

# facts on fundraising

B : T H ENDS

The Goldman  
Environmental Prize

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## After the Prize

Dear Goldman Prize Winner,

*Later than planned Both ENDS presents you with the second of four newsletters to develop your fundraising capacity. As many of you mentioned in the Goldman survey, shaking the money tree when your organisation is small or unseasoned in fundraising, can often cost too much time and involve other taxing expenses. Yet effective fund-raising is a cornerstone of any solid and successful project.*

*So, tailored to touch on the common themes emerging from your survey replies, this series of newsletters will serve as complimentary side-reading to the more particular one-on-one support Both ENDS is also providing for recipients.*

## About Networking

This issue aims to demystify the vital if sometimes perplexing subject of networking and donor cultivation. In raising funds it is often true that who you know is as relevant as what you want to do. This newsletter offers advice and examples for successful profile-raising and donor-contact building. It draws together the various strands of networking, communications strategy, organisation to donor link-building into a cohesive whole which we hope will bring you closer to your fundraising goals. The trivia lists and the do's and don'ts offer a theoretical model while the case studies provide practical, concrete and above all successful examples of cross-regional and cross-organisational donor liason. To network prosperously, is to dive deep into the waters of the donor world and know where to find the most valuable pearls and most elusive fish. This newsletter is to help you navigate.

## Cultivating Relationships with Donors

Cultivating relationships with donors is about bringing them closer to an organisation and strengthen their connection with that organisation. At its heart, donor cultivation is about an organisation's staff developing relationships with those capable of giving support and making them friends of the organisation. Donor cultivation can be defined as an organisation-wide strategy and process to learn more about each donor's interests, desired professional and social contacts, and philanthropic desires so that we can better initiate and respond to contact with a donor in order to develop a stronger relationship with that donor. Every successful fund-raising operation cultivates its donors - builds relationships with them. The most successful do it constantly and systematically.

In a nutshell, donor cultivation is about everybody in an organisation working to build the organisation's relationship with each donor in the knowledge that a better relationship will result in more frequent and larger gifts.

Donor loyalty is achieved by responding to donors with:

- Active cultivation which means you continuously work to cultivate relationships with the people at a foundation or corporation who award or influence the award of grants.
- Careful consideration which means understanding how each foundation and corporation operates and work within its parameters. In donor cultivation terms that means figure out whom you need to befriend, and be careful about stepping on toes.
- Respectful appreciation which means that thanks need to be expressed to the foundation or corporation both as an organisation and to the individuals responsible for awarding a grant. A foundation or corporation should be recognized prominently and often for its donations, and the people who did the work evaluating, need to know just how much you appreciate their efforts.

Whenever you get a negative response to a grant request, remember it is to the project or programme, not necessarily to the organisation. Foundations in particular pick projects to support more than they choose organisations. Also, keep in mind that foundations and corporations have other organisational imperatives driving their grant awards, and that those imperatives can and do change. Keep the process of cultivation going with the people within a foundation or corporation.

## The Do's and Don'ts of Lucrative Networking



### • **Getting known**

Some donors are bureaucrats and bureaucrats are risk averse, they are unlikely to risk their own reputations on an unknown. Those that get funded are usually those who are already known to the donor. Therefore the process of making a proposal for funding starts long before you want, need or request any funding from a donor. Funding is won by building on already established relationships. Therefore the first job of the campaigner is to get themselves known.

Being seen and making a personal impact and impression is important. Showcase your past achievements whenever possible, for example during conferences, workshops and through publications. There is nothing like a good track record of successful projects to inspire confidence in a donor. Through networking, you will become known, recognized and even recommended.

### • **Build alliances**

Build alliances with NGOs and organisations known to the donor community to get your name known, similarly contribute ideas to well regarded and known existing networks and organisations.

### • **Build relationships with Northern organisations**

In order to gain confidence with Northern donors, NGOs need to invest time and effort into networking and building relationships with both donors and organisations in the North. Fostering relationships may be a time consuming process, but is essential to build relationships and trust before seeking and requesting funding partnerships.

### • **Be aware of large projects being planned**

Large project partnerships are often tied at the start of the project when partner organisations are first chosen. Keep checking the websites of Northern donors to find out who their partner institutions are in the North. Know who to network with and find out about large partnership projects that may be being planned. Depending on projects being planned, Northern organisations may be looking to link with organisations in the South or transition countries at particular times.

