How To DOMINATE YOUR Fundraising

To Create YOUR Success

Wayne Elsey
and
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Dedication

To all of the men and women out there who are looking to make a difference in someone's life. YOU matter.

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Foreword

Forbes, *Success Magazine*…

Soles4Souls, Funds2Orgs – founder and CEO…

Network appearances on NBC Nightly News, Good Morning America, Today Show, & Fox News.

I could go on and on.

Who wouldn't want to take advice from someone who has been written about in top magazines and has built successful businesses? Wouldn't you like to know the thought process of someone who built a non-profit from the kitchen table to $70 Million in less than 5 years?

After reading this book, all I can say is "wow!" If I could do a small portion of what the authors Wayne Elsey and Linda Spencer have done for my organization, I would be ecstatic.

I first met Wayne during a time of great transition and turmoil in my life. I was transitioning from fulltime business owner and full-time volunteer for a non-profit I co-founded to what I thought would be full-time work for the non-profit, but not all of the board was in agreement on that transition.

Wayne was helpful, offering time, help and concrete ideas on how to possibly push through the situation with the board. Now, almost one year and lots of emotion later it looks like we may have found a way to implement something that will work in the coming year. Without his support, I would have given up long ago. With his help and advice, we not only worked out that situation but I am also opening up another non-profit to follow some other dreams about helping people.

Wayne is not a preacher; he is a doer. He is down there in the trenches with us, offering his advice through his knowledge and experience on what works and what doesn't and where things are moving to in the future. He is always moving himself and others into actions that work.

His two big passions come through in all his work:

- Helping the hurting – especially in the Third World
- Helping non-profits succeed in the most efficient way possible

This fourth book in the *Not Your Father's Charity* book series is no different. No nonsense, practical advice comes through on every page.

Though I have yet to meet Linda, I look forward to the day I might. She brings to the table amazing ideas and easy ways to implement them. She fills this book with simple yet profound ideas that all boards, even difficult ones, will appreciate. She lays out how to best use boards and how to plan strategic long-term fund-raising strategies to make everyone's work more effective.

Inspiring, concrete, this book has visionary views from two people with experience in various forms of fund-raising for non-profits. This is a must read!

Just to name a few pieces that stood out for me:

- Your work matters! You matter.
- Build relationships not just money donors.
- How to reach money donors in various generations.
- What to expect of board members. Should they raise money for the organization?
- How to best fund-raise for your organization.
- How to define and set fund-raiser goals and areas.
- How to go for the major gift on your own.
- How to hire the best fund-raiser for your organization.

Be brave – read this book. Wayne and Linda are here to guide you and your organization to the next level!

Enjoy,

Carrie Reichartz
Operation Give Hope, co-founder
Author & speaker

Introduction

This is where you're expecting Wayne Elsey. No worries. You'll be reading his thoughts later in this book. My name is Linda N. Spencer. I've been in the philanthropic sector for over 20 years. I was a professional fundraiser, but I was starting to get tired of fundraising. Following is my story of serendipity, how Wayne entered my life and what both he and I hope to accomplish with this book.

In early 2014 I made a monumental decision. By that point, I was frustrated with the social sector and a lot of the challenges fundraisers face. I had the good fortune to have learned my trade from one of the top natural fundraisers and strategists in the business. Once our paths parted, I spent years looking for a similar vision. I didn't find a lot of it and spent years "lost" as a consultant dealing with people (not all, but many) who simply didn't understand or want to understand how to raise money. They were limited in their thinking.

So, I tapped into my own life and thought about what made me happy. The answer was simple. I wanted to write. As a painfully shy kid in school, I remember finding a way to become momentarily popular in 7th and 8th grade when I wrote mystery stories about my classmates.

Flash forward to 2014 when I created a blog. This is where the serendipity comes in and where my professional life would never be the same. I wrote a piece about Wayne after reading an article about him in Forbes. I was drawn to the work he was doing first with Soles4Soles and then with Funds2orgs because my mother was so impoverished growing up that her family could not afford shoes for her.

Somehow Wayne read my piece and next thing you know he was calling me up and asking me a bunch of questions. He asked about my background and what I was doing with my life and why I was writing. It was all in his typical spitfire fashion, as I discovered the more I got to know him, but it was energizing. He asked me to help write some copy for his websites and marketing content for his businesses. That was in our first conversation.

I loved the energy, the vision and the "get it done" attitude. It reminded me of my first manager in the nonprofit sector and that's who I always wanted to collaborate with at work.

Next thing you know, I was flying down to his headquarters in Florida, meeting his team and writing. Thanks to Wayne, I became a professional writer and content provider! I've been able to transition and use my experience in the social sector working for his team and others.

Within a few months of the beginning of my relationship with Wayne, I moved to Europe. This could have been the end of my work with Wayne and his team. Not so. By this point, Wayne and his team saw me as a critical member of their team and I continued to write copy and serve as a sounding board for strategy. You see, with Wayne, there are no logistical boundaries or impossibilities. He just wants to work with people who can get things done. As a New Yorker, that's also my style.

Because this is the second time in my life as an expat, I see things through a filter that believes, with a little ingenuity and persistence, great things can be accomplished. My father was also an entrepreneur like Wayne. He was in tech before it was fashionable. And, I learned from a very early age that the only thing that limits you is your mind. Your circumstances, misfortunes or mistakes don't matter. You can do the impossible. You just need to shift your thinking.

Last year, Wayne started writing more books and I've read every one of them. Although our styles contrast and we have different backgrounds and life experiences, I've found his thinking spot on. He is one of the voices in the social sector that is helping tell professionals and people about what's happening. And he doesn't just talk. He's actually done it and is doing it in his current businesses.

One of the things that impressed me from the outset with Wayne was that he is one of an elite number of nonprofit founders. He took the nonprofit he founded, Soles4Souls, from the kitchen table to over $70 million in less than five years. That is not an easy feat. Just so you know, fewer than 4 percent of charities have been able to accomplish this. So, in Wayne I found someone who is a visionary and someone I can learn from.

After all, with over 20 years in the business I could think I know everything and have seen everything by now. But, fortunately for me, Wayne has helped me reinvigorate my thinking about what can be done in the social sector. He's helped keep the part of me alive that cares very much about high quality philanthropy. As I mentioned, my mother suffered the extreme challenges of poverty. Both of my parents, throughout my childhood, demonstrated time and again charity and philanthropy to the world around them. So, it's no wonder I went into the social sector.

Not too long ago, I received one of Wayne's calls. Our conversation went a little like this:

"Hey, Linda, I've got a great idea."

"Yes?"

"Write a book with me."

"Wow. I didn't see that one coming. I think that would be great."

"Awesome. Have a think and let me know how you would like to proceed."

That's typical of Wayne. He loves ideas and energy and respects his team and collaborators enough to want to hear what they think.

