



Marketing, Fundraising and the Donor World

GILLIAN MITCHELL



GILLIAN MITCHELL

Philanthropy Programme Manager
Inyathelo – The South African Institute for Advancement

Director of Development

- University of Cape Town
- University of Cape Town Fund Inc., New York
- Cape Peninsula University of Technology

gillian@inyathelo.co.za 021 465 6981



The South African Institute for
Advancement



What we Do

- ❖ Inyathelo assists institutions and organisations to develop a professional approach to raising the donor investment.
- ❖ We assist in building skills to access giving.
- ❖ We actively promote social responsibility and personal philanthropy.
- ❖ We promote a strategic approach to development, seeing donors and funding recipients as partners.
- ❖ www.inyathelo.co.za



The South African Institute for
Advancement

A WORD ON OUR WORLD



We are in a kinder but more cash strapped world.

Corporates understand that they have a responsibility to do more than simply profit.

Everyone is reporting lower profits.

Remember that this applies to government as well.

In SA Enterprise Development and BBBEE points are at the top of the agenda – not CSI



A WORD ON OUR WORLD



The context in which we fundraise is significantly different from 20, 10 or even 5 years ago



Paradigms

Economics

Spiritual Fulfillment

Globalisation vs Polarisation

Geographical shifts of power

Safety and Security

Communications Context

Uncertainty



Corporate Citizenship



Relationship of business and society has changed fundamentally.

Technology and immediate communication has created instant transparency.

Society is demonstrably able to mobilise to influence business.

Business focuses more and more on how business is done rather than profit alone.



Psychic Poverty

Psychic Poverty has nothing to do with the size of assets or the net worth of an individual.

Someone with psychic poverty operates from a feeling of scarcity rather than abundance.

