

A Compendium of Blog
Posts

GoettlerAssociates
FUND RAISING MATTERS

Navigating the Road Ahead

...through the elements of fundraising success

Fund Raising Matters Blog™

A discussion blog exploring the “state of the art” in fund raising



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Navigating the Road Ahead...

Navigating the Road Ahead through the elements of fundraising success

Goettler Associates is one of the nation's most trusted advisors for fundraising, strategy, and planning. Our experienced team is dedicated to leading nonprofit organizations toward the realization of their philanthropic potential through a Full Continuum of effective professional consulting services.

Goettler Associates has long supported efforts to increase awareness of the time-tested principles of successful fundraising and to advance the "state of the art," so to speak. The ongoing *Goettler Series*, and our periodic newsletter *Fund Raising Matters (sm)* have been used by countless individuals serving as professional staff or as volunteers in our nation's non-profit organizations.

These materials are a clear description of our firm's philosophy and approach to fundraising, and we hope that you will make good use of them and share them with your professional colleagues or with fellow members of your non-profit board.

Our series of provocative publications addresses the key issues related to fund raising and institutional advancement. In March of 2020 we unpacked our suitcase and left our offices like much of the nation and contemplated what was next. Soon, we were inspired to begin publishing and distributing a (near) weekly blog about fundraising in the midst of a worldwide pandemic. We received tremendous feedback and summarized our thoughts in the 70th issue of our FundRaising Matters periodical.

Thankfully our nonprofit industry came back from the Covid shut downs rather quickly, and yet many things had changed. The mood of the nation had changed, the nation's discussions had changed and many questioned if how we go about our work as fundraisers had changed too. So in late July of 2021 we set out to begin another series of blog articles exploring what we believe are the essential elements of fundraising success and how, or if they may be changing in today's climate.

The following pages represent a compendium of our exploration of these elements as they were originally published, and now combined into a single document as a resource for fundraisers and those interested in advancing the work of their institutions.

We hope you enjoy this resource and that you will share it with colleagues and associates.

Covid-19 Blog Posts:

- [Reopening with Resilience, Realism & Trust](#)
- [How to Make It Easier](#)
- [Don't Jump to Conclusions](#)
- [Time to Reverse Engineer the Special Event](#)
- [Living with Covid-19 and Not Knowing](#)
- [Lessons Learned](#)
- [Zoom in on better etiquette when video conferencing](#)
- [Adopt, Adapt, Improve](#)
- [Working Through the Stages of Change](#)
- [Shelter In Place and Seeking Balance](#)
- [What Should We Be Doing Now?](#)

Navigating the Road Ahead...

(July 2021)

As the dust settles from Covid-19, we are discovering that the Road Ahead is fraught with concerns and challenges similar to the shutdown itself. There is also a growing chorus of voices that are challenging the status quo of today's best practices and social constructs. So let's look at how this rapid pace of change is affecting nonprofit organizations on the Road Ahead in the fundraising marketplace.

... through the Essential Elements of Fundraising Success

The impact of the pandemic on our nonprofit sector has been far-reaching, but unevenly felt. Recent estimates indicate that giving in the US increased impressively in 2020, yet AFP's Fundraising Effectiveness Project (FEP)



tells us that donor retention rates were an all-time low of 44 percent. Contributions to human services, public-society benefit and environment/animal organizations surged while health and arts sector organizations saw significant decreases. The personal experiences of our donors and volunteers, and especially our clients, stakeholders, and constituents, have been equally disparate with some struggling with isolation and job loss while others enjoyed benefits of a robust stock market. Now, as we re-emerge from the unimaginable circumstances of the last 16 months, we must embrace the forthcoming opportunities and challenges. But how does one navigate the road ahead?

The work of our firm has been guided by a confident understanding of the essential elements of fundraising success. Certainly we can all acknowledge tremendous advances in our nonprofit sector and growth in our fundraising methods, but has the most recent pandemic, and rapid changes in our broader culture and society now changed the playbook? To that end, we feel compelled to share this new blog series exploring whether these time-tested and proven elements of success are still valid . . . or did things really and truly change?

Our last series of [Blog entries](#) were published in the first months of the pandemic, when the world first began to experience the full extent of the Covid-19 emergency. We begin this new Blog Series with an examination of the traditional elements of success:

Element #1. A solid organization

Historically, our advice to organizations was to stress their capabilities and accomplishments to demonstrate they are worthy of the donor's investment: what the organization does, how it communicates its purpose, and how it presents itself to the philanthropic marketplace. The ability to communicate value and relevance during the pandemic was the priority. Do you have any clearer understanding today of how and why (or why not) people associate with you and value the work of your organization?

Element #2. A worthwhile project

Whether your campaign seeks to raise annual, capital, or endowment support – or some combination of the three – the funding objectives must be perceived as one that meets an urgent community need through increased organizational capacity. Both the pandemic and the death of George Floyd redefined the meaning of urgent, and may have shifted the philanthropic focus of your donors. Did it also change their thoughts about the urgent need to support your organization’s programs and services? Did your donor’s change they way they now see your organization?

Element #3. A compelling case for support.

The engagement of stakeholders, constituents, and influencers by concisely and clearly stating the “why” of your existence is as critical as ever. Organizations who failed to acknowledge the impact of the pandemic on their community, their programs, and their bottom line were disingenuous. Likewise for those nonprofits who stretched the truth when describing their “Covid relevance.” Not all of us were on the front line of services during the last 16 months. Does that make your case any less compelling? How will you craft your case for support in 2021 and beyond, and what form will your messaging adopt?

Element #4. Availability of sufficient financial resources.

For many nonprofits in the social service sector, the past 16 months brought with it new donors, new virtual methods of giving and seemingly new opportunities for nonprofits to build relationships. But are these new donors likely constituents who have both the interest and capacity to support you at a more significant major gift level? Check out the aforementioned FEP attrition rates again? Are you really doing as well as you think you are?

Element #5. Qualified and committed volunteer leadership.