A few days later I pitched my idea to Wayne. I told him I would love the opportunity to write a book with him. It made natural sense to do it primarily around fundraising. I wanted to understand the thought process that enabled him to be one of the fewer than 4 percent of nonprofit founders who was able to grow his organization to a multi-million organization in less than five years. I saw this book as my opportunity to learn from him.

I also told him because the majority of nonprofits operate with small budgets, we would have to give readers concrete ideas and strategies to take their organization to the next level.

And, in typical fashion with Wayne, he didn't need to think about whether he liked the idea or not. He didn't need to take it to a committee. He made a decision on the spot and told me that he was "...all in. Let's make this work."

Wayne doesn't have a college degree. I have a Master's degree from Teachers College, Columbia University. Wayne founded a nonprofit and a social enterprise among his many businesses. I've always been at my best when I'm someone's second and out of the spot light. Wayne likes to speak to people and talk to crowds wherever he goes. I'm also a people person and can talk to practically anyone, but I prefer one-on-one conversations. In both cases, you will be getting our best thinking and discussion about topics affecting the social sector, particularly in fundraising and philanthropy.

I think this book will be unlike any that you might find out there for the social sector. We're looking to educate and inform, but also to entertain with our different styles. I think I speak for Wayne when I say that we want you to find value in this book, and we both think that we can express authoritative thinking and experience without being dense and academic.

To put a nice red bow on the introduction, these are the two key goals of how we're collaborating on this book:

- We will both be giving you our insight, experience and practical strategies and tips to succeed in a rapidly changing philanthropic environment.

- We want to get you thinking about what you can do to go further than you thought possible with your nonprofit, school, church or social enterprise. You'll see in this book that there is a tremendous amount of change happening in philanthropy. This can scare and paralyze your organization or you can see everything that's happening as a great opportunity.

The choice is yours.

Chapter One
There Goes Mark Zuckerberg Again!

"The biggest risk is not taking any risk…In a world that's changing really quickly, the only strategy that is guaranteed to fail is not taking risks." – Mark Zuckerberg

As Wayne and I were writing this book, something big happened in the news that caused us to discard a portion of the original outline we had assembled. Things are happening so fast now in our world, including in philanthropy, that we all must be ready to constantly adapt.

What forced us to reconsider a portion of our book is when Dr. Priscilla Chan and her husband, Mark Zuckerberg, who also happens to be the CEO of Facebook, had their first baby. Just after the Thanksgiving holiday the couple announced the birth of their daughter. But what made the news important for the social sector was the fact they also announced they were going to give 99 percent of their fortune away during their lifetimes.

There are other billionaires who've signed on to the "Giving Pledge" to give away the majority of their fortunes. However, Dr. Chan and Zuckerberg were not doing it the way it had commonly been done for generations. Typically, when wealthy individuals gave to charity or philanthropy, they established a nonprofit or a private foundation. The Bill and Melinda Gates Foundation is arguably the most famous of these types of vehicles created for social impact.

The Chan Zuckerberg Initiative, L.L.C.

Chan and Zuckerberg decided to go down a different track. They established the Chan Zuckerberg Initiative, L.L.C. This created great waves in the philanthropic sector. An L.L.C. is a limited liability company. It is not a nonprofit and it is not a foundation. As I mentioned, most philanthropists–up to this point–established private foundations. These foundations, in turn, are required to allocate a minimum of 5 percent to for charitable purposes each year of the value of their endowments.

Of course, there are issues around taxation because an L.L.C. is taxed on the adjusted gross income of the directors and not on its profits. In other words, taxation will be on the earnings of Zuckerberg and Chan and not on the investment money transferred into the entity.

An L.L.C. is similar to a corporation and business partnership.

So, why would Zuckerberg and his wife create a company for social impact?

The answer is very simple. They want to have as much control as possible in making the world a better place. In more practical terms, they're not limited to giving to nonprofits or charities. They can give to for-profit companies making social impact. Additionally, they can give politically to influence legislation.

We have to look at who these people are to begin to understand why this shift is happening, and why more will likely follow suit. Zuckerberg and Chan are both in their 30's. Historically speaking, when wealthy philanthropists began to give away large portions of their money, they would do so later in life.

There is a shift as to what point in their lives wealthy funders are giving for social good. Earlier this year, it was reported that three of the largest donors to charity, giving $500 million each, had two things in common:

1. They were all in the technology industry.

2. They were all under the age of 40.

The full list of the biggest philanthropists included a total of 12 individuals (or couples) who made their money in the tech industry. That was double the previous year.

Make no mistake about it. Technology is disrupting our day-to-day lives, but it is also changing the social sector.

Loss of Trust Capital

This reminds me of Wayne's first book in the Not Your Father's Charity series. If you re-read that book, which was published only one year ago, you will see how much of what he was stating has already come to pass. That's how fast change is happening. In the book, The Rise and Fail of Charities and What You Can Do To Be Ready, Wayne spoke about the incredible changes that are happening in the social sector.

I think there were a couple of important themes in the book. The first one was the loss of trust capital in the social sector. In the book, Wayne explained how donors and the public had lost trust in institutions. This included charities. Wayne wrote about Larry Page, one of the founders of Google, who said he would rather give his money to a for-profit company at the time of his death than a non-profit.

That's a significant statement. When I started off in the business, the finance industry was where the money was for charity. I remember organizations were constantly looking to get financiers on their boards or as major donor funders. It's shifting. Now organizations want to get tech people on board. But these men and women think very different from the "old school" banker or even hedge fund manager.

We know the tech industry by its very nature is a disruptive sector. From the outside looking in, it's also highly competitive. Some would say it's "cut-throat." Whatever the case, here's one thing that is absolutely true for people in the tech industry: they don't believe something "can't" be done. They believe anything is possible. With enough ingenuity and innovation, anything is possible.

So they're bringing those values into the world of social impact. If they hear from those in the field that this or that is impossible, tech people are going to tune that message out of the equation. And, if they don't think that enough is being done, they're not simply going to tweak the wheel. They're going to break it and reinvent something better and shinier.

That's why you have someone like Larry Page saying he will not give to charity at the time of his death. Nevertheless, Larry Page did set up a traditional 501(c)(3) foundation with all of its reporting and regulatory requirements. So, who knows?

The largest donors are now looking for the greatest amount of flexibility to make social impact happen. This means giving to leading charitable causes that can show and prove their metrics. But, they don't want to rely, as generations have done in the past, on only giving to nonprofits. As Wayne has said, "Nonprofits are no longer the only game in town." Donors now want to support any other type of entity, and that includes for-profit social enterprises.

Another example of what is happening and shifting in the social sector is what BlackRock recently announced. Although the tech industry has become a major player in philanthropy, the financial sector is certainly still in the game. In October of last year, BlackRock announced that it was rolling out the first impact investing mutual fund in the United States. The size of the fund is $4.7 trillion.

This is only the beginning of a continued sea change. With the fund, BlackRock will be investing in for-profit companies, not nonprofits, which are making money and impacting society.