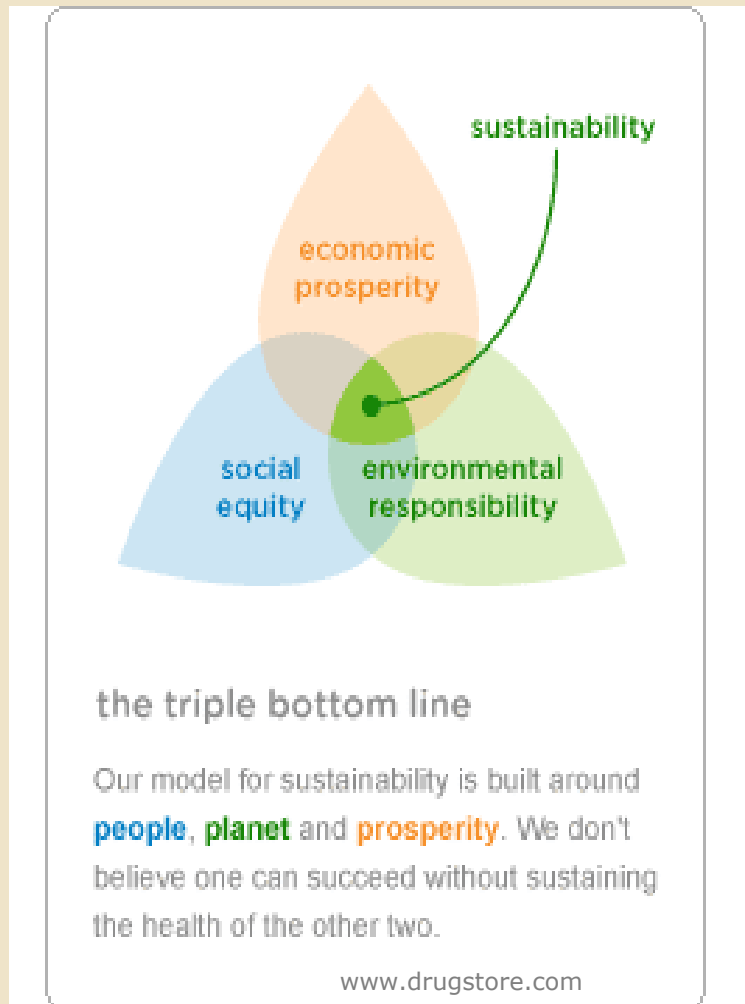


Over Goal! Kay Sprinkle Grace, 2003

A WORD ON OUR WORLD



Triple Bottom Line



People

Planet

**Profit/
Prosperity**

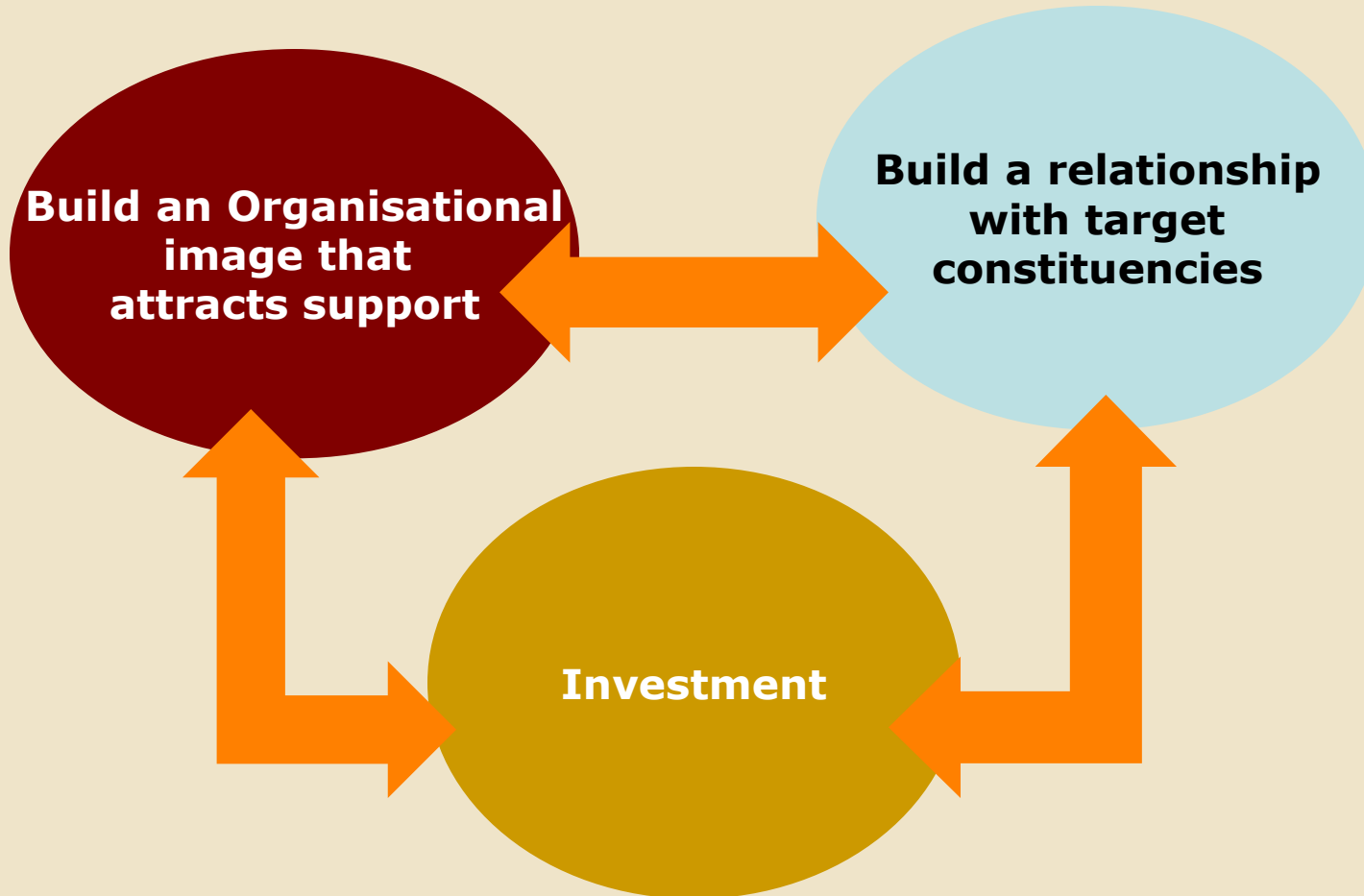
ADVANCEMENT: Investment Cycle



An organisation has to
position itself for
investment



ADVANCEMENT: Investment Cycle





The three things you must know in order to attract funding.

❖ Organisation

❖ Donor

❖ Proposal



ORGANISATION



**Do you know
who you are?**



What do you do?

Why do you do what you do?

What is the value of what you do?

If you were not there in six months
time...what would be the difference?



What gives you the edge?



What makes your project special?

Do you look like everyone else?

Do you do what everyone else does?

KNOW YOUR ORGANISATION



And once you know who your are....

- ❖ **Do you know what you want?**
- ❖ **Do you have a Development Plan?**
- ❖ **Does it fit with your vision and mission?**
- ❖ **Is the leadership on board?**
- ❖ **Do you have a fundraising plan?**

COMMUNICATE:



Do we know *how*
to get there?

<p><i>Quadrant 1</i> We know where we want to go, and how to get there.</p>	<p><i>Quadrant 3</i> We know where we want to go, but not how to get there.</p>
<p><i>Quadrant 2</i> We know what we're doing generally, but lack a clear direction.</p>	<p><i>Quadrant 4</i> We don't know where we want to go, or how to get there.</p>

Do we
know
where we
want to go?



Exercise

Write one line, no more than 10 words on what you do?

Write one line no more than 10 words on why you are unique?





Exercise

What do you want?

What would you do
with R250,000 right
now?





The Case for Support for each organisation is a compilation of carefully prepared reasons *why your organisation deserves support.*

CASE FOR SUPPORT



- 1. It presents your noble dream – it is the reason why people should support your cause**
- 2. It is the foundation for your communication**
- 3. It provides direction – it is the ‘expert witness’ for your mission**
- 4. It demonstrates and substantiates what you do**
- 5. It defines your purpose**
- 6. It is a work-in-progress**

CASE FOR SUPPORT



Questions in preparation for your Case For Support

1. **What cause does your organization serve?**
2. **What effect does the work of you organization have?**
3. **What interests are served by your organisation?**

CASE FOR SUPPORT



Questions in preparation for your Case For Support cont.