A qualified volunteer leader is enthusiastically amongst the first to step up to make their financial commitment and eager to advocate for the gifts of social and financial peers and colleagues. Yet, Covid largely eliminated the social interaction of our donors and constituents. Organizations are employing new broad-based and mass appeal methods while also employing major gifts officers to directly solicit support. Has the concept and role of volunteer leaders in the fundraising process completely changed forever?

Element #6. Pacesetting leadership gifts.

Broad-based social media campaigns can backfill a major gift effort and are important to helping establish a groundswell of constituency ownership, but building a large community to achieve significant funding goals will undoubtable take longer – hence the role for leadership gifts. What’s the pace you need to set to appropriately respond to the problem(s) you seek to resolve?

Post-Covid Analysis:

Can we still say that the established and solid organization is raising more money? By some accounts, philanthropists, foundations, and corporations have devoted more than \$10 billion in the past year toward racial justice programs, and are supporting many newly-created organizations and initiatives. Observing recent events it may seem that disruption, activism, and new are more important organizational attributes than established, successful and effective.

Why do we still believe that being a solid organization and providing a needed service while being financially sound is an important ingredient for future success?

The objective to define your nonprofit as a solid organization originates from a marketing and sales perspective. The guiding concept is that the solid organization is more capable of future success which distinguishes it in a competitive marketplace and leads more readily to an awareness of, admiration for, and support from a constituency of donors. Just as an investor works to carefully evaluate how they invest their assets; it is also true that donors will seek the best and most effective organizations for their largest philanthropic gifts.

Some nonprofit industry disrupters are challenging the status quo of social policy and suggesting that donors have too much influence over organizations. Instead nonprofits should be more focused on what is best for constituents, and the community; moving from a donor-centric model to a community-centric policy. But this presupposes that the donor is more motivated by the influence that they may obtain, rather than the impact of their gift.

Today, we are also witnessing both demographic and technological change at a more rapid pace. Millennial donors are engaging in new ways of giving back which frequently highlight socially rewarding media platforms that aggregates their giving and preempts any direct relationship with the charity, nor presumably any consideration for whether or not they are giving to a solid organization.

Further change is certain as technology, culture and societal norms evolve the way donors give. Does this mean the donor of tomorrow will let some thing or someone else decide who receives their benevolence? Regardless of the “how” of engagement, we still believe it’s about the “what” of impact.

We believe that donors will continue to make their own decisions, and seek to balance sound economic judgement with a genuine desire to resolve societal issues. We are also confident that there will be a high level of competition for the attention and loyalty of donors, and that these same donors will want to be confident that their chosen organizations will do what they say they are going to do.

It is still critically important to demonstrate that your nonprofit is a solid organization, well-managed and financially sound. However, this will require you to continuously question, prove, and demonstrate your relevance to donors in light of societal issues that came to the forefront in the past 16 months. New does not equal better and established does not equal inconsequential.

Adherence to your mission and serving your constituents with quality and reliability will distinguish you as a solid organization in an increasingly competitive fundraising environment.

So what has changed? We believe that the lens through which donors view your organization is changing and continues to evolve, which will be explored next.

Working transparently and honestly to define your solid organization as one that: provides a needed service, with quality and reliability; is led by competent and respected professionals and volunteers; is financially sound and well-managed; and, known and valued in the community will lead to more successful and effective fundraising.

The Road Ahead: Solid Organizations know their donors

(August 2021)

We have explored how solid organizations are distinguishing themselves in the philanthropic marketplace. Now we need to consider if the donor is changing their definition of what matters. Have donors changed how they look at solid organizations? Are donors now looking at their giving decisions through a new lens?

Many nonprofit organizations practice the ritual of the annual report to convey their organization's capabilities to their constituents. Citing a litany of service statistics and annual accomplishments, many organizations seek to demonstrate their accomplishments by printing these statistics in a lengthy annual report and then mailing or broadcasting them to donors and constituents.



The Covid crisis may have broken this ritual for the better. Consider a performing arts organization that typically recites the number of concerts or performances and the size of their audience. Last year, organizations across the nonprofit sector were forced to communicate with their constituents on a more intimate and human level and we believe that this personal communication with donors should continue.

Our national attention has changed in the past 18 months to discussions increasingly focused on race, equity, gender identity, and public health. In turn, this has caused many nonprofit organizations to respond and to change their own messaging and others to change their programmatic focus. In today's hyper-connected society organizations may feel pressured to demonstrate their activism in response to these evolving topics, or to wonder if today's issues warrant recasting the organization's founding mission and purpose.

Navigating the Road Ahead by Knowing your Donors

If we learned anything from the past year and a half, it is the importance of understanding your donors' values, and communicating with them in more personal and impactful ways. Using the tools of the donor qualification trade, it is likely that organizations know something of their donors' home value, alma mater, vocation, familial connections, and overall net worth. But what do we really know about their values? The importance of knowing who you donors are, and knowing what they are hoping to impact through philanthropy is even more prescient now with our rapidly changing social discourse.

Navigating the future can be incredibly challenging when the only certainty seems to be uncertainty. The first element of fundraising success – A Solid Organization – provides the guidance needed to manage today's challenging post-pandemic re-emergence.

- Solid Organizations will – communicate the human impact it has had with its constituents
- Solid Organizations will – remain focused on its stated mission, while at the same time ensuring its founding principles continue to be authentic and relevant
- Solid Organizations will – remain connected to its donors and will actively work to identify and listen to the changing and evolving values and interests of these same constituents
- Solid Organizations will – involve the members of its governing board in actively listening to its donors and in working to continuously identify the evolving values of your donors.
- Solid Organizations will – know who its donors are and will have the methods and the capacity to engage these individuals in regular and meaningful conversations
- Solid Organizations will – demonstrate its desire to listen to its donors and constituents.

Giving USA 2021 estimates that charitable contributions grew by 3.8 percent (adjusted for inflation) in 2020, of which nearly 88 percent came from individual donors. Clearly this shows that donors remain exceedingly generous. Conversely, the Fundraising Effectiveness Project's compilation of 2020 growth in giving statistics indicates that donor retention is at an all time low of 44 percent. Solid Organizations, therefore, focused on authentically communicating shared values, goals and aspirations to retain more of their current donors and gain new ones as a result of more personal exchanges.

