FRIENDRAISING

Raising Funds, Finding Friends
To Realize Bold Community Visions

A WORKBOOK

PAUL BORN

TAMARACK
An Institute for Community Engagement

About Tamarack

Tamarack is a charitable organization dedicated to helping Canadian communities take ownership of local issues by making use of proven strategies for community engagement. Community engagement is commonly defined as citizens from different sectors of a community working and learning together, and taking leadership to address issues that affect them all.

Tamarack was founded as a partnership between Alan Broadbent of the Maytree Foundation, and Paul Born. Designed to promote community engagement across Canada, the institute's mission is to develop a process to help people create bold visions for the future of their communities, and work together to achieve those visions more easily and effectively.

Tamarack co-sponsors a national community engagement initiative called Vibrant Communities that links up to 15 communities from across Canada in a collective effort to test the most effective ways to reduce poverty through community engagement at the grassroots level.

Tamarack believes that we can find a better path forward when different sectors work together strategically in communities. The Institute provides learning resources and training, coaching, strategic consulting and study guides to help people to collaborate and to learn with and from each other.

For more information on Tamarack, and how we can help in your community, please visit our website at www.tamarackcommunity.ca.

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- Wayne Hussey

INTRODUCTION – FRIENDRAISING: RAISING FUNDS, FINDING FRIENDS … TO REALIZE BOLD COMMUNITY VISIONS

Raising Funds, Finding Friends to Realize Bold Community Visions is a workshop developed and presented by Paul Born. This workshop focuses on the art and science of fundraising and emphasizes the correlation between raising funds and finding friends. Most importantly, it provides practical and proven ideas for raising the key leadership and funding support necessary for community change.

What makes this workshop different is that it is not only about fundraising. At Tamarack we believe that fundraising is an important stage in a community engagement process. Raising funds brings us into conversation with leaders who, over time, come to believe deeply in our work. When people give money to a cause they make a concrete commitment to the work being proposed. This workshop is therefore equally applicable in building the leadership commitment, as well as the funding, required to realize bold community visions. When we raise funds we are engaging key leadership for our work. These leaders can help us to engage key influencers in a community who, in turn, assist in bringing our idea to reality.

The topics we cover are:

- 5 Good Ideas about Vision, Money and Ideas
- Creating the Pre-Conditions for Success
- The Art of Donor Cultivation and Friendraising
- Prospecting and Leadership Development
- Solicitation and Leadership Engagement
- The Case for Support
- Stewardship and the Gift of Friendship

ABOUT THE PRESENTER…

PAUL BORN is President of Tamarack - An Institute for Community Engagement.

Paul founded Tamarack in partnership with Alan Broadbent of Avana Capital and the Maytree Foundation. Tamarack is committed to providing practical support for community engagement and leadership development in Canada.

Tamarack's mission is to engage citizens in inspired action and learning as they work together on behalf of their communities to create and realize bold visions for the future.

Paul has spent many years engaging the private sector in thinking about and working for poverty reduction. As Executive Director of the Community Opportunities Development Association (CODA) for twelve years, he was involved in many successful fundraising and friend-raising campaigns that leveraged the resources required to help more than 5,500 people get back to work and nearly 1,200 people start small businesses.

In his capacity as Consulting Director of Opportunities 2000, a community-based poverty reduction initiative in Waterloo Region, Paul led a fundraising campaign that raised over $1.5 million from the private sector. He was instrumental in growing the leadership capacity of the project by convening a leadership roundtable and developing a successful engagement strategy to mobilize more than 40 voluntary organizations, all levels of government, 40 businesses and three Chambers of Commerce in the work. These people were the friends.

Paul's passion is helping organizations and communities to develop new and sustainable ideas and the resources to implement these ideas. He has led teams that have been recognized:
- Provincially, with a Trillium Caring Community award
- Nationally, with the New Spirit of Community award from Imagine at the Canadian Centre for Philanthropy
- Internationally, with an award by the United Nations for one of the world's 40 best practices for sustainable development.

# FIVE GOOD IDEAS ABOUT…VISION, IDEAS AND MONEY

1. Find your passion and articulate it – this is what people invest in.

2. Get ready to receive money.   People do not invest in confusion or incompetence.   Make sure you have the correct systems in place so that when you receive an investment you can process it in a professional manner.