4. Why is your organisation a reason for someone to take action?
5. Why should someone give you money?

Motivation for Giving



**What do you think is the
primary reason people put
forward for why they don't give?**

Motivation for Giving



Nobody Asked

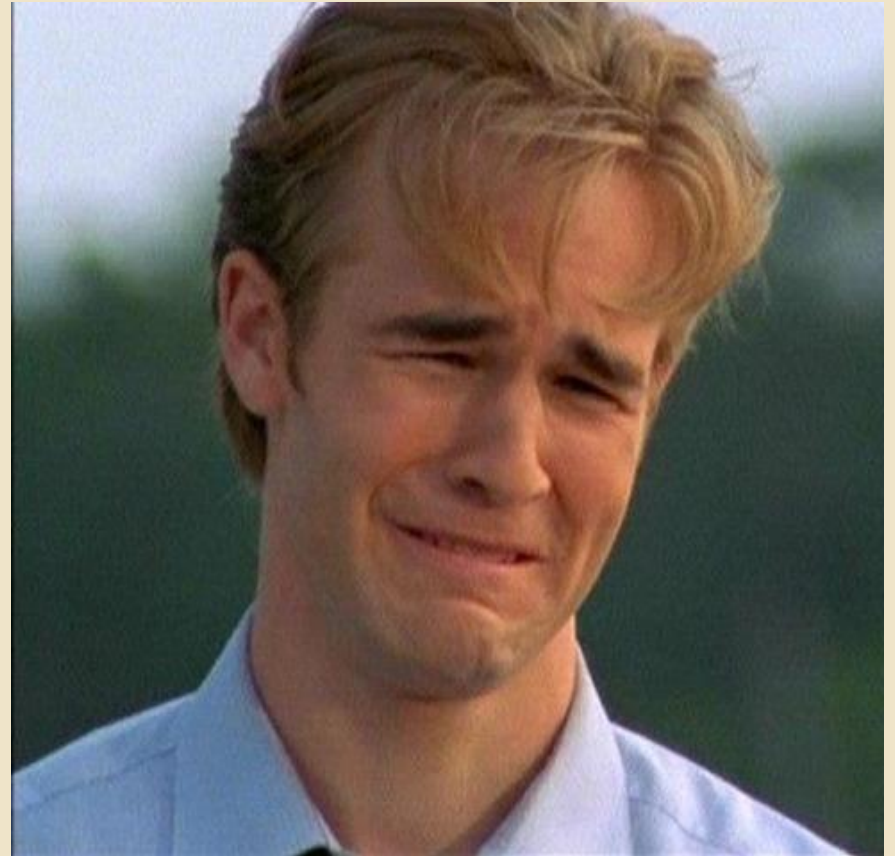


Exercise

1. Have you ever been asked for money?
2. How were you asked?



Motivation for Giving



Motivation for Giving





Motivation for Giving





Exercise

1. How did you feel?
2. What did you say?
3. What did you do?



**Second most common
reason why people
don't give?**



No Compelling Story

No Convincing Reason



Motivation for Giving

What Makes Donors Give?



Shared Values
Confidence
Trust
Relationships
Been Asked



Motivation for Giving

What motivates South African Corporate giving?





Motivation for Giving

Why do donors give?

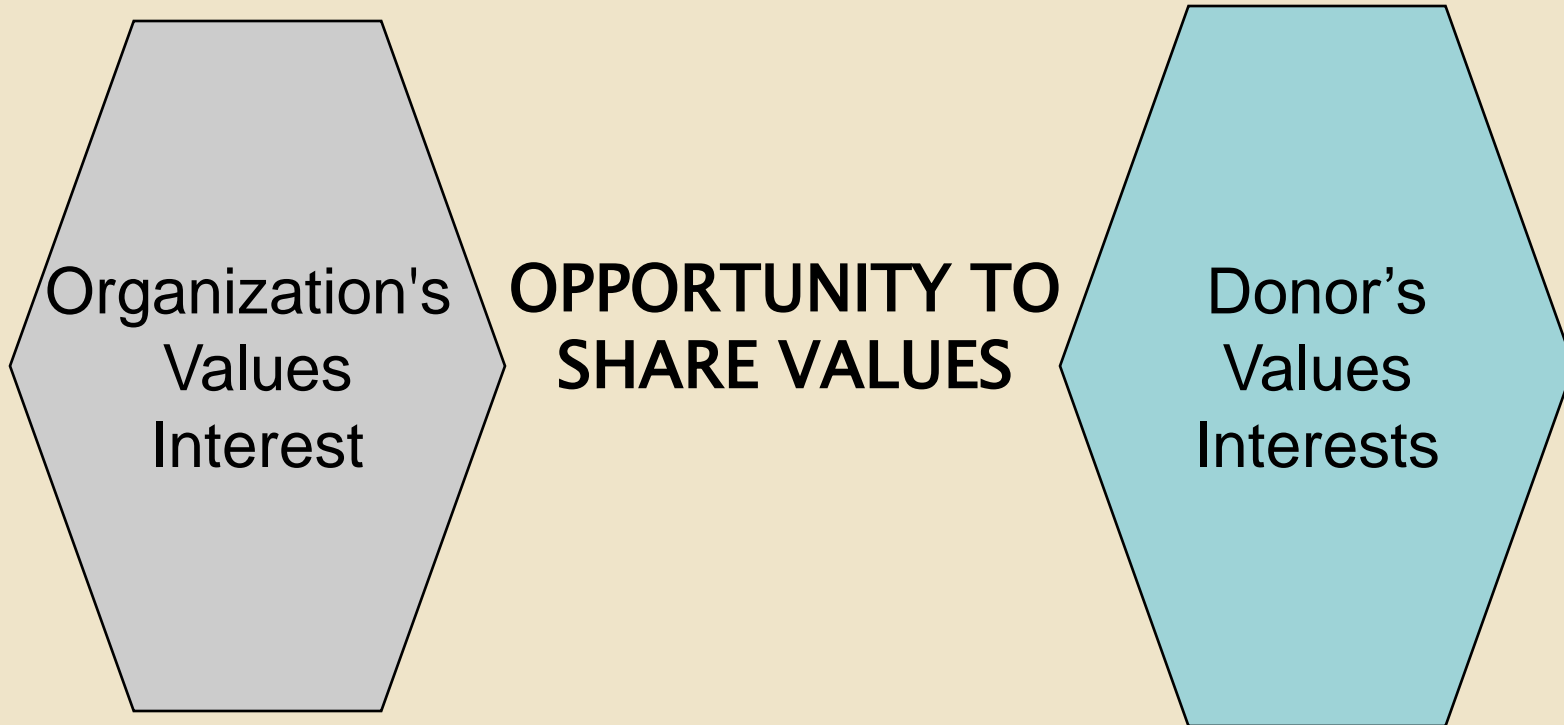
Because you make it
easy for them to do so