We are confident that working transparently and honestly to define your organization as one that: provides a needed service, with quality and reliability; is led by competent and respected professionals and volunteers; is financially sound and well-managed; and, known and valued in the community will lead to more successful and effective fundraising.

The Road Ahead with a Worthwhile Project

(August 2021)

If you want to attract and secure major gifts or launch a capital campaign, you will need a Big Idea – a good story, and a worthwhile project for donors to invest in.

If you want to change the future, your nonprofit organization will need to focus on identifying, securing, and retaining major gifts. Estimates of total dollars donated to charitable organizations indicate that in 2020 Americans contributed more than ever before – five percent more than in 2019 and totaling \$471 billion (*Giving USA 2021*). The importance of major gifts has become more evident than ever. However, the trend line in recent years is that major giving is up, but the number of major gift donors is down – an unsustainable situation.

Historically, launching a capital campaign was the best way to focus an organization’s constituency and leadership on securing major gifts. Is this still true today? MacKenzie Scott (formerly married to Jeff Bezos) made headlines by giving nearly \$6 billion to charity last year, much of it for unrestricted and undesignated purposes. Undeniably, there is growing dialog amongst foundation grant-making leaders about the importance of unrestricted support for general nonprofit operations. But



whose job will it be to convince your board of directors that their idea of placing a cold call to Ms. Scott does not in any way qualify as a fundraising plan?

The Second Essential Element of Success states just that – organization’s need to identify a Big Idea and a worthwhile project. The fundraising campaign needs to be about something important, something that people consider to be worth the time, effort, and expense required to get it done.

Essential Element #2. “A worthwhile project”

The nonprofit leaders we have had the pleasure of working with strongly believe in the importance of their organization’s work. Successful major gift campaigns are about more than ongoing operations and maintaining current programs and services. In our experience, your organization’s Big Idea must meet the following criteria:

- The campaign should build the capacity of the organization on a permanent basis – by adding new services, improving or expanding existing services, or extending services to new constituencies.
- The campaign should respond to a need that is perceived as urgent. By this, we mean the kind of need that is felt by those the organization is in business to serve, rather than something the organization’s leaders think it should have.

- The campaign objectives should reflect a vision of what more the organization, with increased investments, could mean to the community, and what more it could do for those it serves, or could serve. A vision paints a picture of a desirable future, one that the organization and its donors can actually help to create. The objectives of the campaign must be more than a collection of unfunded and unrelated “nice to do” projects.
- The campaign objectives should also make sense as part of a larger plan — a well- thought out and well-documented road map that shows exactly how the organization expects to get where it wants to go. These are the kind of plans that typically come as a result of careful strategic planning.
- Finally, the campaign objectives must be an appropriate focus for private philanthropy. They should make possible services that cannot readily be funded in some other way (from the organization’s reserves, operating revenues, government grants, etc.). The objectives must present a role for the donor as philanthropic investor and champion.

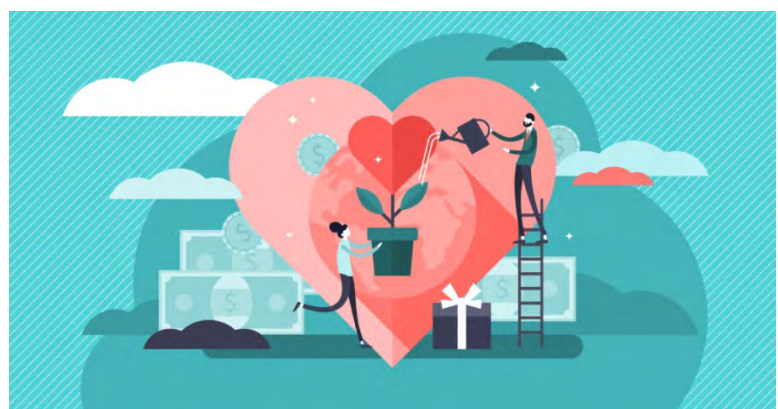
Raising more money for your organization must include efforts to obtain major gifts, and that requires a Big Idea – the prerequisite for which is a worthwhile project. The methods you devise to generate major gifts may or may not include a capital campaign to fund a new building, new program, or new endowment, but it must foster inspiration and passion to accomplish your worthwhile project.

The Road Ahead Inspired by a Big Idea

(August 2021)

We now know the importance of defining a worthwhile project as a key part of your major gift fundraising strategy, but identifying your organization’s Big Idea may be more challenging in our shifting social and economic climate.

It seems that forecasting and strategic planning has become more difficult in recent years and exceedingly more difficult as we re-emerge from the pandemic. What will the Fall of 2021 bring? Casting our Big Ideas and campaign objectives against a larger plan may actually look good today and unreasonable with tomorrow’s inevitable change.



We all recognize that our Big Idea and funding objectives should respond to a need that is perceived as urgent, but with all the social and political upheaval of the past 18 months should our quest for major gifts follow today’s headlines and shifting national dialogue?

We learned during Covid that donors want to know the impact that your organization is having. Donors want to know how your programs, services and efforts are positively affecting your constituents. In the last year and a half, donors have told us they want greater transparency and

accountability regarding the use of their contributions, and the difference these gifts make in the broader community. One of the greatest mistakes a fundraiser can make is to assume that they already know what donors want to know without asking the donors themselves.

Implementing the second essential element calls for a clear definition of the role of philanthropy. This means not only defining an appropriate role for private philanthropic donations, but also an appropriate and respectful role for the donor's views and opinions. Listening to donors and seeking their opinions and input on what they believe is urgent is a critical characteristic that differentiates successful organizations.

Constantly monitoring the views and perspectives of your donors is essential to navigating the road ahead. They will tell you what is changing in the community and within your constituency; they will tell us what is truly compelling; and they will tell you where they believe their philanthropic investment is most urgently needed.

The world is moving too fast to turn the development of your next Big Idea and your major gifts appeal into a game of trial and error. Understanding your donor's perspective, opinions and desires will keep your Big Ideas, and major gift appeals focused on raising the most.

Example of Essential Element #2. "A worthwhile project" at work.