Philanthrocapitalism

And that brings me back to Zuckerberg and Chan. They created the L.L.C. so they can have the highest level of control. They said it themselves: they look to give to charity for decades to come. This is not a short-term endeavor for them. It's how they plan to live almost the entirety of their adult lives. And, they are also doing it from the beginning of the life of their first child. One would have to conclude they are going teach their daughter, as well as any other children they may have, about social good and impact.

I think the second important theme in Wayne's earlier book was about "philanthrocapitalism." I noticed that the announcement of Chan and Zuckergberg brought that word more into the mainstream. As Wayne explained in his previous book, philanthrocapitalism is, "…simply a fancy way of saying that philanthropy should be infused with some of the same principles, benchmarks and metrics that the for-profit world uses."

Wayne was right when he said there is always going to be a place for charity. Yes, we are going to need those small organizations that work at a grass-roots level and help those with their immediate needs. However, there is a much stronger movement to make large-scale global philanthropy happen. In other words, today's philanthrocapitalists are seeking to eradicate global poverty, low-quality education or lack of access to high-quality medical care.

For those who are new to the social sector, charity is addressing the immediate needs. Philanthropy seeks to change the fundamental cause. For example, if someone goes to a shelter, the organization is providing charity with a warm place to stay, food and perhaps a medical evaluation. However, if an organization is looking to address the cause of homelessness, such as poverty, lack of quality education or job training–that is philanthropy.

The titanic fortunes that are made in the tech industry are leading to new ways of thinking and doing things. It's expected that this would affect the nonprofit and philanthropic sectors.

Zuckerberg and Chan perhaps have the highest name recognition in the public and so their example of how philanthrocapitalism is changing the nonprofit and philanthropic sectors gets everyone talking, but others have already paved the road.

As Wayne mentioned in his book on the subject, Pierre Omidyar, co-founder of EBay, is another leading philanthrocapitalist looking for the highest degree of flexibility and control in impact investing. He established the Omidyar Network in 2004. This entity is a hybrid that operates as a nonprofit and L.L.C. He has been clear in his directive, that he seeks the best solutions. The way his organization is structured, he can give to for-profit companies.

Another example of philanthrocapitalism comes in the form of Laurene Powell Jobs. She is the widow of the great Steve Jobs, who was the founder and visionary behind Apple. Her company, the Emerson Collective, is an L.L.C. It too has the ability to invest in for-profit businesses that are innovating around education or immigration.

I don't think that nonprofit executives need to shutter their organizations and go home. But, they do have to be aware of what is happening in the sector. Clearly, all of this impacts the approach to fundraising. Today's donors don't simply want stories and are not driven purely by emotion. They want data and metrics.

Zuckerberg and Chan are not excluding working with nonprofit partners. They're simply not limiting themselves to them. One of the points that I found heartening is that they say they're not experts. They have specifically stated they will be seeking partners for social change and impact. That means that organizations, for-profits and nonprofits, that develop creative solutions and can prove metrics, results and impact will be receiving the investment money.

A 20-Year View of the Changes in Philanthropy

When I started out in the industry, I learned my business from one of the few naturally gifted fundraisers in the industry. She taught me everything I know. I believe in mentorship and I was fortunate enough to have a mentor.

Very early in my career, I was seated in discussions and meetings with billionaires. Today, there are many more billionaires than there were then. I remember learning everything on the fly and in action. I learned more from actually doing the work and following the lead of my mentor than anything else. She taught me how to manage up, across and down.

Many times, I was in the middle of things and sometimes I was in over my head. But, she never allowed me to drown. Someone once said to me that she would give you enough rope for you to venture and, if necessary, for that to become a lifeline. It was the best education I could have ever been given.

In those days, I remember that a CEO of a multi-national would want to get involved in a project. Next thing you knew, the corporation was involved as well. I remember working with Bear Sterns, before it went under, and there was an incredible corporate culture for giving. If you wanted to move up in the company, you had to be involved in social good.

I think the day of the CEO designating his or her interests and the corporation following suit are clearly over. Generally speaking, what's happening now is that corporations are carefully aligning their business interests with their social good interests. CEOs and corporations understand that to be good global citizens, they have to walk the walk and not simply talk the talk. Corporate social responsibility (CSR) programs are much more substantive than they were years ago.

I think there's been a lot of change. I don't think we're yet at a point where most nonprofits know or fully appreciate the shifts taking place. I happened to have a phone call the other day about a nonprofit that works internationally.

I know a board member who works as a volunteer at this organization. The nonprofit is stuck and the board is frustrated. My friend has dedicated 6 years to the charity. She is a pro at what she does and although she is not a professional fundraiser, she understands what funders are asking of the organization. These funders are asking for proof of ongoing sustainability. They want to see programs and measurable results.

The founder and chair, however, is adamant that people will fund the organization simply because they love the mission. This person believes that by pulling on peoples' heartstrings that donors will give hundreds of thousands or even millions of dollars.

That's simply not the case. It's an example of magical thinking.

Technology has driven change. We are able to slice and dice data in ways we were not able to do earlier in my career. We can do this at a much more reasonable price because the prevalence of technology options is making platforms more competitively priced. We can do this in ways that simply did not exist when I started out in the industry.

I remember having to call or put in a request to my information technology office when I wanted to see reports or view data in certain ways. That's a thing of the past. CRM systems allow anyone who is permitted access to data to slice and dice it in countless ways in real-time and on-demand–from anywhere.

We also have a social media explosion that began in earnest less than a decade ago. Today, we live with Facebook, Twitter, Instagram and YouTube. I would say that Millennials were most definitely early adopters. Gen Xers, like me, then got on board. Recently, I read how Boomers are starting to use social media much more regularly. Each generation approaches or views it differently, but nevertheless, the technology has become a part of their life and work.

Social media is here to stay. Parents and grandparents want to keep up with their kids and grandchildren. A lot of times, it means they will use social media to see what's happening with their families and friends. That bleeds into other digital activities. And, next thing you know, you have a lot more social media use happening.

Everywhere you look, I think the operative word is "change." Nothing is remaining the same. There was a time when organizations experienced rapid change because they were start-ups or had experienced something like a change in management. In today's world, change is happening every day. It's a matter of course.

I find it incredible that the words Wayne wrote in his earlier book, which is only one year old, has already come to pass. There was a time when that sort of change would have evolved over 5 or 10 years or even a generation. That's no longer the case.

When Wayne was writing his book, there was no mutual fund in the United States with $4.7 trillion in assets ready for impact investing. Mark Zuckerberg and Dr. Priscilla Chan had not yet established the Chan Zuckerberg Initiative, L.L.C., which would send ripples throughout the philanthropic sector because they were sending clear signals about how they would be supporting social impact investing. For example:

- They are so vastly wealthy and young, but they created a new roadmap for other young philanthrocapitalists to make social impact investing a priority by giving away 99 percent of their wealth during their lifetimes and not after death.