ORGANISATION: Investment Cycle



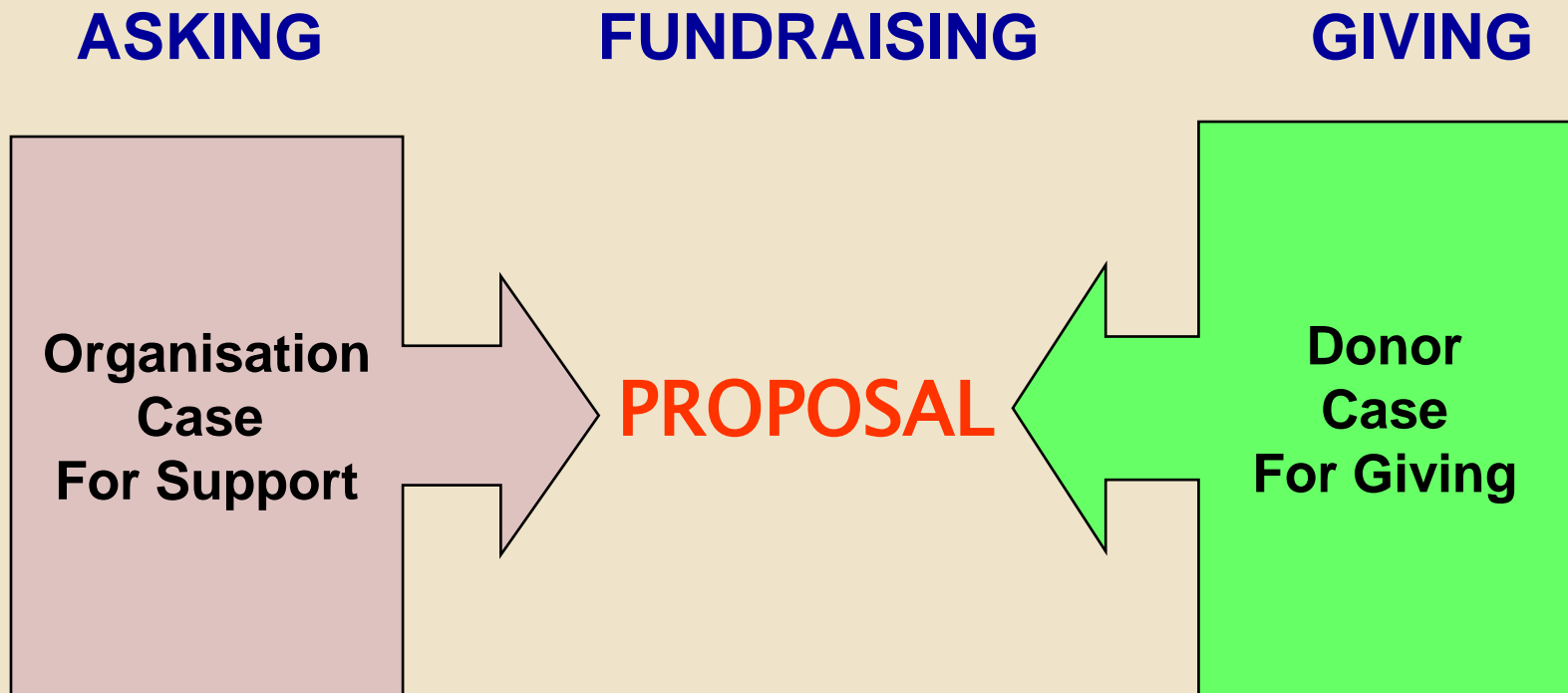
Donor Investment is Values Based



ORGANISATION: Investment Cycle

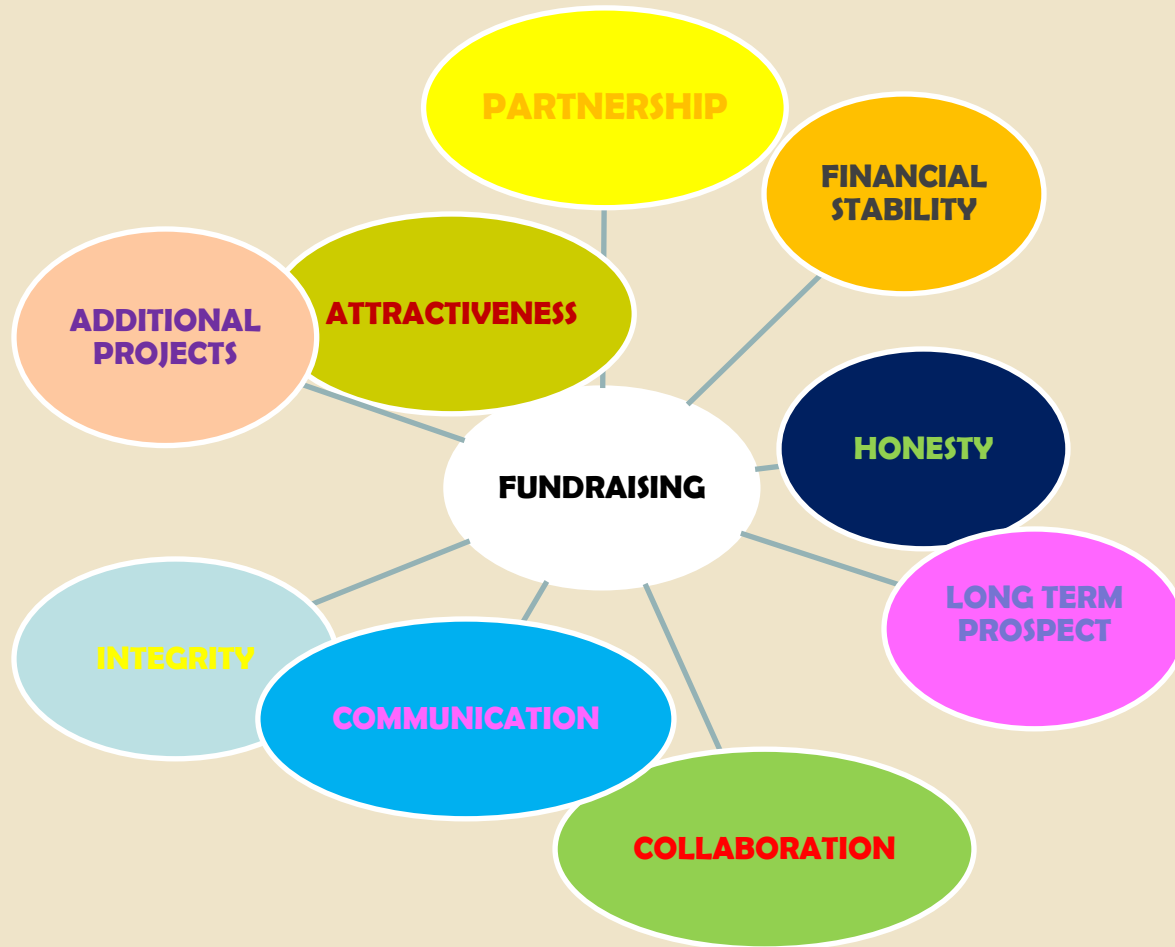


