

The Path Forward

For New & Growing Non-Profit Organizations



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Two days before the recent presidential elections, Chris Wallace asked Karl Rove what makes a successful presidential campaign. Rove itemized four steps. These resonated with what I understand to be some crucial components of a healthy organization's donor outreach strategies. They are:

1. Organization
2. Registration
3. Persuasion
4. Mobilization

Organization compares to the nonprofit's day to day administration. No aspect of the organization can be handled in an ad hoc manner or else chaos, missed deadlines, insufficient funds, and frustration will ensue. Today, having a good organization also implies a viable, interactive web presence.

Registration compares to donor acquisition. That first gift may be just a test— it does not signify that the new individual on the mailing list will ever do more.

Persuasion has to be applied in order to convert the good intentions of the newly registered voter (I mean donor) into one who fully participates with the organization. This happens because of relationship, information, and communication with true transparency that builds trust.

Mobilization is even more important. Your organization needs passionate volunteers who are willing to do the equivalent of putting out yard signs, hosting donor events to introduce you to their friends, and going door to door (metaphorically) with your mission and message. Where do these committed people come from? They start with a small first gift or by filling out a donor acquisition card. Then, in response to a combination of proof that your mission is always done with excellence and your consistent, strategic steps to build the relationship stronger and stronger, the individual becomes progressively more involved.

As social network specialist, Amitha Asrasinghe, notes: the "number one principle to bear in mind is, 'community first; engagement second; transactions last.'" Perhaps if your organization is having difficulty keeping and transitioning new donors to greater involvement you may inadvertently have inverted this sequence.

Why? Whether you are talking with a major donor about a significant gift or telling your elevator speech about what your organization does, the key is to convey your mission. **Tell why you exist not what you do.** And, tell it in a short sound-bite that is meant to hook the listener's curiosity enough to trigger them to ask additional questions. In her workshop, *Fundraising in Times of Crisis*, Kim Klein (acknowledged throughout the industry as an expert) suggested that the most persuasive organizational mission statements begin with either the words "We believe" or "Because." She was not necessarily talking about the formal mission statement that appears on your Articles of Incorporation and Bylaws. Rather, she encouraged each participant organization to craft a shorter statement which is packed with compelling passion.

- Because we believe that every child deserves to have a caring adult in their lives....
- Because there are hundreds of thousands of individuals without the computer skills that are needed to apply for a minimum wage job....
- Because no one should have to walk four miles one way to get drinking water....
- We believe that if people are encouraged and empowered to become entrepreneurs....

When an organization leads with the why first, the audience is invited to connect with its cause. Assuming that the why is a shared belief, the idea of sharing in the cost of making it happen becomes a natural. Your mission statement works like a conversational door-opener. On the other hand, when the message that comes through your literature and conversation is "We need money...." the audience is likely to calculate how much they can spare, if anything, rather than carefully weighing how significantly they would like to contribute.

Budgeting For Development. A fourth a healthy organization's work is typically spent on development or fund-raising. The lion's share of this effort should focus on individual donors from whom at least 30% of the revenues of healthy nonprofits usually come. Some key statistics (again, thanks to Kim Klein) are that the average person gives to between 7-15 nonprofit organizations every year and individual donations account for 75.6% of the contributions to all nonprofits (Giving USA Foundation 2005). Not only must your organization acquire new donors every year, you should set a goal for the number of new donors you need always recognizing that the first gift is very likely small, impulsive, and a test. Will you send a personal thank you note for a very small gift? Do you make an effort to keep the new donor engaged by sending regular newsletters and 3-4 other specific requests during the year that reiterate thanks for the previous gift? How does your donor relations program compare with the other organizations that the same person could select as recipients for their charitable dollars instead of yours? If an individual makes several gifts to your organization, do you increase your efforts to build relationship with them? How do you recognize the donors who contribute between \$100-2,500? While this may be a small gift in terms of the whole organizational budget, it is a big gift for most people, and 7 out of 10 middle class Americans give some money away every year. Are you budgeting any money for the acquisition of new donors? Make sure that you think of the cost of acquiring a new donor in terms of the many years of future contributions that a small number of new donors represent. Know the reality of the statistics. Only 1% of the people who get a mailed or emailed introduction to your organization will respond with a gift and only 5% of the people contacted in a phone-a-thon will respond. The people who do respond are likely to move up the donor-involvement ladder to, hopefully, become major donors after a few years. Don't neglect fund-raising. Budget for it. Train your board members to do it. Create the procedures to acknowledge, receipt, inform, and involve every donor in the on-going work of your organization. This builds the trust that your organization's future survival depends on. How much should your budget for development? It takes an average of twenty cents to gain a dollar.

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Email: teamlesley@sbcglobal.net
Phone: 314-422-5572
www.teamlesley.com

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