3. Build relationships and then build the relationship – people give to people they trust.

4. Communicate the opportunity to invest as an invitation to learn.   Projects seldom go as planned.   Engage your funder in the work as it unfolds, so they will be better able to recognize your successes while understanding the challenges you face.

5. Momentum builds as you grow the credibility, capacity, and capital for your idea.

THE TRADITIONAL MODEL OF STARTING AN ANNUAL GIVING PROGRAM

For years, the fundraising profession has held close to a number of principles on how to start up a successful annual giving program. Understandably, these principles are based on tradition and experience and certainly add valuable insight into launching an Annual Giving Program. The process is summarized below in a well-known model called The Donor Giving Pyramid:

1. Annual Gifts – many small gifts
   - direct mail
   - special events
   - all gifts directed to operating
2. Annual Giving Levels – slightly larger
   - direct mail
   - face to face visits
   - all gifts directed to operating
3. Annual Major/Project Gifts – few gifts
   - targeted friendraising
   - face to face visits
   - gifts to operating or special projects
4. Campaign Gifts – many major gifts
   - a compressed series of major gifts
   - conducted over a defined time period
   - all directed at a transformational need
5. Planned Gifts – gifts from bequests, etc. some large
   - relationships confirmed with current donors
   - directed at endowments so the gift lasts "forever"
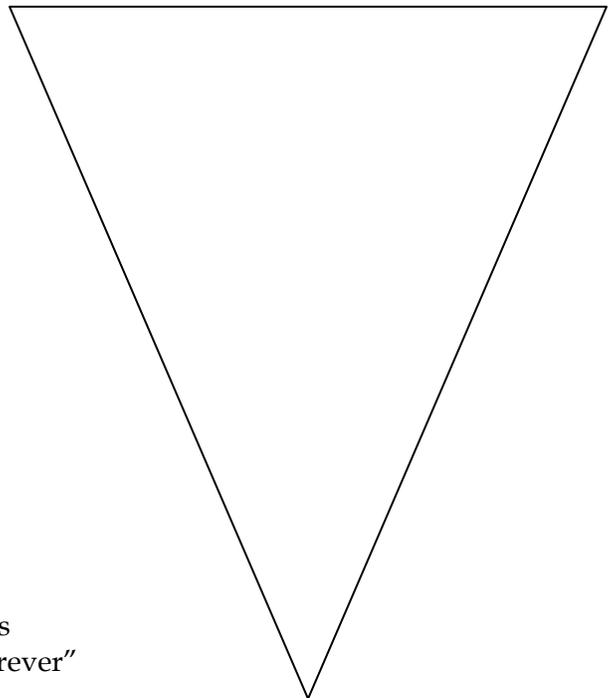
The concept of the inverted pyramid is meant to identify that there is a large number of smaller donors in level 1 and the number of donors decreases as you move through each level but the actual magnitude of financial support increases exponentially as we approach the pinnacle of the pyramid. The model strongly suggests that agencies start with Level 1 and move down to Level 5.

Growing this Donor Pyramid is a long and steady process often taking five to ten years to develop a program that realizes full agency potential.

THE NEW APPROACH

Due to the unique requirements and characteristics of a wide variety of charitable organizations, we now know that we can start a giving program at any point in the pyramid. So perhaps it is best expressed in a different way.

Door To Door   Special Events   Major Gifts   Planned Giving

<--->

Unaddressed Mail   Direct Mail   Giving Levels   Campaigns

A continuum of opportunities is available for charities to consider as entry points or "next steps" in their development program. Understanding how to move back and forth on the continuum is based on a candid and critical assessment of the assets and liabilities of the organization.

What assets do we bring?

-
-
-
-
-
-

What Challenges do we Face?

-
-
-
-
-
-

CREATING THE PRECONDITIONS FOR SUCCESS

In this session we will explore how to **Create the Preconditions for Success** to raise funds and find friends to support your idea.

This is an introductory session that will provide you with an overview of what we mean when we say "campaign." The session will also explain how fundraising can be used as a tool for friend raising and will provide you with an overview of the eight key elements of a successful campaign. They include:

1. *A track record of excellence* - Indicators and empirical evidence that the agency is relevant, competent and worthy of investment.
2. *A transformational vision* - A message that is known by the agency Board members and management staff.
3. *A compelling case for support* - Clear needs that are presented with justifiable costs, due diligence and a clear plan on where and how to attract the necessary funds.
4. *Leadership* – Men and women who enthusiastically provide leadership.
5. *Prospects* – Who cares about what you do?
6. *Cultivation* - "the engagement process"; and *Solicitation* – asking made natural.
7. *Stewardship* - keeping our friends through ongoing recognition and personal interaction.