### • **Don't ignore anyone**

It is important to network with donor representatives even if they are not funding, have never funded or have finished funding you or your institution. Keep up an ongoing relationship with donors and others, irrespective of your funding status. Remember that donors talk to each other and network with each other and other organisations about actual and potential donor recipients, which is you. Funders are therefore indirectly networking on your behalf, which is why it is important that they know about you, talk about you, and recommend you to other donors whether you receive money from them or not.

### • **Things to do to maintain a good relationship**

Ways to ensure you keep an healthy ongoing relationship and to ensure donors know about you include:

- \* Send regular updates with meaningful information about the project's accomplishments and extend a hand written invitation to visit your facility;
- \* "People give to people" is the classic slogan of fundraising. Personal contact with a donor increases the likelihood of success;
- \* Networking at events;
- \* Ensure new program officers at donor agencies get handover notes about you, your research, your organization and the history of your relationship with them;
- \* Send newly appointed program officers a letter to welcome them to their post, introduce yourself, say what you do, what your relationship with the donor has been and invite the program officer to visit your organization;
- \* If funding is not approved, send a polite letter requesting reviewer comments and suggestions for future submissions. Be aware that many foundations no longer have time or staff resources to provide personal feedback.

*It is important to network with donor representatives, even if they are not funding*

- **Be patient**

Relationships take time to build, and sometimes matching a relationship with an available funding opportunity can take a long, long time! Sometimes relationships need to be maintained for ten years or more before any direct funding is released.

But remember, funding is not received off the back of only one relationship. Whilst you may never receive funding from one particular donor, that donor and your relationship with them may prove crucial when they come to recommending you to others who are able to fund your work.

- **Learn by trial and error**

Learn as you go, especially when starting out. Don't be afraid to talk to people, as this is the only way you will become known.

- **Introduce yourself to donor representatives**

Do not be intimidated by the idea of introducing yourself. Remember, people working for donor agencies are under pressure to know about the region they are in, the area they are working and the people working in the relevant organisations that can assist them in their work. You are doing them a favour by getting in touch and providing them with the information they require. If they appear stressed and under pressure, perhaps that's because they're not in touch with the right people. Convince them that you are the right person for them to be in touch with, which is why you are contacting them in the first place.

- **Donor authority at country level**

Some donor country offices will have authority over the disbursement of funds, however some do not. Networking with country representatives can result in winning funding as well as being a useful way of networking with other organisations that the donor liaises with both in the North and South.

- **Listen to donors**

Make sure that when you get in touch with donors at the country level, you listen as much as you talk. You need to find as much about them as they need to find out about you. Developing a partnership and getting funding is a two way process.

- **To sum up**

Don't undersell yourself. Be proactive. Be patient. Don't be intimidated.



## Case I – The Yadfon Association

Since 1985, Yadfon is a local NGO working on forest rehabilitation by local communities in coastal areas in Thailand. Under Yadfon's leadership, communities restored a 240-acre mangrove forest, which the Thai Forest Service and provincial government declared in 1989 as the country's first community-managed mangrove forest. As it was realised that the problems related to forest degradation along the rivers are linked, Yadfon came to the conclusion that an approach was needed that included the whole river watershed. During the last decade, Yadfon managed to extend its activities to 23 upstream communities along the watershed of the Trang and Palian rivers.

Yadfon started their fundraising by writing small project proposals, with the help of an NGO that had a lot of expertise in fund raising. Slowly but surely, Yadfon's successful activities became known to a broader public, and besides that, the government admitted that this was the way forward for recovery and protecting their natural environment. The fact that Yadfon's work is widely known and acknowledged has generated new financial resources. For example, Yadfon receives donations from the cities, without even asking for it. And after receiving the Goldman prize, the Thai Farmer's Bank decided to donate the same amount a second time. At this moment, Yadfon is involved in a very popular television soap, which is likely to generate even more attention and resources for their activities.

Yadfon's experience shows that sometimes simply doing good quality work in the places where it is needed most - in this case successfully providing for a solution for the widespread forest degradation in Thailand - can be enough to generate its own publicity and financial resources.

