

**IRI WOMEN'S DEMOCRACY NETWORK**  
**Europe Regional Conference**  
**October 6-8, 2006**  
**Skopje, Macedonia**

***PROGRAM: Training and Discussion: Fundraising Tactics for Women***  
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**WHY PEOPLE GIVE**

Before we can talk about fundraising we ought to know why people give and who those people are.

Maslow's Hierarchy of Need: *People are motivated by certain drives and needs:*

- 1) Biological demands for food, water, bodily needs, exercise and sex
- 2) Personal and familial safety
- 3) Love, acceptance, group membership
- 4) Esteem, leadership
- 5) Self-fulfillment, accomplishing something

When people are (1) poor and (2) feel unsafe, helping others, especially causes, is difficult

However, people do give for (3) social acceptance and membership in a group, (4) esteem and leadership opportunities, and (5) self-fulfillment.

Here are a few more reasons why people give:

- To help others (either from a personal or religious motivation)
- To build up their ego
- To gain public recognition or respect
- To get engaged in a worthy cause
- To help because they're already engaged with the organization
- To help because they believe in the mission of the organization
- **BECAUSE THEY WERE ASKED**

**The main reason why people don't give: THEY WERE NEVER ASKED.**

The Balkans and Eastern Europe present new opportunities for fundraising, but also, quite a few challenges.

## **KEY COMPONENTS OF A SUCCESSFUL DEVELOPMENT PROGRAM**

- 1) **Planning**
- 2) **Research and donor identification**
- 3) **Case for support and message development**
- 4) **Solicitation of funds**
- 5) **Recognition of donors**
- 6) **Evaluation of success**
- 7) **Transparency! Transparency! Transparency!**

### **PYRAMID OF GIVING**

(4)

Bequests

Planned gifts from foundations, estates

(3)

Major gifts

Grants from foundations, corporations (major)

Capital campaigns

(2)

Annual gifts

Gift clubs

Grants from foundations, businesses

Direct mail (renewal)

Membership (renewal)

(1)

Special events

Direct mail (acquisition)

Membership (new)

*The Pyramid of Giving demonstrates the "Five I's" of giving:*

*(4) Donor Investment*

*(3) Donor Involvement*

*(2) Donor Interest*

*(1) Donor Identification and sharing of Information*

**Component 1: Planning****Key planners**

- Chairman of the project/campaign/board of directors
- Management team of the project/campaign/board of directors
- Key directors
- Key people who'll be doing the solicitations
- Person who'll be coordinating the fundraising project (staff)
- Candidate (if a political campaign)
- Outside advisor, if no one has skills

**If it's an institution: Is there a strategic plan? (Three to five years out is plenty)**

**If yes, investigate the long-term goals of the institution:**

**Plans for growth, hiring, new buildings, new services**

**If no, get one!**

**No institution can raise money effectively if it doesn't know where it's going.**

**Strategy is essential to grounding the fundraising campaign**

**A simple S-W-O-T analysis is easy and effective (see handout)**

**Strengths**

**Weaknesses**

**Opportunities**

**Threats**

**If it's a candidate: Is there a campaign plan/strategy in writing?**

**Move from strategic (general, long-range) planning to tactical (specific, shorter-range) planning**

**EXAMPLES:****Strategic Plan:**

**Raise \$500,000 for a new hospital in three years**

**Tactical Ideas:**

**Write a case for support**

**Identify prospective donors (Individuals, NGOs, businesses, foundations, government)**

**Create fund-raising teams**

**Communicate that case using:**

**Letters**

**Personal visits**

**Newsletter**

**Hold a kickoff event to engage the donors**

**Contact the news media (TV, newspapers, weekly papers, radio)**

**Component 2: Research and Donor Identification**

(This and Component 1 are close and often happen together)

**CAMPAIGN CABINET:**

It's wise to develop a **Campaign Cabinet**, especially if the project is large

These people often become major donors

Select a chairperson who has power (personal, financial, connections, business, social)

Some chairs work hard

Others just lend their name

Others turn out to be major donors

For auxiliary posts, continue to look for people who can contribute *time, talent or treasure*

**SOLICITATION TEAMS:**

These are groups of trained people who approach the major donors with the information they need to encourage gifts.