One way to demonstrate this element at work is to share an actual experience we had with a client. This nonprofit client had a really Big Idea, and hired fundraising counsel to help them with implementation. The executive director explained the really Big Idea to counsel in their first meeting as follows: *"If we could raise \$100 million in endowment, we would never have to raise money again, and we could stop spending so much time talking to donors and trying to raise money every year."*

What nonprofit executive wouldn't want to totally endow their annual operations? So let's put this to the test:

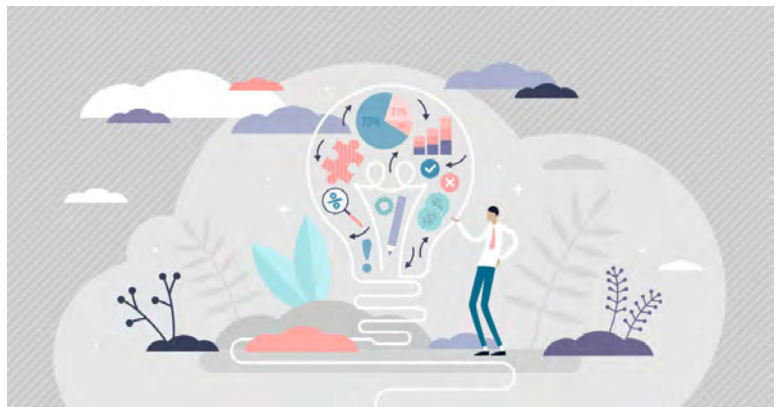
- Would that Big Idea **build the capacity** of the organization on a permanent basis? **Answer:** Not really. Permanently endowing the nonprofit's annual budget may eliminate the need for annual fundraising but it would also diminish and likely eliminate the ongoing voice of donors and constituents and the potential for other fundraising appeals.
- Does that campaign's Big Idea **respond to a need** that is perceived as urgent? **Answer:** No. The nonprofit may be inconvenienced by annual fundraising, but that doesn't mean the donor will be inspired to give exponentially more than ever before.
- Does the Big Idea **reflect a future vision** of what more the nonprofit could do? **Answer:** Not really. The stated need to endow the organization was not conveyed in what more it could do, but in what it would not need to do.
- The Big Idea objectives should also make sense as **part of a larger plan** that shows exactly how the organization expects to get where it wants to go based on the needs of those it serves. **Answer:** Again, not really.
- Finally, the Big Idea objectives must be an **appropriate focus for private philanthropy**, and an appropriate role for the donor. **Answer:** Again, No. Endowing an organization's annual operating budget so that they never have to talk to their donor constituency is probably not high on a donor's list of desired accomplishments. Nonprofit organizations are often

complicated and sometimes convoluted institutions. Donors play a vital role in ensuring that these organizations and associations remain responsive to their communities and provide a clear benefit to the public.

Major gift fundraising is inspired by Big Ideas. Make sure that your Big Idea is properly developed and presented to raise more money, for an endeavor that is perceived by your donors to be truly worthwhile.

The Road Ahead with a Compelling Case for Support *(Sept 2021)*

Now that we have examined the first two essential elements of successful fundraising (#1: A solid organization; and, #2: A worthwhile project) we are ready to explore the development of a compelling case for support. Anyone affiliated with a nonprofit organization either as a staff professional or as a volunteer leader understands that a strong and defensible case for support is essential to raising money. But increasingly, it seems that what defines an actual case for support defies any uniform definition, and is often mistaken for a marketing piece – or, even worse, the “elevator speech.”



Most agree that an organization’s case for support should include a fundraising goal in terms of dollars and in terms of outcomes and benefits to the organization’s constituents. However, that may be the limit of any broad consensus. A quick Google search will offer hundreds of different responses and clearly demonstrate the many differing views on this essential aspect of success.

There is even less agreement on what form a case for support should take. The ever shrinking attention span of our digital society first started calling for development officers to compress their case for support into that elevator speech (for a three-story building), and today into a single tweet of 280 characters. Others are more generous and will offer a “deck” to present their case, referring to a series of eight to ten or more power point slides. Still others will only rely on an infographic to explain the value and purpose of their organization.

Regardless of how an organization decides to present their fundraising message, it will almost always begin with a deliberate and extensive process of researching and developing a case. We believe that the process of developing the case, the involvement of many internal and external stakeholders, and the deliberate work to identify the donor’s perspective is almost always more important than the final communication instruments developed.

Essential Element #3: A compelling case for support

An effective case for support is not a static written document, but a practical, action-oriented tool for volunteers, as well as professionals. It enables the organization to present itself and its development program to prospective donors in a manner that captures their attention and interest, and elicits their advocacy and support.

In essence, the case positions the organization and the campaign as an attractive opportunity for philanthropic investment. It clearly outlines the goals of the fundraising program, and describes (quantitatively, if possible) the positive impact that a successful campaign will have on all those the organization serves.

It is essential for the case to be written from the perspective of the potential donor and volunteer—rather than the internal perspective of the organization. Specifically, the case must focus on how a successful campaign will meet the needs of the community and all those the organization serves, as opposed to the self-defined “needs” of the organization.

We believe the most effective case will be based on strengths, capabilities, and potential, rather than deficiencies or problems. It will evoke a vision of the future which the donor and volunteer can readily “buy into,” and which the organization and the campaign can help to realize. Such a case will appeal to the emotions, as well as the intellect; it will generate enthusiasm, as well as presenting the necessary facts. In this way, it will encourage people to act.

Finally, a strong case for support must be memorable. The volunteer should be able to articulate its basic thrust eloquently and persuasively in a few short sentences. A case for support that is “internalized” and personally presented by a volunteer or current donor to a peer, is ultimately the best form and method to render your organization’s case for support.

Because a compelling case must be informed by the “marketplace perspective”—i.e., the viewpoint of the donor—the process of developing the case provides an excellent opportunity to involve prospective donors in a stimulating and productive dialogue about the organization and the development program, and how they can be most effectively presented.

Who should be responsible for the case? While most organizations still view the development of the case as a task for the development, marketing, PR, and/or external relations staff, the result will usually reflect an internal, sales-oriented perspective. The emphasis of internal staff is often on rhetorical eloquence, rather than substance. An outside consultant is more often in a far better position to see the organization objectively, to work from the perspective of the donor, and to present the organization and the campaign in a fresh light.