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## Donor networks I

The **Worldwide Initiative for Grantmaker Support (WINGS)** ([www.wings.org](http://www.wings.org)), is a global network of more than 85 membership associations serving grantmakers and support organisations promoting philanthropy. It serves as a meeting place for those engaged in building the institutional infrastructure to support global philanthropy. The members of WINGS have joined together to: create opportunities to learn from and support one another; develop modes of communication and collaboration; and contribute to the strengthening of philanthropy world-wide.

The **Africa Grantmakers' Affinity Group (AGAG)** ([www.africagrntmakers.org](http://www.africagrntmakers.org)) is a network of foundations that are currently funding in Africa or are interested in funding in Africa. It is a forum for foundations to exchange information and work together in an effort to amplify current foundation funding and promote increased and more effective grantmaking. AGAG does not give grants or provide direct assistance to organisations seeking grants. The Resources and Funding announcements page on the AGAG website is useful to organisations seeking funding partners.

The **Asia Pacific Philanthropy Consortium (APPC)** ([www.asianphilanthropy.org](http://www.asianphilanthropy.org)) is a network of organisations dedicated to promoting the flow and effectiveness of philanthropy in the Asia Pacific region. APPC aims to strengthen the institutional infrastructure and improving the operating environment for philanthropy and the non-profit sector.

**Hispanics in Philanthropy (HIP)** ([www.hiponline.org](http://www.hiponline.org)) is an association of more than 450 U.S. and Latin American grantmakers and non-profit leaders committed to increasing philanthropic support of Latino communities the Americas. The association focuses on strengthening the capacity of nonprofit organizations to be financially sustainable; identifies and nurtures new leaders; and assists organizations to better advocate for their communities.

## The importance of a communications strategy for fundraising

*If a non-profit organisation wants to maximize its contributed income it needs a coherent, executable fundraising strategy, and that strategy must incorporate a viable communications strategy. This is not an organisation's overall communications strategy - how and what it does to present itself to the public at large. Rather it is about an organisation's fundraising communications strategy - how and what it does to communicate its fundraising needs and efforts to donors, prospects, and those able to influence them.*

A fundraising communications strategy starts with the organisation's overall communications plan or outline. Whatever is done to communicate, as part of the fundraising effort, must be done in the context of how the organisation has decided to present itself to the 'outside world'. In that context it is important to be in line with the organisation's mission statement, its goals and objectives, and its long-term strategic plan.

Never forget that it is possible to attempt to raise money, even to actually raise it, in a way that damages the organisation's survival. Misleading statements, promises that cannot be kept, misrepresented facts, and negative presentation of information can yield short-term results that constrain an organisation's ability to raise money in the future.

Communication is all about delivering relevant messages to previously identified recipients using chosen media in order to obtain predetermined action. The four main elements of the communication process are:

Message or what we want to say.  
Recipients or those to whom we want to say it.  
Results or the action we want them to take.  
Media or the vehicles we choose to deliver messages.



### Message

Every message an organisation sends is in some way a representation of that organisation. A message is made up of content and articulation. Content means that a message consists of facts and persuasions. Articulation is the way a message is stated (its voice, tone, and style). Together, content and articulation combine to create a complete message. Effective messages are clear and consistent.

**Clarity:** A clear message has one main point. Use everyday language, sentences are simple and straightforward. A clear message does not rely on technical or bureaucratic jargon.

**Consistency:** Messages need to be consistent on two levels: (1) everything in a fundraising message must be in accordance with every other message the organisation sends; (2) fundraising messages must be consistent in their arguments for support.

An organisation with a coherent communication approach develops a recognizable voice. People expect to hear the voice an organisation has established. If an organisation speaks of fundraising in a voice different from that which it uses in its other communications efforts, people will get confused.

### Recipients

No part of a fundraising communications strategy is more important than determining who will be the recipients of your messages. The question you should ask yourself over and over again is: Whom do I want to influence?

#### • Donors:

Different messages need to be crafted for different groups of donors. It is doubtful an organisation would want to send the same message to someone who has given \$100 as they would to someone whose past giving totals \$100,000. One of the goals of a fundraising communication strategy should be to target as tightly as possible an organisation's fundraising messages.

