

## ***Is your Board equipped for fundraising?***

*Charlotte Platt, Senior Consultant, DixonRaines.*

Typically the people on your board are amongst the best connected in your area – but how many of them are actively seeking out financial opportunities, sponsors, major donors or funders for you?

### **Help, we need money!**

The roof has fallen in .... A great work of art must be saved ..... The building needs refurbishment... the reasons may be varied but a fundraising need has been identified and this time, something has to be done. You start with the Board – right? Well, yes but....not straight away. So where **do** you start?

Whilst the decision to launch a fundraising drive may often initially be taken at board level, much work needs to be done before they are asked to get their hands dirty.

You need the Board and you need friends – the right kind of friends – and this is where the Board can make the difference between the success or abject failure of a fundraising project.

But they need very clear guidance on what it is you want them to do and in order to provide this, you have got some work to do first.

### **First night nerves**

The majority of your board members are unlikely to have had extensive experience of fundraising and many may well be quite nervous of the prospect – this may well extend to the senior management of the organisation too! So before embarking on your ambitious plan, wouldn't it be prudent to have a pretty good idea, before you start, of your likely chance of success? And then to be able to give them a robust plan of how you are going to approach the task and importantly, a very clear idea of their role and what you want them to do?

### **Planning time is never wasted**

If you fail to plan, you plan to fail and this planning stage is critical.

Any organisation embarking on a fundraising drive, no matter how large or small, should undertake a Feasibility Study - an audit and assessment of fundraising - before they think of raising a single penny. You need to know where you are, as well as where you want to be. You need answers to lots of questions, amongst them:

### **Is there anybody out there?!**

- You know how much you need to raise to realise the project but how feasible is it that you will succeed?
- Is that amount of money out there, and if so where?
- Is your organisation fit for the job of attracting it?
- Your Case for Support – have you got one? Is it sufficiently compelling? A good Fundraising Plan can provide valuable technical detail to help an organisation get the most out of opportunities *but it cannot find support where none exists.*
- How is the project and your organisation perceived externally?
- What sort of competition are you up against?

### **Are you fit enough for the marathon?**

- What changes within your organisation are you going to need to make? And are you prepared to make them?
- Do you need to employ a Fundraiser (if you haven't raised money before)? What kind of Fundraiser? What specific skills and experiences are important for this project?
- Is it viable to sustain income generation beyond successful completion of the project?
- What are the most appropriate fundraising initiatives for your organisation? Businesses, trusts, statutory funders, events, an appeal, individuals, major donors – some or all?
- You have identified likely sources of income – what structures do you need to put in place for each of them?
- If you have a fundraising department, what progress has been made to date – what has worked, what hasn't and why?
- Is the income currently being generated from fundraising cost effective?
- Is it good, bad or indifferent when compared to other similar organisations?
- How do you rate your existing fundraising staff – are there skills/knowledge gaps that need addressing in the light of this new project?
- How do fundraising and marketing functions interact?

- If the fundraising is hugely successful (as you hope), can the organisation cope with it – what resources have you got/will you need?
- How much will it cost to raise the money? Is this in the budget?
- What do you do if you raise only half of what you need?

### **Is your current Board set-up able to add real value?**

- What is the current role of the Board in fundraising? If you are not clear about this, it is doubtful that they are.
- Do you need new members with a different skill set and/or spheres of influence?
- Do you need a separate fundraising or appeal committee?
- Who should Chair it?
- Are you making the most of existing opportunities?
- What contacts and networks have you already established?

All this then needs to be carefully drawn into an implementation plan with a clear timescale and diary dates for a co-ordinated programme of priorities, what happens when, who is responsible for what and so on.

Once this detailed planning phase has been completed you should have a much clearer idea of how your existing Board can support the fundraising initiative.

### **Matching the Board's contacts and networks to your fundraising prospects**

You need them to help you to develop networks of support amongst a variety of sections of the community. For example, if generating income from the business community is a priority, the organisation must gather together a sympathetic group of businessmen and women to act as advocates and develop a peer to peer network of support. A business person is by far the best person to persuade another business person of the merits of sponsoring your organisation. A group of committed and enthusiastic individuals who will involve their own organisations as a role model to introduce others, who in turn will introduce others creates a network of influence that spreads like ripples in a pond.

Most significant fundraising appeals involve accessing a number of different sources of funds and their networks. The role of the Board is to help the organisation access these by using their contacts.

How broad is your constituency? Have you got all areas covered or might you need to consider recruiting new members who have spheres of influence in an underrepresented community?

## **Leadership**

It is important for an organisation to communicate a powerful message, not only that *they* say their project is important, but that it is recognised as important by independent stakeholders. A strong and charismatic Chairman can play a key role in bringing other high value supporters into the fold.