We often find that the campaign funding objectives have emerged from informal discussions and not from a strategic planning or visioning process. In the course of developing the case, the consultant must, in effect, make up for the steps that have been skipped. Where exactly is the organization trying to go, and why? How will this campaign advance that agenda? How will it strengthen its mission? As a rule, a consultant can ask these questions, get the answers, and integrate them into a compelling case more efficiently and effectively than development staff can.

Many organizations raised more money during the past 18 months of the pandemic, while others survived shut downs and shuttered operations through government grants and other heroic efforts and appeals. How do organizations now pivot from crisis mode to new bold statements of changing the world? Is simply surviving the pandemic an adequate demonstration of the organization's strength and capabilities?

The social and political changes today are confusing and troubling for many people. How, then, do development officers interpret the marketplace perspective? Instead of joining together, there seem to be more and more reasons for why we feel we are different from one another.

Any organization that is working to develop their case for support in the current environment must begin their work by engaging, involving and understanding their donor's perspective. What are the values and motivating beliefs of your donors? Once that is clear, a narrative can be created about your future vision and the opportunities that a successful campaign and new resources will provide. Actively involving your donors and external constituents in developing your fundraising case will not only offer a deeper understanding of these constituents relative to your mission, it will ultimately help you raise more money.

The Road Ahead with Sufficient Financial Resources *(Sept 2021)*

Fundraising professionals are an optimistic bunch, but at some point we must acknowledge that attaining a specific dollar goal is dependent upon the cultivation of a constituency with sufficient financial resources. Fundraisers must be more strategic in their work than simply believing that the money is out there. It is incumbent upon every organization to define what cultivation means relative to its relationship with donors – and education must be part of this process. Receiving a significant gift from a donor that we do not yet know, and that does not yet know our organization and purpose, is very remote.



Our fundraising industry has grown, evolved, and changed dramatically in the last 10 to fifteen years in response to national crises such as 9/11, the Great Recession, and now the pandemic. Technological advances and cultural shifts have further impacted our approach to the essential elements of successful fundraising. However, we believe this constant holds true, regardless of the size of your campaign or the nature of your program or project: successful fundraisers must understand the dynamics of their funder constituencies – who they are, what type of relationship they want, and what impact they hope to have – in order to realize their funding goals.

The fourth essential element of successful fundraising speaks to the importance of identifying the interest and capacity of your current and likely future donors.

Element #4. Availability of sufficient financial resources

For a campaign to have a reasonable expectation of success there must be sufficient financial resources available to fund the development program. By “available,” we mean those prospective donors (individuals, corporations and foundations) who have at least a philosophical rationale for supporting the organization and the development program, if not an active interest in and relationship with the organization.

Specifically, there must be a sufficient number of major gift prospects to initiate campaign activities at a substantial and meaningful level. While some of these prospects might be members of the internal organizational family, others might only have a cursory relationship to your organization. The challenge, in both instances, is to create a clear pathway to creating a collaborative and meaningful relationship.

Applying Element #4 requires that we also follow the objectives presented in our [case for support](#), and apply the *campaign* principle to raise a specific amount of money for a specific purpose within a specific time frame. Therefore, defining your constituencies of likely donors will depend on your case and your methods and resources for raising money. Are you trying to raise many, many smaller gifts of less than \$100 to support annual operations, or are you looking to secure a select number of \$1,000,000 multiyear gifts to achieve your major capital and/or endowment funding goals?

It quickly becomes obvious that defining your constituencies will depend on the depth and scope of the actual relationships that exists between your organization and your current and future donors. Today, nonprofit organizations and their fundraisers have an incredible number of tools and resources available for communicating with and potentially expanding their field of supporters. In the name of cultivation and stewardship, most nonprofits use databases of varying levels of sophistication to manage points of donor communications and gift tracking. Larger organizations, with greater resources, often employ relationship managers to specifically oversee this process. Yet despite these powerful tools, there are signs in our sector that we are not, in fact, creating stronger constituent relationships at all.

The Fundraising Effectiveness Project, established in 2006 by the Association of Fundraising Professionals and the Center on Nonprofits and Philanthropy at the Urban Institute, conducts research on fundraising effectiveness and specifically reports on the rates of donor renewal from year to year. While the number of donors and the total dollars given increased dramatically in 2020, this growth was fueled by new donors most likely reacting to the extraordinary pandemic and lapsed donors who came back into the fold, probably for the same reason. Ironically, our ability to retain current donors fell to a new low of 44 percent. For every 100 donors on our rolls we are, in effect, waving goodbye to 56 of them.

Successful major gift fundraisers will typically appeal to existing donors (those that have a greater knowledge and affinity for our organizations), but if we are only retaining 44 percent of our constituents from year to year, this donor churn demands that we dedicate precious time and resources trying to replace departing donors rather than developing deeper and more meaningful relationships with our existing donor constituents.

Most organizations will engage volunteers to advocate for their mission and to expand their constituency of likely donors through peer relationships. But cultural and societal changes are changing the way that community leaders and volunteers participate with nonprofits. Fundraisers must also deal with increasing challenges related to the cancellation of social events and group meetings, our opportunities to network and to benefit from the social aspect of giving have also diminished.

The technological advances of our industry have benefited many organizations and allowed for the growth in the numbers of new donors, but these advances have not typically deepened our resolve to find out who our donors are, what type of relationships they want, and what impact they hope to have. Successful fundraising, and the attainment of gifts that drive the success of comprehensive campaigns, remains an intensely personal endeavor.

In the end, fundraising leaders must balance their organization's efforts to retain their current donor constituents (as many as possible!) from year to year with the need to create and sustain more meaningful relationships with constituents at multiple levels of giving.

The Road Ahead with Committed Volunteer Leaders *(Oct 2021)*

Our nation's history of philanthropic accomplishment relies heavily on one-to-one human linkages and accountability. This is especially true in the area of major gift fundraising. Of all the elements of successful fundraising, the most important is the need for actively involved, qualified and committed volunteer leaders.