Notes and Highlights:

- Raising funds for bold community ideas is different than raising funds for the ongoing operation of an organization. Even though this workshop will help you get better at any kind of fundraising, our focus is not an annual giving program or a planned giving program. This is about raising funds and friends for a bold idea and vision. It is quite like a capital campaign but rather than raising funds for bricks and mortar we are raising funds to realize a vision.
- A bold vision speaks to some type of transformation with a plan for achieving it.
- We are looking for people who are passionate for our cause and who have a willingness to communicate that passion.
- In this workshop we often speak of "friend raising" while raising funds. By this we mean engaging supporters as you would friends that you are asking for help. When you approach campaigns in this way, fundraising can become an important community engagement strategy.
- A stranger asking a stranger for money most often leads to small gifts and most often one time. A new acquaintance asking for a gift leads to a few more gifts of slightly larger size but likely one time and strains the relationship. A good friend asks for help and almost always receives it – both parties feel very positive.
- We are asking for involvement, not just money. Involvement is the very best kind of stewardship.

WORKSHEET #1

Consider the following eight preconditions for success. Check those you feel you meet.

On a scale of 1-10 (in which 10 is completely ready and 1 is not yet started) rate how ready you are to start asking. In a few words jot down what you most need to do in order to fulfill this condition for success.

Precondition	Check the box if you meet this precondition.	Scale 1-10	To do
A track record of excellence	☐		
A transformational vision	☐		
A compelling case for support	☐		
Leadership	☐		
Prospects	☐		
The Campaign Plan	☐		
Cultivation process	☐		
Solicitation plan	☐		
Stewardship plan	☐		
Other	☐		

Journal Entry #1: Write your first installment in your learning journal and consider the question: How ready am I and/or is my organization to raise funds and find friends for our idea?

THE ART OF DONOR CULTIVATION AND FRIENDRAISING

In this session we will explore **the Art of Donor Cultivation and Friendraising.**

"Friend raising" is the precursor to fundraising. We believe that charities often mistakenly begin their campaigns with solicitation. Rather, we encourage you to fully engage a prospect before requesting their support. This session will help you to learn how to maximize gifts through the art of friend raising by exploring the following ideas:

- "We all know how to make friends…"
- The prospect cultivation cycle
- Identifying the best prospects
- Prospect identification and research
- Prospect rating
- Cultivating major gifts
- Why people give
- Starting the process

Notes and Highlights:

A way of thinking - None of us will knowingly invest in confusion, mediocrity or knowingly compensate for inefficiency. We are not comfortable giving to strangers but we will give to people or organizations we believe in and trust.

Need is not enough - With more than 80,000 charities in Canada and even more not for profits we are working in a crowded house. The many charities that are successful know that they make friends first and ask for funds second.

Remember - We meet someone new and begin careful investigation of whether we have anything in common or not. If we find some commonalities we may continue to engage with that person and the relationship grows due to even more common interests, value and views or remains a simple acquaintance. Relationships require ongoing contact to remain healthy and positive.

Which way do you want to raise funds? - A stranger asking a stranger for money most often leads to small gifts and most often one time. A new acquaintance asking for a gift leads to a few more gifts of slightly larger size but likely one time and strains the relationship. A good friend asks for help and almost always receives it – both parties feel very positive.

WORKSHEET #2

Find someone who has given *money AND time* to a cause they believe in. Ask them why they did this. What was it about the organization and their idea they liked? What kind of relationships have they formed because of this experience?

Name	Cause they contributed to	Reason for contribution	Relationship formed

Identify 10 people that have supported your work as either a donor or volunteer. Why do you think this person supports your work? If you feel comfortable doing so, ask your donors or volunteers why they contribute to your cause.

Name	Knowledge of Person – why does this person or organization help?

Journal Entry #2: What has been my experience in raising friends for our work? If this were a way of being how would I need to change?