- They established an L.L.C. to keep the highest degree of control and flexibility on how they will be investing their money for social good in their lifetimes. This changes the game in and of itself. It means they can give to charity. It also means they could invest in for-profit companies, ones that are developing renewable energy for the world, for example, if they so pleased.

- Finally, with an L.L.C. they have more flexibility and control to lobby for government legislation and perhaps even help influence the laws that are enacted–or not–for social good.

We should expect tech innovators, who value the adoption of new ways of doing things, to use varying methods to achieve social change. I am sure we will be seeing more philanthrocapitalists creating L.L.C's, social enterprises or hybrid organizations in the future.

I think executives of social sector organizations and fundraisers need to pay close attention. Although this shift is happening at the highest levels, it is already trickling down. Capitalism continues to fuse into philanthropy. In other words, many of the ideas and values of capitalism are increasingly entering the social sector space.

Philanthrocapitalists talk about investment. They want to see metrics. They want to see measurable proof. What happens when this occurs? Other major donors begin to expect the same things of social sector organizations. Funders don't want to see or hear the same old solutions to challenges that never seem to get resolved. They have faith and are open to new solutions and ways of doing things. They believe in technology and science. They believe that innovation, creativity and out of the box thinking are the standard and the rule.

These ways of thinking then spread down the fundraising revenue stream. When young Millennials are reading over and over on social media that social impact needs to be measured, guess what they demand for their $10 donation? They want to see impact.

When I started out in the industry, it was rare to see nonprofit organizations put up on their websites quantitative data on their results. Now, that's more the norm than the exception for well-run organizations. I always tell people, especially young donors; if you want to support a cause, make sure the cause can prove to you they are making a difference in society. Yes, the stories are important. We have to learn those all-important stories about how a life is changed. But, funders also want to see the proof. "The proof is in the pudding," as they say. Funders want to see results. They want to see percentages. They want to see numbers. They also want to see transparency and accountability around their giving.

Thoughts on Fundraising in a Changing World

I think that a smart fundraiser in today's world understands the importance of knowing the high-level changes that are happening. There's no way to stay in a bubble.

Having been a professional fundraiser, I do understand how organizations can be overwhelmed by the day-to-day. I've been there and I know that when there's an event coming up and you need to stuff hundreds of envelopes for high-end donors, you're doing that and not really thinking about the implications of the Chan Zuckerberg Initiative.

Still, I think it behooves fundraisers, as well as executive directors, to understand the changes happening in philanthropy and society. They are most definitely impacting the social sector.

The fact that there is a shift moving away from almost exclusively giving to nonprofits is profound. That ups the ante, if you will, for charities. They have to really turn it on and show they have measurable results so they can get the money.

What's happening now in fundraising is you have a lot more new money coming into the sector. You have younger donors at all levels, many under the age of 40. They're not interested in the same old thing. They have been raised in a very different world than earlier generations. They are used to living in a world of technological and scientific innovation. As much as disruption can be something that can cause anxiety in older generations, the majority of Millennials and Generation Z are used to disruption. This is not something new for them. This is something that has always existed in their lives. They don't have to learn to live with change. Change is part of the norm.

Therefore, I think that fundraisers need to keep the following things in mind:

- Nonprofits are not the only types of organizations receiving money for social good. Be ready for anything. In the year since the publication of Wayne's Rise and Fail book, we've seen an increased push toward impact investing in for-profits. This will only accelerate.

- Funders are expecting to see results and data. That means social sector organizations have to become efficient in consolidating, synthesizing and presenting data.

- Social sector organizations have to invest in technological platforms and analysts that help them gather, review and analyze data for presentation.

- Fundraisers have to become better at using tools to slice and dice data. There is a vast amount of information about donors out there, and fundraisers have to use it. I know there's always a tension between donor privacy and making sure you are targeting your messaging and approach to varying donor segments. There's no easy answer for this tension, but to stay competitive, fundraisers have to accept that technology is the way to go.

- Nonprofits should expect to see much more targeted giving or investment money. The amount of money is going up, but not the number of donors. Donors are being more strategic in their giving. They are giving more money to fewer organizations. This means that organizations have to adapt and broaden their appeals.

Chapter Two
Social Enterprise is Increasingly Rocking Philanthropy

"Social entrepreneurs are not content just to give a fish or teach how to fish. They will not rest until they have revolutionized the fishing industry." – Bill Drayton

Linda has written about changes in impact investing. I think she has a point that executives and investors have to understand what is happening in philanthropy. It's going to be much harder to raise money if you don't understand the lay of the land.

One of the things Linda mentioned in the previous chapter was impact investing. So, let's take a look at what that means for your organization and fundraising efforts.

According to the Global Impact Investing Network (GIIN), "impact investments are investments made into companies, organizations, and funds with the intention to generate social and environmental impact alongside a financial return."

If you're staying informed on what is happening, you understand that social enterprises are being established. I don't think this is the end of nonprofits, but yes, for-profit companies are now in the business of social good. With the growth of impact investment money and resources, these social enterprises will be receiving a good share of investment capital.

What Are Social Enterprises All About?

Social enterprises are created to do two things:

1. Make a profitable return for its investors; and,

2. Make measurable social impact.

Things then begin to get even more interesting. As we know, there are plenty of start-up companies established every day around the world. It's become the marriage of capitalism and social good. The tech industry is fueling this along with global bankers, philanthrocapitalists and thought leaders.

Change is rapid fire, and within social enterprise there are even more developments, including B Corporations.

If you have a social enterprise or are thinking of starting one, this may be something you'd like to consider.

Smart business people understand that clients and customers want to partner with socially aware companies. Led by Millennials, the world is changing its view. There's much more transparency, in large part because of social media. The public doesn't just want to hear businesses say they are socially responsible corporate citizens. They want to see proof.

That proof comes in the form of measurable metrics, which are featured prominently by nonprofits and social enterprises alike. For social enterprises, there's also the opportunity to be designated as a B Corporation. Consider it something akin to the "Good Housekeeping Stamp of Approval."

The What and Why of B Corps

B Corps are for-profit social enterprises. The B Lab certifies these businesses. As of this writing, there are nearly 1,500 Certified B Corps around the world. So let's be clear about it–this is not a United States designation. This is a global designation. B Lab has certified social enterprises in over 120 industries and 42 countries.

B Lab is looking to redefine how business is done. It seeks to promote profit and social impact. Social enterprises are certified as B Corps after undergoing a rigorous evaluation process. Performance, transparency and accountability are all evaluated.

When social enterprise businesses become B Corps, they commit themselves to the following:

- To create higher quality jobs.
- To improve the quality of life in their communities.
- To provide not only value for their shareholders, but also for the greater world at large.

The fact that this type of certification exists in our world, and is only growing, demonstrates how the vehicles of philanthropy are changing. Some well-known brands that are certified B Corps are iContact, Better World Books and Etsy.