#### • Others:

An organisation will also want to get its fundraising messages out to recipients other than donors; the news media offer the most cost effective channel. It is important to think of the media not only as a communication channel or vehicle but also as an audience - a group of message recipients. The messages you craft for the media, like those for any other group of recipients, need to be tailored to their needs.



## Results

No communication effort should be undertaken unless there is an intended result for that effort. We communicate in order to generate action, and we had better be able to describe that action before we begin sending messages to recipients.

A fundraising communications strategy will also plan for different messages to be sent to the same group of recipients. Always identify the result you want from every communication effort, and for each effort there should be a single result.

## Media

### • Internal media:

Any fundraising communications strategy will plan to take advantage of an organisation's existing general internal media: brochures, newsletters, the annual report, the annual meeting, speeches delivered by staff, but also e-mail and telephone communication, and - if available - a website. A large part of a fundraising communications strategy will be devoted to the various communication vehicles the organisation creates and then controls in an effort to support fundraising programs.

### • External media:

We communicate with external media by issuing press releases, talking to reporters, by holding press conferences, by organising seminars and workshops, and by attending conferences. Keep in mind that you will have virtually no control over what an external medium says about the organisation and its fundraising efforts. External media can be important to a fundraising campaign but always remember that since you have little control over what ends up in papers and magazines or on the radio or TV, external media should be used carefully and sparingly.

*Two final remarks: (1) no fundraising communication strategy can be carried out with success unless it has been budgeted for; (2) develop a schedule for executing the components of your fundraising communications strategy and then stick to it; communication has to be given the same respect and attention to detail that every other aspect of fundraising gets.*

*Based on an article by Joyce M. Braun & Tony Poderis*

## Case II – KFEM

KFEM was founded in April 1993. This relatively short history was, however, preceded by a decade-long history of environmental movement. Mr. Choi Yul was a democratic movement leader in university, and was later imprisoned for his activism against the dictatorial government during the late 1970s. During the six years he spent in prison, he read extensively about environmental issues. After he was released, he founded the first environmental non-governmental organisation in South Korea. This organisation - first KRIEP, later KAPMA - actively participated in every environmental struggle from 1988 to 1992. It fought against the government's attempts to construct nuclear waste storage sites, the dust contamination from coal briquette plants, the destruction of mountains to make golf courses and the reclamation of coastal tidal flats.

In 1993, KAPMA united with seven local environmental groups to launch the Korean Federation for Environmental Movement (KFEM), Korea's largest environmental organisation, and Mr. Choi became its secretary general. After participating in the UN Conference on Environment and Development in Rio De Janeiro in 1992, KFEM became more involved in global environmental issues, such as depletion of the ozone layer, deforestation, biodiversity and climate change. Now KFEM has grown as the biggest and the most influential environmental NGO in Korea, with its 85,000 members and 47 local branches working on various types of issues. Acting as an information clearing house, it collects, studies and disseminates information on global trends to the Korean society and to NGOs throughout the region. KFEM also acts as a role model to other East and Southeast Asian countries' NGOs by sharing experiences.



About half of the money to keep KFEM running is coming from the members of KFEM all over the country. People's voluntary contributions and membership contributions bring in a large part of the money needed to run the activities of KFEM. Furthermore, they have their own magazine on environmental issues, in which the advertisements generate additional money. In Korea, there are not many charity organisations. For this reason corporate donations are also an important source of income to sustain the work of KFEM. To minimize dependence on corporate donations, fund-raising efforts from the public are intensified.

## Donor Networks II

The **European Foundation Centre (EFC)** ([www.efc.org](http://www.efc.org)) is an independent international association that promotes and underpins the work of foundations and corporate funders active in and with Europe. The EFC serves more than 200 members, associates and subscribers; 350 community philanthropy initiatives; as well as a further 50,000 organisations linked through a network of information and support centres. The EFC hosts the Worldwide Initiatives for Grantmaker Support (WINGS). Interesting for grantseekers is the Membership List of the EFC as well as the Publications section.

The **Council on Foundations** ([www.cof.org](http://www.cof.org)) is a membership organization of more than 2,000 grantmaking foundations and giving programs worldwide. The Council provides leadership expertise, legal services and networking opportunities to its members and to the general public.

The **Environmental Grantmakers Association (EGA)** ([www.ega.org](http://www.ega.org)) is a voluntary association of foundations and giving programs concerned with the protection of the natural environment. The EGA facilitates communication, fosters cooperation, and develops collaboration among active and potential members.