Philanthropy is a huge part of what makes America America. Our nonprofit sector now employs 11 percent of the U.S. workforce. Each year, seven out of ten Americans donate to at least one charitable cause. And, Americans freely associate with one another to volunteer their time offering labor worth hundreds of billions of dollars per year.

Despite headlines and stories of large anonymous gifts, and unsolicited gifts from the ex-wife of a certain tech billionaire, these gifts are of course anomalies in the nonprofit world. Such gifts can be transformational for all involved, but a gift that falls from the sky is hardly the plan for an organization that urgently needs funds now. In such cases, most organizations will move to implement a major gifts fundraising campaign, often in the form of a capital campaign. The focus of this series of blog posts is to explore the essential elements of success when it's time for your nonprofit organization to take a major step forward and raise significant new funding.

In the field of major-gift fundraising, it's often been said that "the money's out there." The mere presence of wealth, however, is of negligible value without a corps of volunteers who are qualified, willing, and able to personally approach top donor prospects on behalf of your nonprofit organization and its campaign. People STILL give to people.

Undoubtedly, our society and our industry are changing—certainly as a result of the pandemic—and many nonprofit leaders believe that attracting volunteer leaders is even more difficult today. Let's start by defining what we mean by *qualified and committed volunteer leaders*.

Element #5: Qualified, committed volunteer leaders

By "qualified," we mean first of all that to be effective, a volunteer must make an exemplary financial commitment of his or her own commensurate with their interest and capacity. Secondly, as a rule, the volunteer should also be a social and financial peer of the prospect. While a successful campaign may require expert professional guidance, it is these qualifications which continue to make a well-prepared volunteer, in most cases, a far more effective solicitor than the vast majority of development professionals.

- A volunteer, unlike a paid employee of the organization, has no financial interest in the philanthropic transaction.
- The volunteer's personal financial commitment both establishes credibility and sets an example for the prospect.
- Finally, a social and financial peer of the prospect is asking him or her to do no more than the volunteer has already done.

Like any successful enterprise, an effective volunteer organization depends on outstanding leadership—people who are exceptionally responsible, qualified, and capable, and who are known and respected by their peers. Such leaders give the campaign credibility and keep it moving forward through their affiliation with the campaign, their charisma, and their exemplary efforts. They are needed at all levels of the campaign to make pacesetting financial commitments of their own, then to orchestrate and lead the solicitation of their peers.

While many universities, hospitals and national organizations employ major gift fundraisers to continuously seek large gifts, the majority of the 1.54 million charitable nonprofits in the United States depend on the identification and enlistment of volunteer leaders to initiate major gifts campaigns.

The availability and role of volunteer leaders is changing and the likelihood of recruiting volunteer leaders from outside an organization's board is more difficult than it was in the past. This leaves many organizations to begin the process of leadership recruitment from within their organizational "family" of board and committee members, or past board members. There are a number of reasons for the scarcity of volunteer leaders – and to be sure there are many forces at work – one reason may be staring at us in the mirror. Are we as fundraising professionals and nonprofit executives asking? Are we helping our board members and our volunteers to define, embrace and accept the indispensable role of volunteer leaders? Or, does the enlistment of such an invaluable cohort seem like "too much work?"

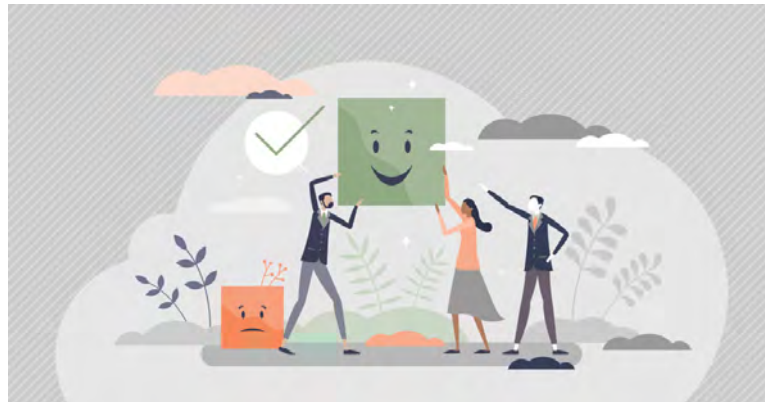
Board members must financially support the organizations they serve. Unfortunately, too many organizations fail to have a clear conversation about the expectation for personal support before they join the board. Nothing is more critical or necessary to the legitimacy and success of your major gifts fundraising effort than unanimous financial support from your board. If your board of volunteer leaders — presumably the most involved, committed and capable group of individuals — do not show their generous personal support how can they expect anyone else to do so?

Keep in mind that fundraising campaigns more often languish because of a lack of volunteer leaders than a lack of donor prospects. Resist the temptation to encourage token financial support from board members to achieve participation goals and instead strive to challenge your leaders to accept active involvement and responsibility for the accomplishment of your organization’s mission. If your board member can look potential donors in the eye and honestly state that “they dug deep” when making their gift to your organization – however they define that in their personal financial terms – they will truly lead by example.

The Road Ahead through Pacesetting Leadership Gifts *(Oct 2021)*

People still give to people, but do they still make gifts in consideration of the size of gifts made by others? In other words, after a donor decides to support an organization, how do they determine how much they will give? This is where our next element of fundraising success comes in to play. Successful fundraisers work to influence the donor’s decision on the amount of their donation through the campaign principle and the social awareness of the gifts of others, especially pacesetting leadership gifts.

The strategy of first securing pacesetting leadership gifts to achieve ambitious fundraising campaign goals has been validated time and time again. Whether your organization has intentionally encouraged it or not, there is a pattern of constituent giving to your organization, and if you are



working in a thoughtful and strategic manner to increase the levels of philanthropic support to your organization, you will also be working to first secure pacesetting leadership gifts.

Element #6: Pacesetting leadership gifts

While a major capital campaign — fueled by a Big Idea — presents an unusual opportunity to attract large numbers of donors and generate numerous gifts, experience has proven over and over again that \$5 million, for example, can never be raised by asking 1,000 people to give \$5,000 each. (Asking for average gifts only leads to disappointment.) Instead, we must focus our attention and our efforts on the relatively small number of donors who are capable of making the largest investments.