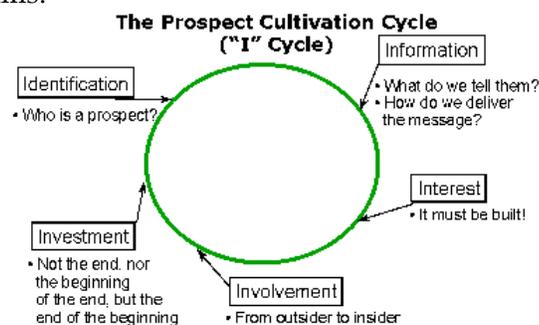# FINDING CAMPAIGN PROSPECTS & CAMPAIGN LEADERSHIP

In this section we will explore how to **Find Campaign Prospects and Leadership**

Identifying donors can be one of the scariest and most satisfying times in any campaign. In this session we help you to understand how you can:

- Develop a good case for support that attracts both donors and friends.
- Understand the importance of, and how to establish, a gift table
- Create a donor engagement model that works best for community change processes.
- Identify prospects.
- Find and benefit from leaders who will bring credibility to our cause and will introduce us to others who can also support our cause.
- Use the wrap around model to support the volunteer.

Notes and Highlights:

- Finding campaign prospects and campaign leadership is a critical element of a successful fundraising program. Many people say their minds go blank when first asked to identify prospects. Our advice is to be systematic but also to brainstorm with everyone you meet. Gather as many names as you can – categorize them in a way that is helpful to you. Trust your intuition and talk to your friends. Our fundraising case gives us direction on the type of prospects we will be searching for.
- Your campaign goal will determine the gift table for your campaign. Your gift table will help you to identify the number of friends and the level of giving necessary to meet your goal.
- Here are some of the skills, characteristics & attitude preferable in the person leading such a campaign.
  a. Passionate about what they do – embrace the cause with their heart
  b. Outstanding communicator – simple & clear verbal communicator, great writer
  c. Experience in the process of fundraising
  d. Authenticity – is trustworthy – a relationship builder.
  e. Good listening skills.

The Prospect Cultivation Cycle
("I" Cycle)

Identification
• Who is a prospect?

Information
• What do we tell them?
• How do we deliver the message?

Interest
• It must be built!

Involvement
• From outsider to insider

Investment
• Not the end, nor the beginning of the end, but the end of the beginning

WORKSHEET #3

Identify Prospects: For each of the categories below, brainstorm to come up with the names of 3-5 people or organizations you would like to support your cause.

Within your organization:
1. _____ 3. _____ 5. _____
2. _____ 4. _____

Within your partners:
1. _____ 3. _____ 5. _____
2. _____ 4. _____

Previous Donors:
1. _____ 3. _____ 5. _____
2. _____ 4. _____

Generous people within your sphere of influence:
1. _____ 3. _____ 5. _____
2. _____ 4. _____

Generous people outside your sphere of influence
1. _____ 3. _____ 5. _____
2. _____ 4. _____

Developing a gift table: How many gifts and prospects will you need to meet your goal? Remember you need three "good" prospects for each gift.

# of Gifts	Size of Gift ($)	Gift total ($)	Running total ($)	# Of prospects

Journal Entry #3: Why do I give to the causes that I do?

SOLICITATION AND LEADERSHIP ENGAGEMENT

This section focuses on **Solicitation and Leadership Engagement.**

Once you've built a relationship with your prospect and structured your campaign, how do you ask for a gift? This session will provide some tips on how to make the "ask."

- Creating a donor engagement model that works best for community change processes.
- Preparing a solicitation readiness checklist
- The ask clearance process
- The solicitation script
- The solicitation meeting
- What to do after the meeting
- Follow up, and,
- Recognition.

Notes and Highlights:

- We don't solicit until the prospect is fully qualified.
- We do everything in the right order but the donor is in charge of the timetable.
- "Do you want this process to be perfect or on time?" Timing is important.
- "A slow yes is far better than a fast no."
- Campaigns are highly controlled processes – there is very little room for or benefit from "freelancing."
- The Wrap Around Campaign Model reduces the frequency of the "rogue" volunteer but we still need to make it perfectly clear that no one conducts a solicitation without the "green light" from the Campaign Director. "Cocktail" canvassing can waste great prospects and leave large gifts behind.
- We have a tremendous opportunity to deepen the relationship and engage our donors as leaders in the project. When they provide a gift, they declare themselves as investors and friends of the project. In most cases, though not all, they will want to have a hand in ensuring that their donation has impact.