As I've said, social enterprise is the marriage of profit and social good. These two ideals don't have to be mutually exclusive. B Corps provide social enterprises with a definite competitive advantage.

- **The Bottom Line:** The first reason a social enterprise should consider becoming a B Corp has to do with money. Doesn't it always? One of the goals for social enterprises is to make a profit. There's nothing wrong with making money.

Also, B Corps are able to prove the following:

- They have the capacity and ability to achieve social impact.
- They have a solid, performance-driven management and operational infrastructure.
- They can command more impact investment money and/or higher valuations when the businesses become public or are sold.

- **Irrefutable Proof:** Today's consumer does not want to be "sold to." People want value and they don't necessarily believe what a company or even non-profit says it can do. There's skepticism and a lack of trust in what businesses and organizations say.
  A study by Cone Communications confirmed what many of us suspected. According to the report, "90% of Americans say that companies must not only say a product or service is beneficial, but they need to prove it." So, social enterprises that get certified as B Corps are able to give that proof of success by an unbiased third-party.

A Social Enterprise Example in Café for Change

I want to take a moment and feature an organization here that is exemplifying social enterprise. Recently when Linda visited my offices in Florida, she drank gallons of coffee. Well, probably not that much, but she loves coffee. So, of course, she told me about a new social enterprise that is all about coffee. A colleague of Linda's founded it.

I looked into it further and I see why she's excited about it. This is a great example of what is happening in the philanthropic sector. Leaders are developing creative ways to address social change. In the case of Café for Change, it's about addressing poverty. We know the United Nations and countries around the world have endorsed the Global Goals, and the eradication of poverty by 2030 is the first goal.

The fact of the matter is that every time you're enjoying a cup of coffee, an impoverished person somewhere in the world likely picked the beans. According to the Café for Change website, here's the reality:

- In the United States, there are over 600 million cups of coffee consumed every day. In Europe, it exceeds 700 million.

- 1 billion people around the world are coffee drinkers.

- 3 billion cups of coffee are consumed daily around the globe.

- 26 million people work in coffee plantations.

- 250 million people, families and communities have their livelihood depend, directly or indirectly, on the production of coffee.

- Less than one cent per cup of coffee is redirected back into the local community to help improve the lives of those living in poverty.

So, where does all the coffee money go? I'm sure you can figure it out.

Café for Change believes the business model for the coffee industry needs to change and at its core there should be fair wages for labor. Additionally, they believe that families and communities who depend on the production of coffee should benefit with infrastructure development (e.g. running water), housing, education and healthcare.

Café for Change has had a lot of press about its efforts. It's asking governments, corporations, businesses and individuals who drink coffee, yes this includes you, to support their model. Instead of less than 1 cent per cup, they have committed to invest 10 percent of their sales into a coffee trust fund. In turn, the money in the fund is invested into communities around the world that depend on the coffee industry.

Here's why I like Café for Change:

1. I've said it in the past and I'll say it again. There'll always be a space for local mom and pop charities that are looking to help someone in need. There'll always be a space for someone to be there with a bandage, or whatever is necessary for someone in trouble. However, increasingly, the world doesn't want to continue to live with the challenges that, for generations, have been accepted as a reality of life. Global leaders and others around the world understand that we have the resources and ability today to change the lives of every person on this planet. That is why we have the Global Goals racing to eradicate poverty (among other goals) by 2030.

2. Café for Change is scalable. More and more money is being concentrated and donated to nonprofits, or invested in social enterprises, that can take their programs to scale. Think about it. If there's poverty in your local community, it's a fair bet that there's poverty in another community. Now, take it a step further. What happens if you figured out a new and creative way that will measurably decrease poverty? Wouldn't it be great if what you

learned, developed and implemented in your local neighborhood could be shared in other communities?

3. I'm a social entrepreneur. I believe in making money and doing social good for society. These two things don't have to be mutually exclusive. I believe that life's too short. We don't have to accept poverty as a fact of life. We don't have to believe that some children will never have any opportunity beyond simply attending inferior schools and receiving a basic education. We don't have to live in a world where we destroy the environment because that destruction is somehow considered necessary for human advancement. And, we don't have to believe that some particularly insidious diseases will never be eradicated. In today's world, capitalism has partnered with philanthropy in innovative ways. In the old days, people who entered the nonprofit sector were "do-gooders" who typically made lower salaries to help their fellow man and woman. Now, each day we're learning about new ways capitalists and others are joining the efforts to help society.

Who Will Be Getting More of the Money?

I've spoken to a lot of nonprofit professionals, and I've received pushback from people who still think that nothing is really changing fundamentally. I respectfully disagree. There's incredible change and disruption taking place. And, because we're seeing what is becoming a perfect storm of innovation, tech-savvy generations and incredible levels of money, I think more of the fundraising money is going to go to social enterprises and leading nonprofits.

I think nonprofits will be scrambling to attract donors at every level because I don't think there's going to be an incredible amount of growth in the number of people funding organizations. What I do think is going to continue is that funders are going to consolidate their giving. So, nonprofits and charities that are able to show success and scalability will be receiving more money. Organizations that continue to go from crisis to crisis and can't grasp growth and sustainability will have tougher times.

Funders have the ability and are pushing organizations to embrace technology, innovation and metrics. There's no reason to give to a nonprofit that can't get its act together when there's another chomping at the bit to effectively use investment money.

I think an example of the shift that's happening can be found within the Ford Foundation. Just before summer of last year, Ford decided to fundamentally change its giving guidelines to combat inequality. They also moved to do two more things to impact the giving community.

1. They're consolidating their giving to organizations that fight inequality and they will be giving them more money. In other words, organizations that don't meet this guideline will lose funding from an important source.

2. They're investing in general operation. In other words, the Ford Foundation understands that in today's world, organizations need to have the ability and flexibility to use operating dollars. They understand that starving nonprofits of general operating revenue is not a recipe for success. They want to invest in infrastructure because that will make programs better.

With regard to social enterprises, there's a lot more money coming their way via impact investing. Impact investing is a relatively recent tool, but it's growing. According to GIIN, there are over $11 trillion in assets under management for impact investing. There are 355 funds and products now available for impact investing. This is only sure to grow. Let's not forget that BlackRock created the first impacting investing mutual fund and others are in the process.

I agree with Linda and many others who are saying that what people like Mark Zuckerberg and Dr Chan, Laurene Powell Jobs and Pierre Omidyar are doing is turning philanthropy on its collective head. When wealthy funders wanted to make a difference in the past, they set up their foundation and donated at least 5 percent of that annually. However, 95 percent of the money could be invested in things that might not be so good for society. Now, however, there's a push to make sure investments are truly making a societal impact.