Then, as you organize your campaign cabinet, begin thinking about who your donors may be. This requires discussion and planning:

**WHERE TO FIND SUPPORTERS:**

Begin a list of friends and acquaintances

Consider the many networks people are in:

Social

Religious

Professional

Sports

Gender-based groups (women's clubs, men's clubs)

Consider who's already related to your organization by identifying your "publics"

**EXAMPLE OF IDENTIFYING "PUBLICS": Construction of a hospital**

Older people usually use hospitals

Pregnant mothers

Families with sick children

War veterans

Businesses that may benefit by supporting the hospital

Humanitarian organizations

Foundations

Medical associations

Doctors

Nurses

Vendors

Insurance affiliates

Volunteers

### **Component 3: Case for Support and Message Development**

The top priority here is to develop the “case for support” or “case statement”

**DEFINITION:** A case statement is a convincing argument for the project, person, institution, etc. Its objective is to provide facts, not fluff and to present a picture of complete financial transparency. It is written from the perspective of the donor (“What’s in it for me?”), not the organization.

**CASE STATEMENT WRITER:** Usually a communications person working in coordination with the leadership team and financial officers.

#### **CONTENTS:**

- Why the project is a good idea
- A brief history of the organization to manage the project
- List of leadership team members
- Accomplishments of this organization (if any)
- Goals the project/person/institution has to improve life in the community
- Brief financial report
- List of gift opportunities (levels of giving, naming opportunities, etc.)
  - Note: Policies on naming opportunities ought to be defined before the campaign begins, to make sure people are honored equitably
- Architectural drawings
- Statement of the financial goal and how it will be spent
- Timeline for raising the money and putting it to work

### **THE CASE STATEMENT IS THE INFORMATIONAL FOUNDATION OF THE PROJECT**

#### **Uses:**

- All publications
- All handouts and letters
- Media releases
- Public statements
- Speeches by leaders
- Special events
- Mailings
- Etc.

These vary in size and expense in coordination with the size of the project.

A new building at a university requires a detailed case statement

A new soccer field would be much simpler, cheaper and shorter

## **Component 4: Solicitation of funds through cultivation of prospects and existing donors**

Using your case statement, you can now reach out to the public about your project

### **PERSONAL SOLICITATIONS:**

*The most effective way to get major gifts is through personal contact with donors and prospects*

#### **How to do a personal solicitation:**

- Select a team of good, well-spoken, committed people
- Make sure they understand the case for support and have copies of it
- Make sure they WANT to ask for money—or are, at least, somewhat comfortable
- Train solicitors by doing “role playing” among themselves so they get used to their materials and used to hearing “no”
- Match the donor prospect with the right solicitor
  - Understand what’s important to the donor.
  - Match solicitor with corresponding interests to those of donors, such as similar hobbies, friends, jobs, school, etc.
  - The solicitor should be of similar social and financial standing, too
- RULE OF THUMB: Have the right person, for the right reason, solicit the donor prospect at the right time**
- Plan to first make an initial visit, followed by one or two more “friendly” visits
- Never push or bluntly ask for money right off the bat
- If prospects are squeamish, get out of their way right away
- If they’re listening, leave behind some information and schedule a follow-up visit

### **SPECIAL EVENTS:**

To reach more people, but probably with less income per person, small, special events are effective

- Teas
- Receptions
- Open house at a home, museum, garden
- Picnics
- Reception before or after a sports or fine arts event
- Roundtable breakfasts/luncheons designed to inform guests
- Dinners

*REMEMBER: Special events are time-consuming and often can cost more than you take in, so major event management from a budget standpoint is crucial.*

**SPECIAL EVENT TIP: Go to where people already are. Don’t expect them to come to you!**

**DIRECT MAIL:**

To reach the most people, for smaller overall donations, direct mail is good

Keys to success:

- A good mailing list to the right demographic profile  
(You wouldn't want to solicit pensioners or children or the poor)
- Suppress major donors from this solicitation (or they may give considerably less because they were asked for less)
- Testimonials from people affected by the project
- Testimonials from other leadership donors
- Easy RSVP
  - Postage paid envelopes
  - Credit card gifts
  - Many local drop off locations

**Component 5: Recognition of donors**

Virtually all donors want some sort of recognition

Verbal thank you (once is not enough)

Letters of thanks from multiple sources (depending on size of gift)

Publication of their name

Small gifts

Bigger gifts

Have person(s) who benefited from the gift meet with the donor(s) to thank

Honored at an event

Event in their honor

**Rule of Seven: Thank the person seven times for their gift**

Recognition of your volunteers is crucial. They're often forgotten.

Campaign cabinet

Major gift solicitors

People who fold the envelopes

People who donated in-kind gifts, paper, printing, TV time, etc.

**Component 6: Evaluation of success**

This is often forgotten until the next campaign, then no one can find any records

Make sure all corrections are made to your records

- Mailing lists
- Phone numbers
- Exact spellings of people's names
- Titles
- Size of their gift
- Why they gave
- Why they DID NOT give

Evaluate your volunteers

- (RULE: You can't "fire" volunteers, but you can take away their assignments and not ask them back.)
- Who did well? Will they come back next time?
- Who should you NOT ask again
- Are they finished with their gift solicitations?

Check your initial calendars and see if they worked well

Note changes and suggestions for the next campaign

Make sure all solicitation follow-ups are done

Is all the money in?

Where is it?

When is it coming in?

Do you have pledges to follow-up?

When do you send out the billings?

Who is responsible?

Did you make all your deadlines?

Do you need more volunteers next time?

What are their training needs?

### **Component 7: Transparency!**

Organizations that raise money either for themselves or for others are under increasing public scrutiny in the United States. For tax-exempt status in the U.S., special tax reporting forms are required, and certain restrictions apply to how money can be spent.

In Eastern Europe and the Balkans, this attitude toward scrutiny of organizations undertaking fundraising has, perhaps, an even stronger “distrust” side.

Thus, transparency whether here, or abroad, is imperative to an NGO’s success

***What has to be transparent in an organization? ASK CLASS***

Finances

Income

Spending

Investments

Membership

Leadership

Policies must be in place to promptly respond to questions from individuals, agencies, prospective donors, and foundations.

Information such as an annual report and financial statements ought to be made available easily to anyone

They can be as simple as a handout of your balance sheet.

On-line is good, too, and cheap

Finally, when asked for this information, *a truly transparent organization is gracious, forthcoming and helpful, so people feel comfortable asking and feel they’ve been told the truth, when you give them information.*

**THANK YOU FOR THIS OPPORTUNITY TO SHARE IDEAS!!**

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**GROUP EXERCISE (Limit: 1 hour)**

- 1) Create four teams with similar goals (examples):
  - a. Specific political party
  - b. Specific political candidate
  - c. Human rights issue
  - d. Education issue
- 2) Have each team list their four most important objectives that need funding
  - a. Is there any commonality?
  - b. Can any be merged?
- 3) Consider how much money you might need
  - a. Set a simple budget
- 4) Compose a case statement expressing the rationale for supporting each team's top priority
  - a. Who will benefit from your project
  - b. Limit this to one paragraph
- 5) Decide which technique(s) would work best to raise funds from donors and prospective donors and create a campaign design
  - a. Is there a major gift element?
    - i. Who would you ask?
  - b. Do you want to do special events? Direct mail? Other?
    - i. What would you do?
  - c. Does this project have any "automatic" or "instant" supporters?
    - i. How much would they give? Cash? In-kind?
- 6) Identify obstacles/threats to your priorities
  - a. How would you address them?
- 7) What will you do to be transparent?
- 8) Resume class and report