WORKSHEET #4

Are you ready? Before you solicit you need to ensure that you remember the key principles and satisfy the checklist. Consider a donor you are feeling is most ready for an "ask." Are you ready to make the ask? Check the box if you can answer "Yes" to the following:

☐ We have a documented trail of visits and encounters that moved the prospect through the cultivation process.
☐ We have shared our information (Case) and it generated visible and expressed interest.
☐ We have found a way for them to become involved in our agency or campaign and they have given us the clear signal that they wish to invest.
☐ We know the answers to these key questions:
    ☐ Do you like and support our Vision and our Project?
    ☐ Is now an appropriate time to ask for your support?
    ☐ Do we have your support to present you with a proposal at the leadership giving level?
    ☐ We have set a date to come present our proposal to you?

If you are ready, what are your next steps? If you are not ready what must you do to get ready?

Next Steps:
_____
_____

Need to do to get ready:
_____
_____

Writing a Solicitation Script: Using the outline below and the knowledge you have obtained from the presentation write a solicitation script on a *separate piece of paper*. Try to use a real person you might talk to.

Name of Prospect: Date:

1. Opening Conversation
2. Formal Beginning
3. Justification and Matching
4. Review of the Vision
5. Presenting the case customized to their interests
6. Solicit Questions
7. Wrap up
8. The role of the non-presenter.

 Journal Entry #4: What are my fundraising/friendraising fears?

THE CASE FOR SUPPORT

In this section we explore the **Case for Support.**

The Case for Support is one of the most critical elements of a campaign. All fundraising requires a well-articulated case for support that clearly expresses how you plan to make the world a better place with the work you are doing. This session will help you to develop your case for support and provides you with tips on the following:

- The four key questions your case must answer
- Establishing your track record of performance
- Articulating your urgent and compelling need
- Expressing the benefits for your donor
- How to package and use the case for support
- Building a case package

Notes and Highlights:

A case for support is:

- A document or kit of information that provides the prospective donor with all the information they need to consider before making a gift
- A leave behind tool
- Another expression of the culture of the cause
- A way of answering the tough questions before they are asked
- A critical precondition for success
- An exercise in discovery and discipline – everyone must agree to it before you go out

Your case must answer four key questions:

- What is your track record of performance? (Why should I have confidence in you?)
- What are your urgent and compelling needs? (Why do you need more/my money?)
- Who will benefit from my gift and how? (What impact will I have through my gift?)
- How will I know you will actually deliver what you are promising? (How will you demonstrate the delivery of the benefits you say I will leverage?)

WORKSHEET #5

The Key Questions: Answer the following key questions for a prospective donor in preparation for writing your case for support:

What is your track record of performance? (Why should I have confidence in you?)
_____
_____
_____
_____

What are your urgent and compelling needs? (Why do you need more/my money?)
_____
_____
_____
_____

Who will benefit from my gift and how? (What impact will I have through my gift?)
_____
_____
_____
_____

How will I know you will actually deliver what you are promising? (How will you demonstrate the delivery of the benefits you say I will leverage?)
_____
_____
_____
_____

How can I be involved beyond giving money?
_____
_____
_____
_____

Journal Entry #5: Do I really believe that my cause is worth giving to? Why? Why not? Try to think of reasons why people may not want to support your cause. How will you respond to them?

STEWARDSHIP AND THE GIFT OF FRIENDSHIP

This section explores **Stewardship and the Gift of Friendship.**

Engaging a donor is important, but keeping a donor is vital.   In this session, you will learn key techniques for recognizing donors and for growing your partnership with them including:

- What we do after the gift
  - Short term action
  - Medium term action
  - Long term action
- The Stewardship Plan
- Delivering Benefits
- The Pitfalls and Challenges

Notes and Highlights:

- Congratulations – you have been successful in confirming a donation from one of your leadership prospects – and it feels so great to have a generous community leader strongly endorse your efforts through a gift.
- Stewardship is a very enjoyable part of the friendraising and fundraising process.
- Remember – they feel great too!
- Stewardship is:
  - A series of proactive actions that are designed to sustain this joy
  - It is one of the easiest parts if you are organized
  - It is very long term and will result in future support as we need to grow our resource base.
- As we maintain our friendships all kinds of unexpected benefits will materialize.
- Donors rarely ask for unreasonable favors in return for their gifts.
- Good fundraising practise understands that Stewardship often leads to another gift and a larger one.
- The test is to have the donor feel as good at the end of their pledge period and beyond as they do the day they confirmed the gift.