Matching Donor's Case for Giving to Organisation's Case for Support

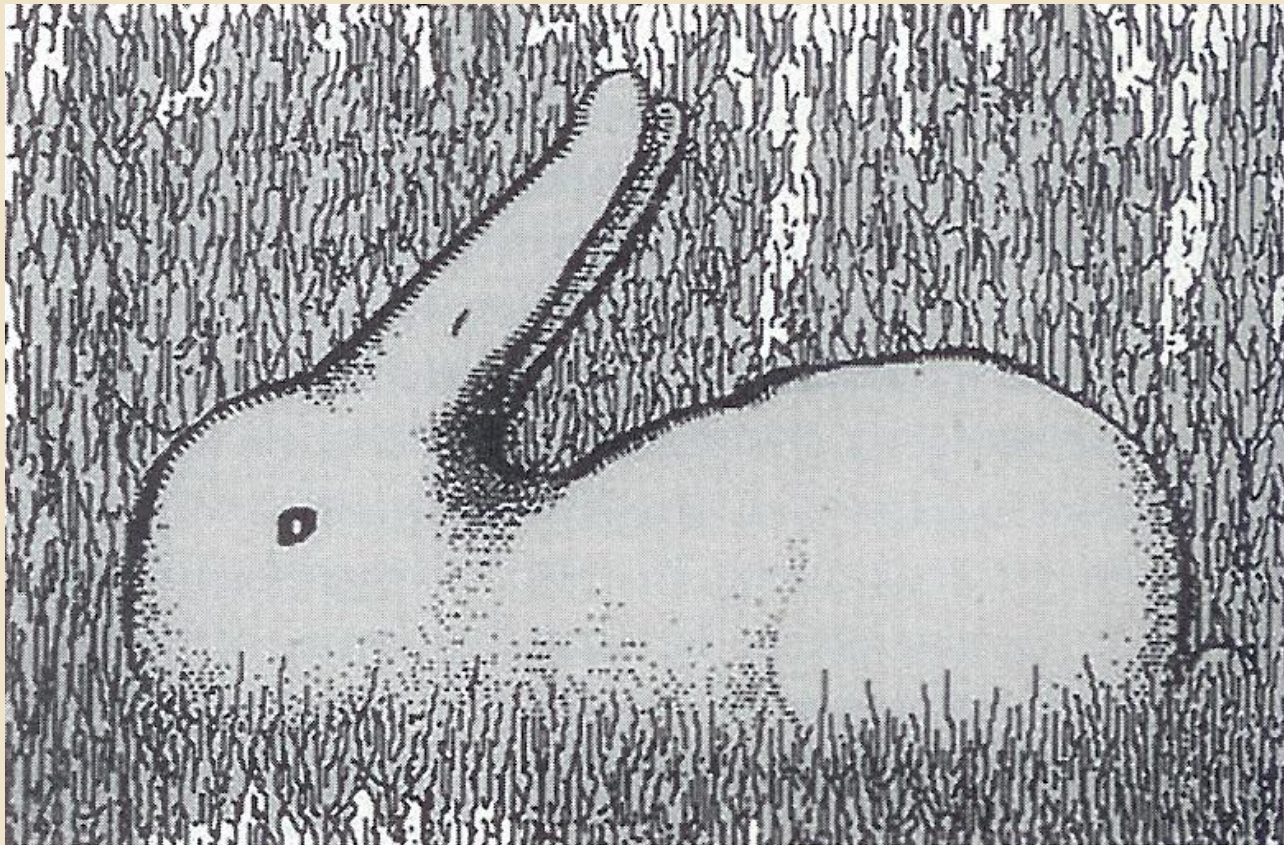




Finding the Right Partner



COMMUNICATE:

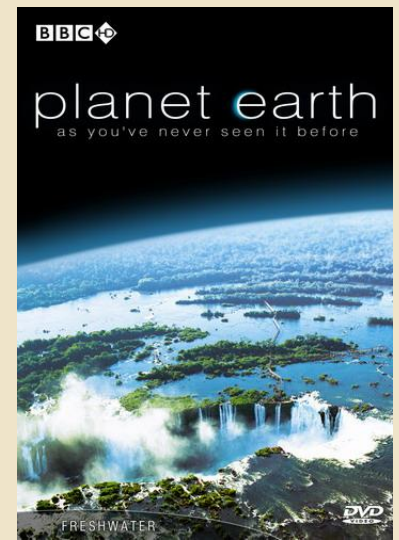
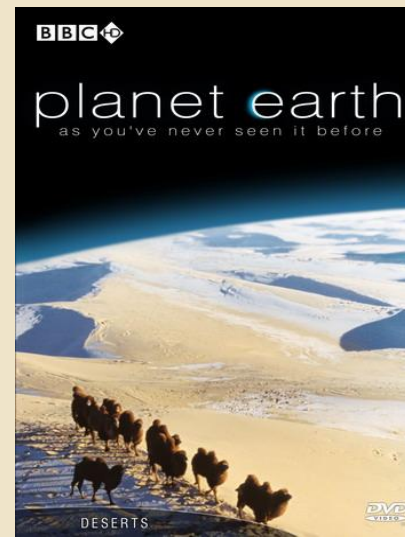
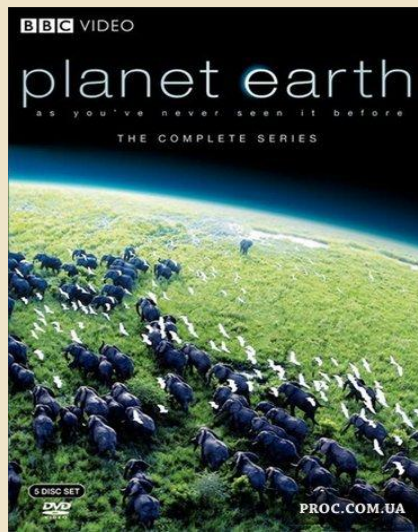
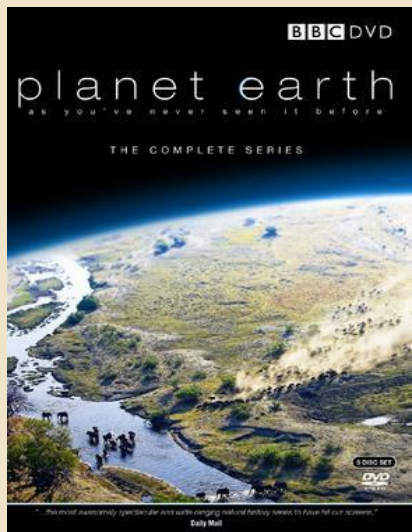


COMMUNICATE:



You have great stories to tell.

Tell them with pace and passion
so as to inspire action.



COMMUNICATE:



Don't just ask people to give.

Inspire them to give.

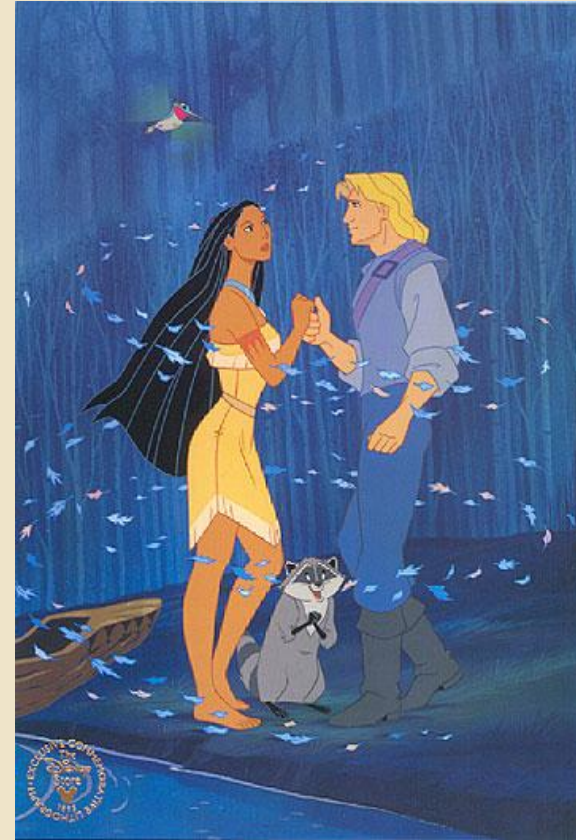
**You're in the inspiration
business.**



**PREPARING TO APPLY FOR
FUNDING IS EXACTLY LIKE
DATING**



Attraction





Similar Interests





Partnership





Long Term Prospect





Potential for Replicable Projects



FINDING THE RIGHT PARTNER



The perfect partner can sometimes come as a surprise.





DONORS: Investment Cycle



DONORS: Investment Cycle



Who Are the Donors Out There?

- Individuals
- Corporates
- Foundations and Trusts
- Public Agencies
- Other Donor Agencies





How do you find donors?

