk mail than we care to receive. But the truth is that direct mail solicitations work, and the more effort you put into them, the better they work.

Direct mail is how your organization will get those smaller \$10 and \$25 donations. And since some of those donors will become major donors, it makes sense to include direct mail in your fundraising strategic plan.

Direct mail isn't just limited to letters asking for outright donations or for membership payments. Direct mail



*Show how your organization is fulfilling an essential need and benefiting the larger community.*

solicitations can also be made through your newsletter or along with invitations to your special event. When you have an opportunity to solicit funds—by all means use it. One small animal protection organization that decided to update their newsletter mailing list by sending its members a request for confirmation or correction of addresses received more than ten thousand dollars in donations through that simple contact with its members. It's a golden rule in fundraising: people will not give unless asked. Remember, direct mail may not be popular, but it works.

The most productive mailing list will be your organization's membership list. While lists are available for purchase, the number of people responding to a "cold" solicitation (in which they have had no previous connection with the organization), is only between one and two percent. Thus, the return on your investment will be much smaller than if you use a list of people who already know your organization. Such "cold" lists are generally only a worthwhile investment when you have the funds and time to do the proper follow-up to ensure that the individuals who do respond to your direct mail piece are retained as support-

ers the next year. Retention strategies often include mailing to your members on a regular schedule—often four times a year—and offering them incentives for their membership, including items such as t-shirts and tote bags.

Be prepared to mail at regular intervals. Some people will donate a small sum every time they receive a piece of mail. Others will donate \$100, but only at the end of the year. Regularity is key to ensuring a steady stream of income, and it will increase the recognition factor. The more people recognize the name and logo of your group, the more likely they will be to donate to it.

Be sure to respond promptly to those who may ask to receive fewer mailings, as some people prefer to give only once per year and their preference should be honored. Also, it has become increasingly important—particularly for groups dedicated to the protection of animals and the environment—to clearly indicate whatever environmental claims can legitimately be made about the materials and printing processes you use in your mailings. A little added expense in production costs to produce an environmentally friendly mailing is a good investment, as it conveys the integrity of your organization.

*Please note that a direct mail program may require compliance with state charitable solicitation laws and registration and disclosures may be required.*

#### IV. Special Events

We all have worked on special events that drain the energy of everyone involved and result in little or no money being raised. Two keys to throwing a successful event are matching the abilities of your volunteers to the event and keeping your costs low, low, low.

Special events can range from a black-tie gala at a 4-star hotel to a car wash. The type of special event you plan should depend on:

- a) What has worked well for the organization before—but don't be afraid to upgrade!

- b) The number of volunteers available and their level of ability and experience. Your local Boy Scout leader may be able to organize a car wash at a drop of a hat, but he may be lost when it comes to a fancy dinner and silent auction at a swanky hotel.
- c) The amount of time and money available to invest in the event.

Here is an example of a special event that went from being lackluster to spectacular.

In 2001, a spay/neuter clinic held a spaghetti dinner in a church basement. It was almost entirely organized by the staff, and while attendance was good, the event made very little money. The staff was unhappy, not only because the event raised less money than they had hoped for, but also because it had been a great deal of work. They felt their efforts had been wasted.

A fundraiser recently hired by the organization saw the event differently. She recognized that the clinic had an important asset—a major donor who was a prominent individual in the city and active in other animal-related causes. The fundraiser worked with this individual to identify others in the community who could contribute generous gifts themselves and get others to help as well. The next year, this group of donors held the event at an upscale restaurant and raised \$60,000. Not only that, but the friends of the major donor volunteered to do almost all of the work!

While your first reaction may be to shrug your shoulders and say your group has no wealthy donors to draw from, there are three key lessons here that can be applied to any organization:

- 1) Learn who your donors are so you know who to ask for help.
- 2) Ask for help—people will come through for you, but you have to ask.
- 3) Know what to ask for—don't ask donors to “volunteer for the fundraising committee;” ask them to “host a prestigious event that will attract important people from throughout the community.”