The **International Funders for Indigenous Peoples (IFIP)** ([www.firstpeoples.org/IFIP.htm](http://www.firstpeoples.org/IFIP.htm)) aim to foster greater foundation commitment and more effective grantmaking for indigenous peoples by improving networking opportunities, enhancing collaboration, building capacity, and promoting linkages among new and experienced donors.

The **International Human Rights Funders Group (IHRFG)** ([www.hrfinders.org](http://www.hrfinders.org)) is an association of grantmakers devoted to supporting efforts to achieve the rights enshrined in the Universal Declaration of Human Rights. The IHRFG site is designed for both grantmakers and grantseekers who have an interest in human rights. Although the IHRFG does not make grants, the site provides information about funders that do, including the Fund for Global Human Rights - a project of the IHRFG.

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### About Both ENDS

*Both ENDS was set up in 1986 by 15 Dutch environmental organisations. It was given the mission to act as a support centre for environmental organisations in the South and CEE countries to help them locate relevant information and to facilitate their contacts with 'Northern' organisations, policy makers and donors.*

*Our core activities are: information exchange, advice on developing project proposals, and active brokerage in fundraising. Other activities include support for campaigns, research, lobby & advocacy, identifying development alternatives and capacity building in support of Southern and Eastern and Central European organisations.*

*Our general support program has been the cornerstone of our work over the years and now encompasses the South and CEE-countries. We support as many NGOs as possible through our service desk.*

*Both ENDS receives annually some 1000 requests from Africa, Asia, Latin America and Central and Eastern Europe and the former Soviet Union. It concerns requests for information, contacts, assistance in fundraising, and support for their actions or campaigns.*

### Colofon:

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## Networking Trivia List – Ideas to try out on Slow Days

- \* Find out what large international funds exist for your country and how you can apply for these - UNDP funds, or the EU Commission sometimes has funds available for local organisations under certain programmes, or providing a number of organisations collaborate in the devising and implementation of a proposal with 2 or more local NGOs and one European NGO.
- \* Find out what Embassies have offices in your country and contact them to find out whether they have small funds to support projects, and or whether there are NGOs from those countries with offices in your country. If not, you can still ask for a list of NGOs in the embassies home country that funds projects in your organisations line of work.
- \* Once you identify what donors exist for your country and range of activities, make sure to find out how they want to be approached. Many organisations want to first receive a one or two page outline that states very clearly what the organisation is, what it has been doing, and what it is now seeking funds for. After that they will send you specific formats if they think they are interested in possibly funding the project, or will let you know when their deadlines are, or whether they receive open proposals. Other organisations like to receive the proposal with an introductory letter. It is good to try to establish this first. If you can't, then send a clear and concise introductory letter, so as to start some kind of communication.
- \* Try to link your organisations activities with national or international issues that might be of interest to the donor
- \* Depending on the type of activities that your organisation is involved in you can send around a newsletter, or letter of introduction a year or two before you actually need the funds so that the potential donor is already aware of you and the work you do, before actually being approached for funds. This can make it easier to start the dialogue.

## Linkages: About NGO Networks and Associations

Linkages between NGOs at the local, national and international level can be an important measure of the vitality of the local NGO community. A crucial dimension of NGO empowerment is the ability of NGOs to work together and share information to promote development. National associations of NGOs can provide a valuable means of information sharing and a common base for dialogue with donors and government. In some countries with strong NGO communities there are also national associations of NGOs at the sectoral level, such as associations of NGOs working in health, family planning or the environment. It can also be important to have horizontal linkages between grassroots organizations at the local and departmental level. Some examples include federations of cooperatives, federations of local development associations, peasant unions, federations of credit associations etc.

Another potentially important set of linkages is between local NGOs and NGOs in other countries in the region and internationally. One way this has happened traditionally is for international NGOs, including cooperative movements, to create local affiliates and counterparts which become part of the international network. Increasingly, international NGOs are now creating valuable partnerships with local NGOs, and helping to vitalize the local NGO sector through an exchange of information, experience and technical expertise.

*Donors don't give to institutions.  
They invest in ideas and people in whom they believe.  
- G. T. Smith*