Research

Research

Research

Family First



Three basic motivations for donors

- **Connection**
- **Concern**
- **Capacity**

DONORS: Investment Cycle



Do your research.

Understand their giving patterns and capacity.

Know their interests and areas of specific preference.

Listen to what they tell you:
– in person, in a call for proposals, on the website.





Motivating your donors

**Motivation is an internal issue.
You provide the external environment that
resonates with a donor's internal needs.**

**Motivation grows out of values –
matching values**

**Motivation is ignited by passion that
comes from belief and involvement in the
mission**



Motivating your donors *cont.*

Motivate your donor, by knowing your donor.

Research alone won't do it.

Good Stewardship keeps your donor motivated.

Ultimate Goal – a motivated donor who self solicits



Overcoming a Donor's Psychic Poverty

Recognise that people are honestly worried about the future.

Be genuinely accepting of comments from people about feeling poor – even if they are relatively wealthy.

Emphasize the relative safety of investment in your organisation



Overcoming a Donor's Psychic Poverty

Communicate the impact that the investment has.

Think of ways to engage and involve them that doesn't require money – so that when they bounce back you are near the top of the list.

If, all evidence to the contrary, donors continue to cite lack of wealth as a reason for not giving, look for other reasons and address the problem.



INDIVIDUALS



Connect Concern Capacity

- ❖ Alumni
- ❖ Suppliers/Service Providers
- ❖ Clients – people who use your facilities & services
- ❖ Staff
- ❖ Governors, Trustees, Directors
- ❖ Parents
- ❖ Six Degrees of Separation

INDIVIDUALS: Investment Cycle



Do Individuals Give?

Individual Giving is the area with greatest potential for growth in Africa and Australia.

Individuals are more loyal than corporations

Individuals bring on board other sources

People give to people

Individual giving has the greatest potential for maximising long term relationships

INDIVIDUALS: Investment Cycle



How Do You Get Individuals To Give?

- ❖ Direct Mail
- ❖ Face to Face
- ❖ Events
- ❖ Volunteers



CORPORATES



What is Corporate Social Responsibility?

Active involvement in finding solutions to social problems

Involvement in contributing to the communities (not necessarily tangible) that it uses to do business.

In SA Entrepreneurial Enterprise is becoming the preferred option.

Environmental Concerns



What motivates Corporate Giving?

- ❖ Enlightened self-interest to ensure a contented labour force
- ❖ Direct commercial benefits
- ❖ Community investment – helps build a stable society
- ❖ Social responsibility and BEE points
- ❖ Tax benefits
- ❖ Inter-corporate competition for social standing





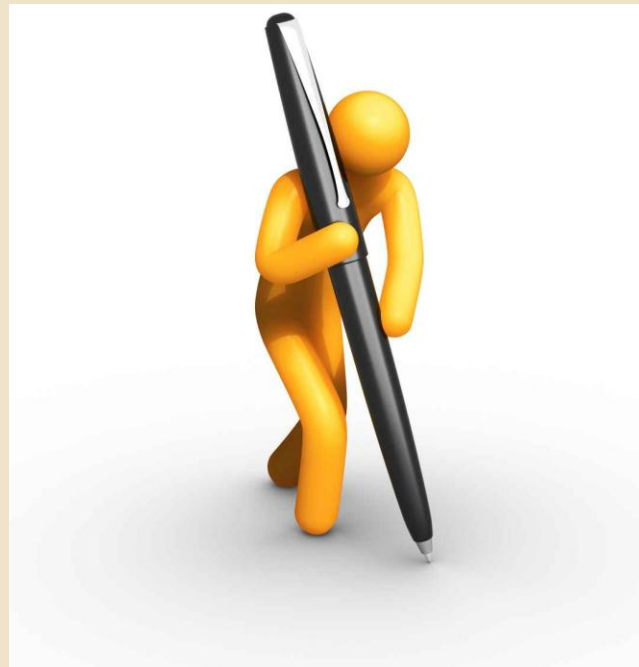
What Prevents Corporate Philanthropy?

- ❖ Concern regarding bad publicity
- ❖ Profitability (or lack of it) of the company.
- ❖ The influence of shareholders and/or stakeholders
- ❖ The lack of administrative systems to process philanthropy





THE PROPOSAL



THE PROPOSAL



Proposal Moves the Reader



THE PROPOSAL



The Five Myths of Proposal Writing



Myth 1

You must use formal, complex language

THE FIVE MYTHS OF PROPOSAL WRITING



Myth 1 Reality: everyday language - that is easy to read - is best.

Your writing needs to be felt, understood and acted upon.

Complicated writing makes it more difficult to consume.



Myth 2

Readers have to be fully informed

THE FIVE MYTHS OF PROPOSAL WRITING



Myth 2 Reality: Readers have to be reasonably informed.

Long, detailed writing that tries to cover all bases is self-defeating.

Few sinners are saved after the first 20 minutes of a sermon. Mark Twain



Myth 3

People want to read your document



Myth 3 Reality: People would rather be doing something else.

Unlike a favourite book or magazine which we *choose* to read, your communication is usually uninvited and something that has to be read.



Myth 4

**Layout doesn't really matter in
everyday correspondence**

THE FIVE MYTHS OF PROPOSAL WRITING



Myth 4 Reality: It matters all the time.

It's not enough that a document is well written
– it has to be well presented too.



Myth 5

If it's important people will read it

THE FIVE MYTHS OF PROPOSAL WRITING



Myth 5 Reality: Reading is always a voluntary activity.

There is a threshold beyond which we will not go for badly presented material.