#### V. Grants from Foundations

It is a common misconception that it is easy to get money from foundations. The truth is just the opposite, especially today when government funding has been cut from a lot of programs and more and more nonprofits are trying to receive grant funding. The competition is very tough! Here are some things to consider before applying for grants:

- a) You need to be a 501(c)(3) organization. (*Editor's Note: For a helpful “How To” article on becoming a 501(c)(3), see A. M. Casey, 1999. “Becoming a 501(c)(3): Is it for you?” Wildlife Tracks, Vol. 5, Number 1.*)
- b) Foundations are less likely to give to start-up organizations than they are to established groups, so getting a grant your first year or two in existence is doubly hard.
- c) A good rule of thumb is to allow at least six months of lead time before you need the funding, because it often takes foundations that long to decide on their response to your proposal.
- d) You must research the foundations carefully. Your best chance of success is when you have carefully targeted the foundation, knowing that its interests align with the work of your organization. Your research has to go deeper than a description that says they fund “animals/wildlife.” Too often, what that means is that they gave a small gift to their local animal shelter three years ago. Find out if the foundations are funding organizations similar to yours and how much money those organizations receive. That information will allow you not only to ask the right foundations, but also to ask for the right amount of money. This research is best conducted through resources provided by the Foundation Center. Visit [www.foundationcenter.org](http://www.foundationcenter.org).
- e) You are even more likely to succeed in getting grant funding if you are able to arrange a visit to the foundation, preferably through a mutual acquaintance like a board member.

As with asking donors for major gifts, if you do not have experience writing grants, you will need some training. There are certain conventions about the way a grant proposal is written that should be followed, and there is not enough space to go into those conventions here. Training, again, should be available through your local AFP chapter ([www.afpnet.org](http://www.afpnet.org)), through the Foundation Center, or through a local college.

### Conclusion

Too often, we do not take the time to step back from our work and evaluate its effectiveness objectively. Especially when we need to raise money, the pressure of meeting the budget can cause us to see everything as urgent and we neglect the reality—that success in fundraising only comes about through long-term, well-planned effort. This article certainly is not an exhaustive list of fundraising strategies, but it should give you some ideas about planning for next year. Other fundraising opportunities that may be important to your organization include gift annuities, bequests, insurance, and other planned giving vehicles. Tap into the AFP, your local college, or even your local library for more information on these and other fundraising methods, and you'll be surprised by how many options there are.

Whatever fundraising methods you choose to adopt, developing a strategic fundraising plan based on your case statement and SWOT analysis will help increase your prospects of a successful funding year. One organization that has been successful in thinking strategically about its fundraising is Sinapu, a wildlife protection organization in Colorado. Kimberly Riggs, Sinapu's Executive Director, notes that last year her group achieved a 25% gain in income, an increase she attributes to three strategies:

- 1) Good stewardship of donors and foundations, including sending personal notes to donors giving \$100 or more annually, personalized updates to foundations (periodically, not just a report every six months), and de-



*Demonstrate that your organization is well respected in the community, and that they can be assured that their donation will be spent responsibly.*

- veloping personal relationships with foundation staff.
- 2) Continuous searches for new supporters, whether through mailing lists or other means.
- 3) Presentations at community events throughout the region, not only to advance the organization's mission but also to recruit new members.

The increase in Sinapu's budget did not come about through luck—clearly, thoughtful planning and hard work made the difference. Fundraising may sometimes seem like yet another challenge on an already overloaded "to do" list for many nonprofits. The reality, though, is that time spent pursuing financial support is an essential investment in your organization's ability to pursue its mission with vision and vigor.

Alice Tracy  
 Director, Foundation Relations  
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**Wildlife Tracks Mission and Goals:**  
 Over 5,000 wildlife and habitat protection organizations nationwide are working to stop the rapid disappearance of wildlife and the destruction of their habitat. *Wildlife Tracks* combines the power of information, the power of networking and the power of people to strengthen local, state and national grassroots movements to preserve and restore wildlife and the ecosystems they need for their survival.

#### Goals:

- To expedite the exchange of experience and information between wildlife and habitat organizations, while increasing the efficiency and effectiveness of their efforts.
- To empower the grassroots by sharing the successful efforts to preserve wildlife and ecosystems and to inspire them to expand their vision and strategy to achieve long-term solutions.
- To assist in building responsible and credible organizations by providing information and guidance.

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