It may be appropriate to consider establishing a separate appeal or development committee – not to bypass the main Board, but rather to act as a focus for their efforts and to spearhead the fundraising.

The Chairman of this Committee should be a high quality individual, well connected and known in the local community and beyond, a committed user of the organisation, able to talk knowledgably about the project and able to gather around him or her a high value group of like-minded individuals who together represent all sections of the community from which you intend to raise the money.

This group will take on the job of raising the target amount, they will ensure the success of the fundraising. Their job, very clearly and simply, is to raise the money - **not** to administer a fundraising programme. The understanding of this distinction is **paramount** and giving them a job description can help to re-emphasise this. Their role should be to look **outward** to secure support, not **inward** to manage the fundraising department.

They will be happy to share their contacts and networks – introduce prospects, spend time cultivating them and generally act as an ambassador working on behalf of the organisation in getting it closer to achieving the target.

But the organisation has to ensure that they are fully equipped to do the asking. This includes obvious issues like making sure they have the necessary paperwork and technical details of ways in which supporters can give but should extend to the full administrative support of the fundraising office – help with organising appointments, research, drafting correspondence, arranging cultivation events, attending meetings, ensuring follow-up is prompt and efficient, liaising between other members of staff within the organisation and ensuring everyone is fully briefed and up to date. The senior management must contribute fully to the cultivation process and help to foster close relations.

This process will also ensure that activities are co-ordinated and someone keeps an eye on the bigger picture – the fundraiser will see where contacts duplicate or overlap and is in a unique position to “join up the dots” and spot opportunities.

There needs to be a creative and imaginative approach to the fundraising to get the most out of every opportunity.

### **Training the Board ....It's not what you do it's the way that you do it?**

*"We have tried fundraising and it didn't work .... I must have sent out a hundred letters and we didn't raise a single penny".*

Sound familiar? This is a classic example of how not to fundraise but one that may be very familiar to many of your board members. This is **not** fundraising and it doesn't work.

Your volunteers need to be equipped with a proper understanding of what professional fundraising is and how it works. It is becoming increasingly sophisticated and approaches like the one outlined above give the industry a bad reputation. For this reason I recommend a day's training for your Board which gives them background to fundraising, the opportunity to ask questions and will take them through the process up to and including "the ask" (and what comes afterwards to develop the relationship longterm) is a sound investment.

*Successful fundraising needs to be as personal as possible*

Your volunteer fundraisers have been singled out to join the Board (or appeal committee) because they are enthusiastic about your work, committed to helping you, have lots of contacts in relevant areas and useful experience and expertise. But they may well be fundraising for the first time. How do you harness all these positives and make sure they become effective fundraisers?

*By giving them the tools to do the job and making "the ask" as easy as possible for them.*

### **Will they, or won't they?**

Imagine this scenario. You have researched and planned, developed your Case for Support, developed your schemes for giving, put in place methods for tax efficient giving. You have identified your "prospect", matched them with a Board member from the same peer group, you have found out what this person (or business or trust) has supported previously and the general level of that support, how and when they normally prefer to give, they have been cultivated.

They are responsive, sympathetic and interested. You have got them to the point of giving. All you need, is for your volunteer fundraiser to ask – what could possibly go wrong?

It's the best case scenario. You have given your volunteer fundraiser all the information necessary to make an ask that is timely, appropriate and at the right level and has the best chance of resulting in a financial contribution – a donation, sponsorship or grant.

The potential prospect has been part of a dialogue that has given him the opportunity to ask questions and discuss ideas and find out a lot about the organisation. He or she should respond favourably to a request for funds that is clearly researched and considered (as distinct from opportunistic and badly thought out) appropriate in its nature (supports an area of the project that you know to be of particular interest to them) appropriate in its size (within the budget) timely (asked for at the right time of the year when the money is available to give) and personal.

And the worst case scenario – no gift. Why? Possibly because the research was poor – the prospect was asked by the wrong person, for the wrong project or for the wrong amount at the wrong time or in a rude or opportunistic fashion.

**Or more likely, he wasn't asked at all.**

All that preparation and no gift, just because your volunteer was too shy or embarrassed to ask. You can bring that prospect to the point of giving but this counts for nothing if you can't rely on your Board member *to ask*.

The arts are in a unique position to exploit the relationship they forge with their supporters – unlike practically all of the welfare or medical charities our users come regularly to visit us and generally have an enjoyable experience when they do. They like what we do, they want to be part of it.

How do you know a good Fundraiser? They are the ones that do their homework .... And then ask.

*Charlotte Platt is a Senior Consultant with DixonRaines Ltd, a consultancy specialising in income generation for cultural organisations.*

[charlotte.platt@dixonraines.com](mailto:charlotte.platt@dixonraines.com)