EXECUTIVE SUMMARY [1 page]

Umbrella statement of your case and summary of entire proposal

CASE STATEMENT [2 pages]

Why the project is necessary

PROJECT DESCRIPTION [3 pages]

Nuts and bolts of how the project will be implemented and evaluated



BUDGET [1 page]

Financial description of the organisation and project, plus explanatory notes

ORGANISATION INFORMATION [1 page]

History, leadership, governance, services, audience/target groups (plus credentials and competitive advantages)

CONCLUSION [2 paragraphs]

Summary of the main points of the proposal



Forms of proposal

- Letters of enquiry
- Letter proposals
- Cover letters
- Concept notes
- Short proposals
- Pro forma applications
- Application forms
- Guided proposals
- Freestyle proposals
- Medium-length proposals
- Mammoth proposals



Ingredients of a proposal – The body

- Statement of 'need'/Case statement
- Capacity of the organisation to meet the 'need/s'
- Information about the organisation
- Project aim/s or goal/s
- Project objectives
- Project methods
- Project activities and implementation plan
- Project timeframe/s
- Project personnel
- Project scope and location



Ingredients of a proposal – The body (cont.)

- Project partners and collaborators
- Project benefits and/or beneficiaries
- [Project outcomes]*
- [Project deliverables/outputs]*
- Evaluation plan
- Dissemination
- [Risks]*
- Request to donor
- Budget summary
- Sustainability plan
- Conclusion



Ingredients of a proposal: Appendices and attachments

- Full project budget
- Organisation's operating budget
- List of other donors
- Information about organisation (e.g. legal status, charity number, constitution, mission statement, history, other projects, credentials)
- Annual Report
- Board/s of Management/Trustees/Directors/ or Council
- Strategic plan
- CVs/resumes
- List of partners/clients
- Letters of support/partnership
- Relevant contracts or MOUs
- Promotional materials
- Photographs



Grammar

Check your spelling and grammar rigorously. Remember one error and the reader attributes sloppiness to the whole proposal.

Jargon

Watch your use of jargon for your “industry” with a keen eye. Eradicate it where possible.

Acronyms

You may deal every day with LBW, CSSRF, SACOFS, or BLAHH but this can become an exercise in brain gymnastics for the uninitiated reader if your proposal is covered with them. Consider spelling names out in full.



Sentences

Write as though you are paid by the full-stop

Be:

Passionate

Direct

Punchy

Powerful

Crisp



Make Positive Statements

Write from a position of “can do”.

Be Specific

Don't try and fudge the facts.

**State what you do once, clearly,
and then back it up.**

Do not Overuse Adjectives

Particularly those such as

**Excellent, extraordinary, unique,
significant,**



Be careful of overstating the same thing (redundancy) e.g.

Visible to the eye

Foreign imports

Sum total

Round in shape

Honest truth

End result

PROPOSAL WRITING: "Can Do" Principles



- **Know and inspire the donor**
- **Learn the project and feel the cause**
- **Identify and emphasise the common ground.**
- **Show clearly and concretely the change the project will make**
- **Demonstrate the moral and financial commitment of your institution/organisation**

PROPOSAL WRITING: "Do Not" Principles



DO NOT:

- ❖ **Represent a project that you cannot deliver**
- ❖ **Take on a project with no internal champion**
- ❖ **Distribute a generic proposal to multiple donors**
- ❖ **Present a proposal to a donor you know to be mismatched**
- ❖ **Dwell overly on needs and problems**
- ❖ **Inflate the 'ask' or pad the budget**
- ❖ **Turn a blind eye to aspects of the guidelines or instructions**
- ❖ **Submit a proposal that will reflect badly on your institution or organisation, no matter the pressures on you**
- ❖ **Knowingly misrepresent anything**



Aims

Overarching goals

Often abstract

Conceptual



Objectives

Measurable

Specific

**Achievable within
time frame**



Objectives

Behavioural : *specific action*

Performance : *time frame,
level of proficiency*

Process : *how*

Product : *tangible outcome*



Exercise

Write up the ***aim*** of your project in one or two sentences.

Write up your project ***objectives***.

(10 mins)



Outputs and Outcomes

What is the difference
between
an **OUTPUT**
and
an **OUTCOME**



Outputs

Immediate

Specific

Measurable

Product



Outcomes

Less tangible

Long term

Concept – Aims – Vision



Executive Summary

When you know who you are;

When you have determined your purpose;

The next most important thing you should be able to do is:

Produce an executive summary.



Executive Summary

Most important page of the whole document.

Your key sales pitch.

Write after you have completed your proposal.



Executive Summary

Should include :

Who you are.

Brief statement of the problem/need.

How you will address it.

How many will benefit.

Costs

How long it will take.

Where it will take place.

Why they are the right partner.



Proposal Cover Page



On letterhead.

**Signed by VC/Exec Dir of
Advancement or Chair of the
Board.**

**Summary of proposal contents in
one paragraph.**



Style of Cover Letter

Direct
Approachable
Crisp
Respectful
Conversational



NEVER FORGET:

The quality of what you present directly influences how the reader will perceive the quality and reputation of your institution.



What would attract donors to an organisation?

Being on the cutting edge

Innovation

Creativity

Knowledge production

National and Global relevance



What creates trust in an organisation?

Confidence in leadership

Good governance

Good financial and reporting systems

Good understanding of sustainable development, donor motivations and dynamics





Thank you

Inyathelo The South African Institute for Advancement
PO Box 43276 Woodstock 7915
Cape Town | South Africa
Tel +27 21 465 6981
Fax +27 21 465 6953

www.inyathelo.co.za