These large, pacesetting leadership gifts must account for one-third to one-half of the campaign goal, or even more, if one hopes to reach a specific, ambitious dollar goal. The news of these pacesetting leadership gifts, once they are secured, will serve to inspire and raise the sights of all other donors and volunteers; to build the momentum of the campaign; and to create confidence within the campaign organization – as well as the broader community – that the goal is in fact attainable, and success is within reach.

As stated in a [previous blog](#), there must be sufficient financial resources available to your development program. Most importantly, there must be a sufficient number of major gift prospects to initiate campaign activities at a substantial and meaningful level.

What, then, is that substantial level, and how do leadership gifts lead to ambitious fundraising goals? That will depend both on your specific goal, the number of likely constituents you have and how you conduct your campaign and communicate with your constituents. This is true for major capital campaigns as well as broad-based appeals such as crowdfunding and online peer-to-peer fundraising.

If the fundraising goal were \$5 million, for example, it might well be necessary to secure 10 to 12 commitments of \$100,000 to \$1 million, payable over a multiyear pledge period. To have a reasonable expectation of success it might be necessary to identify 30 or 35 likely potential donors known to be capable of making investments at those levels, and with a sufficient level of interest in your organization.

For this reason, a great deal of time and energy must be devoted to the cultivation and solicitation of prospects for advance and major gifts. For each of these prospects, a unique strategy must be conceived, planned and executed because *every leadership gift is a campaign unto itself*.

So, is all this work necessary? Do donors still make gifts in view of the gifts of others? That answer is a resounding “yes.” Consider The Giving Pledge, started by Bill and Melinda Gates and Warren Buffet in 2010 with 40 of the nation’s wealthiest donors pledging to give a majority of their wealth to philanthropy. This list now exceeds 220 billionaires from across the world. It certainly seems these billionaires were motivated in part by the very public image of the individuals subscribing to the pledge, and it is logical to assume some choose to join The Giving Pledge based on the gifts of others. And it’s effective for raising smaller gifts as well, as evidenced by the proliferation of peer-to-peer fundraising platforms that scroll the names of friends and associates on those personal fundraising web pages.

If you are supporting an organization through a peer-to-peer fundraising appeal, you may only have knowledge of the person who enlisted your participation, and you may just be learning about the organization that is being supported. If you also know the organization, and take an interest to find out if others you know are also supporting the campaign, you may feel compelled to give a gift that is on par or in excess of what others are giving.

There are forces in the philanthropic marketplace that may limit the effectiveness of building your campaign strategy through pacesetting leadership gifts. As the nonprofit sector grows, there are more organizations working across wide geographic areas, and donor constituencies may be less cohesive and less aware of other donors, which could diminish the social encouragement established by early leadership donors. Nonprofit organizations themselves are also working to

expand their donor constituencies across increasingly wide areas and through increasingly less personal methods and techniques. Donors are also becoming more anonymous to organizations through the increasing use of Donor Advised Funds. While news of a large anonymous gift may give other donors encouragement that a specific project or goal is attainable, the identity of the donor could help even more potential donors to join a campaign.

The importance of pacesetter leadership gifts remains essential today, especially if you are working to attain an ambitious fundraising goal. Successful fundraisers will continue to enlist early pacesetter leadership gifts from donors who seek to positively impact projects they believe in, for the betterment of their communities, and donors who want to motivate others to generously support a shared cause.

The Road Ahead with a realistic and well-executed plan of campaign

(Nov 2021)

Everyone wants to raise more money for their organizations, but to do so your organization needs a plan. A realistic plan will incorporate the various elements of successful fundraising, as well as the Campaign Principle. At the very least your plan of campaign will target a specific amount of money, define the specific purpose for which the desired funds will be used, and establish the amount of time it will take to raise the funds.

Can you raise \$10 million or even \$100 million? Given an unlimited amount of time ANY goal is possible, but few development directors have an unlimited horizon of time to accomplish their goals. How, then, will you align your organization's finite resources and time to achieve your goals?



The elements of your plan of campaign are integral to the whole and must be combined to further support your organization, and your donors and volunteers who are working to advance the institution's mission and purpose.

The Campaign Principle:

- A specific dollar goal provides a measure of success — so that everyone knows when the job has been successfully completed. With a goal, we can also determine how much each donor prospect should be asked to contribute.
- A specific and worthwhile project, purpose, or cause gives the enterprise a mental, emotional and spiritual focus — something that's worth working for.

- Finally, a specific timetable creates a sense of urgency and allows the campaign to build and sustain momentum. As much as we all dislike deadlines, they help to maintain a critical mass of interest, involvement and commitment to the task.

Before rendering your plan of campaign you must complete a realistic assessment of all your resources and create an appropriate strategy for marshalling these resources to attain your stated goals. This will likely involve your board leadership as well as the active participation of other volunteers and donors . . . and herein lays the value of a solid plan. An effective plan will build the confidence of your team and guide their productive participation. Ultimately the greatest long-term benefit of a successful campaign is success itself, which will build stronger life-long relationships with your volunteers and donors.

We know that securing large pacesetting leadership gifts is the preferred path to achieving ambitious goals, and that most organizations will require the active participation of capable and committed volunteer leadership to create and navigate solid pathways to sufficient financial resources. As such, the best plan of campaign will be formulated through the participation of both professional staff and volunteer campaign leaders. While the number of paid fundraising professionals in the nonprofit sector has grown dramatically it's possible to lose sight of the fact that our volunteers don't work for us, but that we work for them. Because their contributions of time and financial resources are voluntary, they must be inspired and self-motivated to take action on behalf of your organization.

This human element remains both the most important and the most difficult aspect of creating a realistic and attainable plan of campaign today. The manner in which nonprofit organizations interacted with their leaders, volunteers and donors changed dramatically during the pandemic, and in many respects our society was already changing and shifting before Covid. Many of our communities and cities have more diffuse leadership structures and direct peer relationships are becoming more difficult to identify and to leverage. There is also a rising new generation of wealth and evolving leaders that have yet to fully participate in community-based fundraising. How does our fundraising profession best work to navigate these changes?