Let me be clear, what's happening is that capitalism and the free-market are really upping the ante in the philanthropic sector. Up until recently, the nonprofit sector and the for-profit world operated pretty separately. That's changing at a very fast clip. We'll have to see how this integration develops over time, and we'll have to see how leaders on the other side of the market push react to whether or not market-driven social change is the answer.

If you get a chance, take a look at the GIIN Investors' Council.[1] It's a who's who of leading global companies and organizations that are committed to impact investing. Some of these leaders include: The Anne Casey Foundation, The Bill & Melinda Gates Foundation, Citi Foundation, Ford Foundation, Goldman Sachs Urban Investment Group, The Kresge Foundation and The Rockefeller Foundation.

So, to drive the point home: What does this mean? It means that these philanthropic leaders are now supporting efforts that go beyond traditional nonprofits. They are open to investing in for-profit enterprises doing social good.

1 Global Impact Investing Network, Investors' Council: http://www.thegiin.org/investors-council
"How Much Does Fundraising Cost?", Affinity Resource Group

Chapter Three
How to Dominate in Fundraising and Leverage Philanthrocapitalism

"Success is finding satisfaction in giving a lot more than you take." – Christopher Reeve

As Linda mentioned in her introduction, I touched on the subject of philanthrocapitalism in my earlier book. But in only one year so many things have happened. It's been all over the news since the announcement of the Chan-Zuckerberg Initiative.

If you don't know or understand what it is and you care about the social sector, I suggest you start educating yourself. Philanthrocapitalism has the potential for fundamentally changing the social good space, including in fundraising. But this doesn't mean you can't succeed in this new fundraising environment. In fact, I think there are even greater opportunities for those who are willing to be bold about their decisions. Remember the adage- fortune favors the brave.

The Pushback Against Philanthrocapitalism

There's been plenty of debate about philanthrocapitalism and I want to discuss some of it here. It's always good to have a balanced discussion. Global philanthropists (i.e. billionaires) who want to make money and change the world are driving philanthrocapitalism. Yes, that's true.

My question to naysayers is, "What's wrong with that?"

Why can't there be a win/win situation? Once you get over the hump that people can make money and social impact–they don't have to be mutually exclusive–we can move on from there.

The next thing you might hear is that philanthrocapitalists are looking for ways to make money from the poor. Let's unpack that a bit. Why does making money and social good have to be a dirty thing? Why can't people make money and help the world?

We know capitalism works. As Americans, we have a strong tradition of capitalism and free markets. Yes, we do have to have checks on capitalism and the markets and I think absolute power does corrupt absolutely, but you can say that about practically any aspect of life. Any absolute control by one group over another is not typically a good thing. I think the intention of philanthrocapitalists is generally good.

Another critique of philanthrocapitalism is that philanthropists are looking for opportunities that scale.

Again, my question is, “So, what’s wrong with that?”

In my experience there’s a lot of timidity and fear. I’ve seen many organizations and ideas through the years that should have been grown to scale and went nowhere. I’ve seen incredibly bright people who could have helped thousands, or even millions, but they have been limited in their thinking and have only offered their solutions to a few.

Oftentimes, this is inefficient. If there’s a problem or challenge in one community, more than likely that same situation exists in another place. That’s why funders want to see things grow to scale. Think about it: Why does someone else have to figure out a solution to a problem when an answer that works already exists? Wouldn’t it be better to roll out that program across the nation, or even the world, and have thousands benefit?

Just because a program grows to scale doesn’t mean it has to lose its touch with the community. There are plenty of large nonprofits that are doing great work across the country or even the world. These organizations understand that they think globally and work locally. They give their affiliates or satellite offices a certain degree of autonomy, because what may work culturally in one community may not in another. However, the essence of the programs stays the same.

A fourth issue against philanthrocapitalism has to do with the world’s reliance on the generosity of people such as Gates or Zuckerberg. Weren’t some in society saying the same things when Carnegie, Rockefeller or Vanderbilt were practicing their philanthropy? There’s always been a tension, for better or for worse, with power, money and social good. What makes today any different?

The way I see it, the biggest difference between then and now is the amount of money being invested into social good. There’s nothing wrong with that. Society is different than it was one hundred years ago. The world is wealthier and we have resources that simply didn’t exist in the early 20th Century.

I’m going to call it the way I see it with regard to the pushback against philanthrocapitalism. I think when it does happen you need to see who’s doing the complaining. I think people who have a mistrust of money to begin with are those challenging philanthrocapitalism, and that’s okay because everyone certainly has a right to an opinion.

I will say that, yes, there should be concern about the issue of taxation, as these structures can protect a lot of money for those with the highest amounts of wealth. We can’t run away from the fact that there’s a lot of evidence about wealth redistribution to the top 1 percent and we do live in a world that is starting to see extreme income inequality. That's actually not good for capitalism. We know that this year the top 1 percent will own more than 50 percent of the total wealth in the United States, and it's only increasing each year. While I do understand this issue and it is something that should be a point of concern, I'll leave it for legislative debate.

But, the fact remains, the Bill & Melinda Gates Foundation is giving more to health than many of the world's leading nations. In fact, it's pouring money into the eradication of diseases like malaria.

I think instead of challenging motivations of people like Gates, Buffet, Zuckerberg and others, we need to embrace the changes that are happening and learn how we can partner with the people who, yes, make the world go 'round with the money they can invest.

The Good Coming from Philanthrocapitalism

I believe in philanthrocapitalism. While I do think there's a space and need for small organizations that work locally and will never grow to scale, I also believe in going big. I believe in big vision, opportunity and growing to scale whenever possible.

Why do enormous foundations like the Gates Foundation and now Chan-Zuckerberg Initiative exist? Because a lot of time governments and the private sector can't or don't address societal needs to the degree and scale that are required. We've seen it time and again with the billions the Gates' are giving to fight disease.

As much as some people would like to trust in government, we can't do that. In western democracies we have politicians who are beholden to special interest and/or their constituents. We also have government corruption. If it were not for an entity like the Bill & Melinda Gates Foundation, I ask you, would the world be where it is on the path to eradicating malaria, for example?

Let's stop believing that governments are all for paying up to help the world's poor. Do you see your government making substantial grants, as a percentage of their overall budgets, to other countries or to issues that directly address poverty or healthcare?

Bill and Melinda Gates don't have to worry about the next election cycle. All they need to focus on is finding the best initiatives underway to combat some of the world's most vexing problems. They don't have to play politics and worry about eradicating anything–or not–by the next election. All they have to do is to keep going for as long as it takes. And time is something that most governments and politicians don't have.

How to Partner With Philanthrocapitalists

We must understand that nonprofits are not the only game in town. By way of example, the Bill and Melinda Gates Foundation gave MasterCard a grant of $11 million in 2014 to expand its operations in Nairobi. This may not be necessarily philanthropy, granted, but it demonstrates that these foundations are no longer limiting their view to purely nonprofit work.

