



Step Back to Fundraising Success

Fundamental to the sustainability and mission achievement of any nonprofit is the availability of funding and resources. The challenges are finding the balance between short term funding and development of long term relationships, as well as the need to differentiate your organization's value proposition.

Very often to survive one year to the next, an organization focuses on short term, tactical fundraising activities and actions such as events, one time asks, and online campaigns rather than adopting a longer term view. While this form of fundraising is important, having a solid fund development plan is essential for the long term sustainability of an organization.

Unfortunately, given their often limited time and resources, many nonprofit leaders engage in day-to-day fundraising activities, following up with acknowledgments and recognition, at the expense of a well-planned process for building on-going relationships with people and organizations that support their mission. As a result, development staff, who take their lead from their leadership, end up devoting much of their time and energy on short-term activities without the context of a larger development strategy and plan.

So what constitutes a sound development strategy? Integral to its success is the building of donor-centered relationships. Let's step back and look at the fundamentals. An effective development plan rests on three key building blocks: strong leadership, a well-defined strategic direction and clear, consistent messaging and communications.

By integrating these three areas, potential investors, donors and other key stakeholders will understand the difference the organization is making, where it uniquely creates value, and why they should be excited about being part of its success. Having excited and motivated constituents, whether internal or external, can have immediate impact on your funding even before you start really trying.

The first question to ask is "Does your organization have a strategic direction?" If there isn't a clearly defined strategic direction in place, building long term relationships can be extremely challenging. The first building block or foundation of any solid development strategy is having a clearly defined vision, mission and values, which are also integral to developing a strategic plan. Clarity of purpose, knowing what your organization aspires to and a good sense of what it stands for are imperative in creating the organization's value proposition. Potential donors may be interested in what you have achieved, but they will be more interested in the vision you create and the potential for future impact.

The role of an organizations leadership – Staff and board- is to create a strategic direction as it will significantly impact your results. It doesn't have to be complicated. The goal is to provide a platform from which to operate, which everyone understands and incorporates into their thinking.

Once developed, the next challenge is that strategic plans are often not executed effectively and sit on a shelf somewhere unused. Why? In many cases it is due to an absence of buy-in from stakeholders, particularly internal staff. This is generally due to: (1) a lack of a good communications plan and execution; (2) those who created the plan are not always the people responsible for implementing it, and (3) if the plan is not kept front and center of operations by the leadership, awareness and execution of the plan will decline.

This brings me to another key building block, Strategic Identity. This entails positioning your organization's purpose, developing clear targeted messaging for your various key audiences, creating relevant branding and implementing consistent, repetitive communications outreach.

Needless to say, an important part of the process is stakeholder communication, for both your Boards, staff, advisory council members, and your external audiences such as existing and potential donors, partner organizations and the media. For example, your mission may be shown on your website and social media sites, even on e-mail signatures and meeting minutes, but does everyone understand the cause, believe in it and believe that the organization has the capacity to deliver? If they do, you will be able to present a compelling value proposition and gain greater support.

Although direction and identity are crucial to the long term health of the organization, leadership is key to integrating these aspects into an overall strategy for success. As a leader, having the ability to inspire others, be forward looking and to step back and look at the big picture are key attributes, which are desired by employees, donors, partners and investors.

A leader's approach to fundraising is a clue to their perspective. One way to determine if an organization is focusing on long term sustainability versus short term funding is to look at what it measures for success. Are the metrics short term, built around an event or fundraising campaign or are they more strategic in terms of donor retention? Example development goals include:

- Donor loyalty (retention rate)
- Donor satisfaction
- Quality of the relationship building program
- Donor centered communications
- Board member participation

A clearly defined development plan, within the context of an organization's leadership approach, strategic direction and clear, consistent messaging and communication, will engage potential investors and donors in support of your organization's mission.

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Craig Snook is co-author of *Strategic Leadership Essentials*®, www.jblstrategies.com/programs.html, a unique training program that works with leaders to integrate personal leadership development with strategic direction and strategic identity to achieve greater success.



He has a passion for helping leaders grow and develop through proven techniques to strategically lead their organizations. A dynamic speaker, trainer and presenter, Craig employs clarity, innovation and humor to deliver workshops to diverse audiences at all organizational levels. With over three decades of experience in global leadership and strategy development in both the for-profit and nonprofit sectors, he is skilled in leadership coaching and remote team management with proven success. Craig is a Board Member and past Board Chair of EcoRise Youth Innovations, Board Chair at VELA, and past Board Member of the Caporal Assistance Network, three Austin area nonprofits.