The importance of a realistic and then well-executed plan of campaign is as necessary today as it has ever been. Human nature has not changed, nor have the essential elements of fundraising success. How we as fundraising professionals engage our communities, constituents, and volunteer leaders may be evolving; however, the task of aligning these elements into a winning plan will continue to be an artistic process that combines the best science of our sector with the unique and immensely rewarding course of personal interaction.

Your plan of campaign should strive to create the discipline of *personal solicitation*. As the saying goes, *“people give to people.”*

Just as people give to other people, they also give in relation to what others give. That's why the most effective advocate for giving is one who has already given as much or more than the amount they are asking for. The force of example is far more powerful than any words of persuasion. This also explains why the results of leadership gift solicitations invariably have a decisive effect on the outcome of the entire campaign.

Your plan of campaign should also establish *a selective and sequential progression* of solicitation. We therefore give priority to those who have an existing relationship with the organization. As the campaign progresses, others will always expect a strong show of support from your institutional family. If those closest to your organization — those who know it best — will not validate the campaign through a concrete expression of their support, then outsiders can hardly be expected to do so.

A truly successful campaign will strive to invite a larger corps of individuals as volunteers to your purpose and pursuit of your **Big Idea**, whereby each person participating has a *definite and limited responsibility*. In this manner, enlisting individual participation in your campaign is more attractive because everyone knows what is expected of them and each role is significant and impactful without being too burdensome.

Your realistic and well-executed plan of campaign will ensure that our next generation of volunteers and leaders are guided through a successful and personally rewarding experience with our organizations and that our nonprofit sector remains vibrant and essential to our communities.

Employing the essential elements of fundraising success on your Road Ahead

Our decades of experience working with diverse organizations from the entire spectrum of nonprofit industries in communities across the country guide our work for the success of our clients.

We have learned that success must be re-invented with each client engagement. This requires maintaining a positive outlook, suggesting alternative routes to overcome barriers, and constant vigilance of the organization's operating environment. The process of re-inventing success is best guided by a firm understanding of the essential elements of fundraising success. We hope this review of these essential elements in our changing society will help you to envision a path forward, and focus your efforts on the most important aspects of successful fundraising.

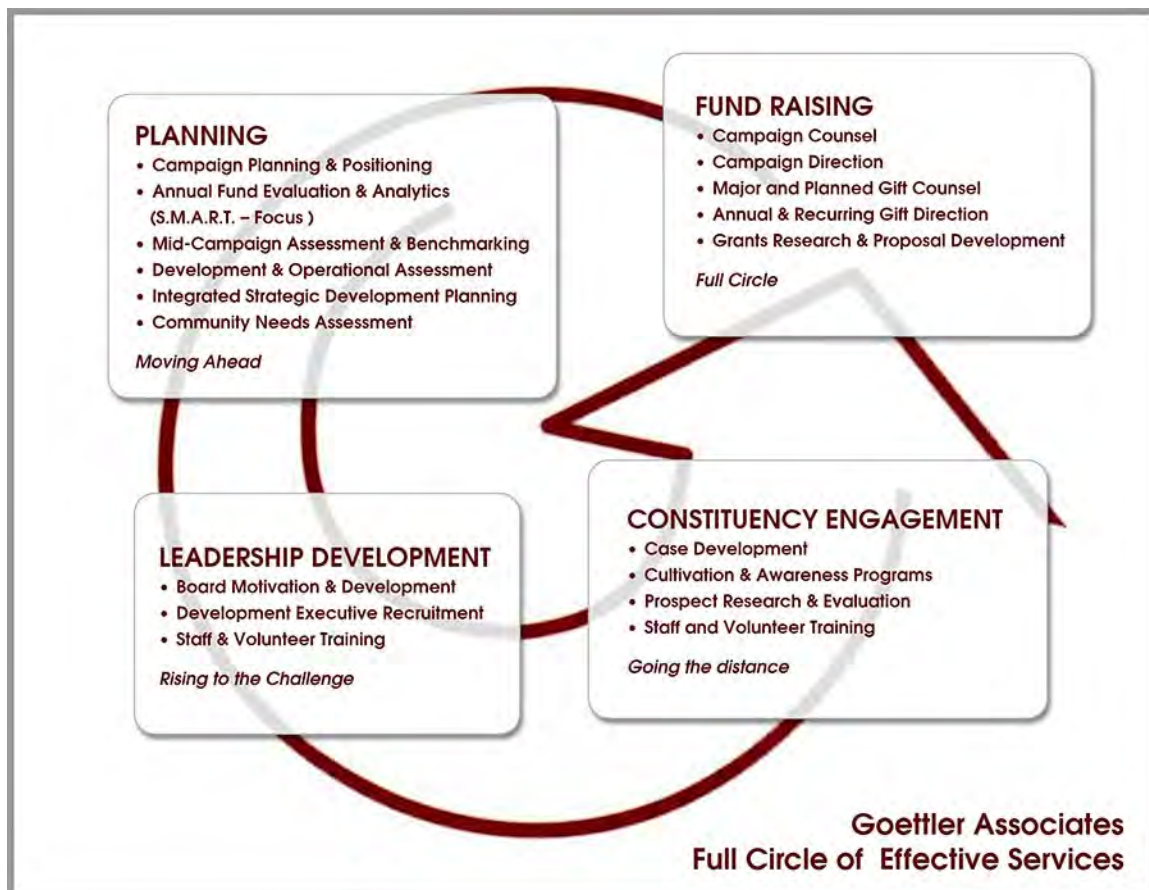
About Us

Goettler Associates is a trusted fundraising consulting company, serving the nation's non-profit organizations since 1965.

Goettler Associate's mission is to lead nonprofit organizations toward the realization of their full philanthropic potential through a full continuum of effective services. We have helped over 1,500 nonprofit organizations raise more money.

We understand that each organization faces unique challenges in attaining their fund-raising goals. Goettler Associates provides a Full Circle of effective services and tailors its work to the specific circumstances of each organization that we have the opportunity to serve.

This client-first approach has earned us a reputation for leading winning fund-raising campaigns and building successful development programs for organizations across the nonprofit sector. We look forward to discovering how we can help your organization realize its greatest fund-raising potential.



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