It's incredibly important for organizations to get a handle on what is happening and who will be successful in getting money. Capitalism is wedding itself to philanthropy. You can groan about it or fight it. Or, you can accept the changes that are happening and look to leverage them as much as possible.

Listen, the people you work with every day, the sick, the elderly, children, etc. don't care about an academic debate that'll probably take decades to resolve. They need assistance and they require the help now. That's the way I see it and I would suggest you should as well.

So, until new things happen that change the way things are going, what is the mind-set you need to have to succeed?

1. **Change Your Attitude:** I say this all the time and it bears repeating. Everything, absolutely everything, begins and ends with how you think about it. If you think small, you'll never achieve your full potential. If you are the executive of a nonprofit or social enterprise and the best you want for your mission is "success", whatever that means, you're not going to get very far. You have to think BIG, even if you're never going to grow to scale. You have to want to dominate. You have to want to be the best. What, specifically, does success mean?

   Let me give you an example. Let's say you're the executive director of a soup kitchen. You have a choice. You can be the place where everyone who is in need of food can stand in line and be treated like some invisible person. Or, you can say to yourself and those you work with that you're going to go above and beyond. You're going to not only serve food to those in need of a meal, but you're going to ask those you serve their names. You will seek to engage every human being who stands before you, or anyone on your team, in a meaningful way. And, although you run a soup kitchen, you'll discover and partner with the best social service agencies in your neighborhood so you can refer people who come to your soup kitchen for increased support.

   That's thinking big. Anyone can do the minimum. What you want is a place where any person looking for your service will feel YOU have made a difference in their life.

2. **Get Comfortable with Risk:** If you think BIG, you have to risk. Let your competitors spend their time fearful of innovative programs because they don't want to fail and lose funding. The fundraising climate is changing and it's evolving quickly. You want to "fail fast, fail often."

   If you have followed my writings about my career and companies, you know that I speak about and embrace failure. You need to do the same.

Last year, many of the leading philanthropists were from the tech sector. They were entrepreneurs. They created start-ups and now are incredibly wealthy. For you to understand how to go after fundraising dollars, you have to understand whom you're approaching.

If you're looking for corporate sponsorship or foundation money from entities such as Google or Gates, you have to understand the cultures that permeate throughout those foundations. They're looking for bold ideas, big vision and innovation.

It's okay to pilot something. I do it all the time to test out the market and see what works and what doesn't. What's not okay is to keep things as they are in perpetuity. All you're asking for is someone else to step into your place and get the money that should have gone to your organization.

3. **Understand Your Metrics:** If you know me personally or professionally, you know that every day I want to see results. I know everything that's happening across all of my businesses with dashboard reports that I review each day. I know the cost of everything to the penny. I know the rate my social enterprise is growing year-by-year.

   As a leader or fundraiser, you have to ask the tough questions. That's your obligation. Your funders will want to understand your overall metrics, programmatic impact and the return on investment. Think about it, if you're asking anyone to invest in your nonprofit, school or even church, you have an obligation to inform and educate them on how you'll be spending their money.

   The best way to prove that you are the right place for someone to consider giving a substantial investment is to understand your numbers, including the financials, inside and out. For people to trust you, you have to show that you have mastery over the numbers and metrics.

4. **Foster Creativity and Innovation:** There's a reason my blog is named "Not Your Father's Charity." I wanted to communicate to the public this was not business as usual.

   The worst thing you can do for your nonprofit, school, church or social enterprise is to keep the foot off the accelerator. Look at the world around you. Look at how much has changed in less than 10 years. In one year since my first book for the Not Your Father's Charity book series so much has changed.

   Today's funders are looking for creativity and innovation. If there's a perplexing problem that has vexed society for eons, they don't want to see the same hackneyed solution. The money is going to those organizations that can "think different."

   One of the key ways I've found to foster creativity and innovation is to have a diverse team. Get people and connect with people from all walks of life and generations. This inevitably brings you varying points of view, and from there you can start to develop solutions that, perhaps, have never been done before, or at least not in the way you're thinking.

Diversity not only promotes creativity and innovation, but it also gives you movement and momentum. You don't want to lead an organization where everyone thinks and looks the same. What's the fun and challenge in that dynamic? Instead, with diversity, the varying opinions and points of view that arise help give your organization energy. And energy brings movement. It's that simple.

5. **Never Be Satisfied:** If you want to succeed, you have to want more than what you and others think is possible. You want to dominate. You want to be the best. Almost is not good enough.

You may achieve success in a program and that's great, but to be a great visionary you can never be satisfied. You always have to want bigger, better, faster, cheaper. That's how we get progress. That's how YOU progress.

Human nature is pretty awesome. We naturally want forward movement. In other words, we want to have better homes, cars, jobs or lives. We want our children to live a better life than we did. There's an eternal dissatisfaction and that's a good thing because it's a natural motivating force.

So long as that dissatisfaction doesn't become a major force in your life, where it leads to negativity, it can be used positively. You can channel it to keep yourself and your team achieving ever-greater things.

Let's say this year you raised $1 million for the first time. You need to celebrate that, but once you achieve it, you've done it. You wouldn't say to yourself next year "let's keep things even and go for $1 million again." If you would, you shouldn't be an executive director or fundraiser. Any good executive or fundraiser worth his or her paycheck would be looking to increase the goal the following year.

Use that dissatisfaction to do more. Use that energy positively. Channel it to achieve more. Direct it so that it propels you and your organization forward.

Chapter Four
Your Board Doesn't Want to Fund Raise and What YOU Can Do About It

"My job is not to be easy on people. My job is to take these great people we have and to push them and make them even better." – Steve Jobs

I've worked with boards and when I established Soles4Souls, my nonprofit, I created and developed a board. I've also spoken to board members across the social sector. I've also spoken to a lot of fundraisers along the way. When I've asked about the top challenges they face every day they've often said it's their board. The challenge comes in the fact that many board members simply don't understand their governance roles and responsibilities, let alone their fund-raising responsibilities. Since many people don't like to ask for money, I think it's fair to say that you'll find a lot of board members across the U.S. who would rather do anything else than ask for money for a good cause.

What happens, especially around fundraising, is that you get a comedy of errors. Unfortunately, this has real consequences that impact organizational sustainability.

We Don't Want to Raise Money

If you work at a nonprofit where, as the chief fundraiser, you are tasked with raising the money with no support, I recommend you look for another job. If you've tried to explain and educate the board and executive director with respect to fundraising and you're seeing blank stares, it's time to consider your options.

It doesn't matter if you work at a medium or small mom and pop shop. If you're a fundraiser, or responsible for it as an executive director, you've more than likely run up against a board member or two who does not think one of his or her duties is to raise money. I've seen it time and again. Organizations will hire a senior fundraiser or executive director and they'll have the erroneous thought that it absolves them of helping to raise money. It's easy to throw the work to someone else, especially when most people don't like to ask others for money.