WORKSHEET #6

Journal Entry #6: Congratulations! Take some time to reflect on what you have learned in this workshop and continue the journal of learning. Here are some questions that might help get you started:

Do I really believe that I can form friendships with donors? Or will they always just be funders to me?

Is there a difference between getting a gift from a corporation and receiving one from an individual?

Do I embrace the idea that fundraising is a science but friendraising is an art - the art comes from within and is an expression of my being?

Envision yourself having received the biggest financial gift ever. Write the scenario as if it happened. Envision the scenario as if you have built a life long friendship.

RESOURCES

These links are available on the Tamarack website for easy access at:
http://www.tamarackcommunity.ca/g2s611.html.

⭐ indicates a "Must See" resource.

Major Gift Fundraising

Burnett, Ken. Relationship Fundraising: A Donor-Based approach to the Business of Raising Money. 2nd ed. San Francisco, CA: Jossey-Bass, 2002.

⭐ McKinnon, Harvey. How the New Rich Give. CD. 2003. Available at: http://www.harveymckinnon.com/CD.html.

"Ten FAQs About Major Gift Fundraising." What You Need to Know About: Nonprofit Charitable Orgs. http://nonprofit.about.com/library/bltenmajorgifts.htm.

⭐ Wyman, Ken. "Face to Face: How to get Bigger Donations from Very Generous People." http://www.canadianheritage.gc.ca/progs/pc-cp/pubs/e/pdfdocs/Fac2fac2.PDF. 1993.

General Fundraising Resources

⭐ Broadbent, Alan. "Innovative Philanthropic Leadership." Speech. Association of Fundraising Professionals. Toronto, 24 March 2003. Available online at: http://www.tidescanada.org/files/Alan_Broadbent_AFP_speech_-_Innovative_Philanthropic_Leadership.pdf.

Klein, Kim. Fundraising for Social Change. 4th ed. San Francisco, CA: Jossey-Bass, 2001.

Seiler, Timothy. Developing Your Case for Support. San Francisco, CA: Jossey-Bass, 2001.

Wyman, Ken. Planning Successful Fundraising Programs. 3rd ed. Toronto: Canadian Centre for Philanthropy. Available at: http://www.ccp.ca/store/item.asp?ItemID=CCP-PUB-05.

Wyman, Ken. Fundraising Ideas That Work for Grassroots Groups. http://www.pch.gc.ca/progs/pc-cp/pubs/e/Fr4gras1.htm. 1995.

Useful Facts and Other Sites

Imagine, Canadian Centre for Philanthropy. Connecting Companies to Communities. http://www.ccp.ca/publications//description/connecting.asp

★ Imagine, Canadian Centre for Philanthropy. Creating Effective Partnerships with Business. http://www.ccp.ca/publications/description/creating.asp

Imagine, Canadian Centre for Philanthropy. Engaging Employees in the Community: How to Establish Employer Supported Volunteerism In Your Company. http://www.imagine.ca/content/imagine_in_action/volunteerism_engaging_employees.asp?section=action

Helpful Organizations and Resources

BIG Online
> This subscription-style website database is a fact-filled, comprehensive, and current source of fundraising information for non-profits and charities. BIG features more than 67,000 available Canadian funding sources (foundation, corporate, and government), representing billions of dollars in annual funding. Big Online also has a companion web database with extensive information on fundraising opportunities in the U.S. http://www.bigdatabase.ca/

★ Canadian Centre for Philanthropy
> The CCP's Information Centre contains a wide-variety of resource materials on topics of interest to the charitable, voluntary sector. Many of the references are published by the Centre, and most of the articles are available for viewing or downloading. www.ccp.ca/information/index.html

Canadian Directory to Foundations and Grants
> Directory put out by Canadian Centre for Philanthropy. www.ccp.ca/directory/index.html

The Canadian Donor's Guide
> The Canadian Donor Guide contains basic data, collected by questionnaire, on some 4,000 Canadian fund raising organizations. www.donorsguide.ca

Canadian Fundraiser
> News, Informed Comment, and Best Practices in Canadian Fund Development. www.canadianfundraiser.com/

Not-For-Profit News **-** www.carswell.com

Front and Centre
> A periodical for members of The Centre for Philanthropy. www.ccp.ca

★ Tides Canada
> A national foundation with a unique focus: providing charitable giving services to donors interested in values-led philanthropy in the areas of environmental sustainability and progressive social change. www.tidescanada.ca

ACKNOWLEDGEMENTS

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