But, let's be clear about it. If you've accepted the privilege and responsibility of serving on a board, then you're in fact responsible for helping to raise money. If you don't like it, then don't serve on a board.

One of the primary responsibilities of a board is to ensure the fiscal resources of the organization. Here's the deal: nonprofit board members serve as the lead champions, supporters and donors to an organization. While an executive director or chief fundraiser can be considered as a "hired gun" (especially fundraisers), the community looks at the board as the bridge between the organization and the broader public interest.

The reasons for this are pretty simple. An executive director and a fundraiser are typically drawing a salary. That means they have an equitable interest in the organization, no matter how much they believe and support the mission of the organization. This can sometimes color the perception of prospective donors.

Board members, however, are volunteers. Typically they're not compensated in the social sector. This in turn gives board members credibility in the community. The fact that board members are volunteers means there's no vested interest in supporting or being involved with a particular nonprofit. It usually means they serve as board members because they believe in the mission and programmatic work. Clearly board members are a powerful champion for an organization and have a higher level of credibility than any fundraiser ever would.

So, next time you hear board members passing on their responsibilities, you might want to tell them that they need to help. In fact, they need to lead in that effort. Not liking to ask for money is okay, there are ways to develop that skill, but not fundraising is not helpful to the organization.

How Do Board Members Help in the Fundraising Efforts?

Here's where the fun begins. Once you have a board that understands one of their primary roles is to help raise money, an organization can really begin to rock and roll. Why? Because everyone is serious about success and sustainability.

I've had this question asked of me from time to time, "Wayne, what do you prefer; a "give or get" board or a board that gives according to its financial resources?"

I think it depends. I know Linda has worked with a board where, in order to serve, board members had to commit at least $100,000. They were able to raise it and/or personally give it themselves. In the conversations I've had with Linda, she's more partial to this type of fundraising, but we have to keep in mind that she worked for a number of large organizations. That probably made sense for those organizations with large budgets.

Listen, I know the majority of nonprofits in the United States have very small budgets. I know there are many great charities out there that are local community organizations. That's fine. God bless them.

If I were the executive director of any of these nonprofits, I would probably lean toward 100 percent board giving according to each member's financial means. Let's say, for example, you had a board member at a school foundation who was a banker making hundreds of thousands of dollars plus a year. I would consider asking this person for a gift in the five-figure range.

Then, let's take that same school foundation board and say there was a teacher who also served. This teacher was providing programmatic expertise, but she was only making $40,000 per year. Depending on her personal circumstances, I would ask for an annual gift of a couple of hundred dollars to a few thousand.

So, you see. It depends.

No matter what, I believe in 100 percent board giving. The reason is simple. Nonprofits and social enterprises have to demonstrate they have committed leaders who are willing to financially support the organization. How can a fundraiser for a charity possibly go out and ask for major donor money when board members are not giving? Why would any board or executive want to place a fundraiser in the awkward position of having to explain that only a few board members financially support the organization? The obvious question is, "Why?"

In case you're not aware, when fundraisers submit grant requests or make an ask of a major donor prospect, oftentimes they're asked to produce evidence of board giving.

The bottom line is that board members are the gateway to the community. That means they have to help an organization leverage personal contacts. We know that the community will trust more the word of a friend than a direct mail piece. So, if a board member knows the president of the local bank, it's easier for the board member to make an introduction than it is for a fundraiser to reach out to this same banker with no prior relationship.

Board vs. Staff Roles

In a lot of our discussions, Linda and I have spoken about the differentiation between what board roles are as opposed to staff. She shared with me a simple chart that I think is great to include in this book. It clearly delineates what a board is supposed to do around fundraising versus staff.

Board Roles	Staff Roles
Approve fundraising goals	Develop fundraising goals
Approve the fundraising plan	Develop the fundraising plan
Make an annual contribution	Solicit and/or make an annual contribution*
Solicit prospective donors	Research and identify prospective donors, and solicit major donors when appropriate and possible in collaboration with board members
Solicit personal and professional contacts in spheres of influence	Work with board to help them develop and prioritize their personal and professional spheres of influence to cultivate and solicit donors
Approve and sign solicitation letters and proposals before being submitted to prospects they will be soliciting	Prepare solicitation letters and proposals submitted to major donors via board member solicitations
Help staff to "get in the door"	Help board to "tell the story"
Do follow-up solicitation visits	Do follow-up solicitation visits in collaboration with board members
Maintain ongoing contact with funders	Keep accurate donor records and assist board members in keeping contact with donors they solicit

* An annual contribution is not expected of staff members in many/most organizations

How to Support a Board's Fundraising

I think the next logical thing to discuss is how to support a board in the completion of its fundraising responsibility. Once you've got the roles and responsibilities clear and agreed to, how can an executive or fundraiser help support the board? Remember, many–if not most–board members would rather have a root canal than ask for money. So, how can you prepare and support your board?

1. **Dollars and Cents:** One of the biggest mistakes I see within nonprofit boards is the mistaken notion that only the finance or executive committee need to understand or be aware of the financial position of the organization. This can't be further from the truth. Board members have a fiduciary and legal responsibility to understand the finances of a nonprofit. That means they have to know its revenues and expenses.

   Nonprofit executives have to educate and explain to all of their board members the money coming in and going out. How often have you sat at a meeting and had some board member speak up saying he has "…no idea where all the money goes?" It's the responsibility of the executives to help all board members understand where the money gets spent–not just those on the finance committee.

Make it a point to talk about money at each board meeting. If all board members become comfortable in hearing and asking questions about the money, they'll also feel more secure in helping to fund raise.

2. **Annual Board Giving:** Drive home the point of board members' responsibility for the financial success of the organization by asking them for a gift. In the best fundraising boards, the chair of the board and/or the chair of the development committee will send each board member a formal request for a contribution. The fundraising staff typically prepares these requests.

   It doesn't matter if you work with a "give or get" board or one that has 100 percent board participation at whatever varying giving levels. Ask. The board chair and/or development chair should be ready to have discussions with each board member about their annual contribution to the organization.

   If you want to keep board members' feet to the fire, you can do what Linda did with some of her boards. At every board meeting there was a report that was distributed with each board members' fundraising year-to-date and prior two to four years of history. Everyone saw what everyone else was fundraising for the organization. Behind this report, each board member also received a personalized list of all funder names and donations made with the assistance of that particular board member. Nothing spurred more competition than the review of that topline report. It also held the boards Linda worked with accountable.

3. **Get Your Board into Thanking:** One of the best techniques for helping board members to get involved in fundraising is to ask a board member to simply call a donor and say, "thank you."

   A good strategy to use is to have board members call top donors who weren't solicited by anyone. Sometimes an organization will receive donations from people who simply love and support the work of the nonprofit. This is a great opportunity both for the organization and board members to build a relationship. Ask board members to call on individuals who have given a major gift (either because they were asked or not) and acknowledge that gift.

   If you have a board member who's a bit shy, develop a script with key talking points about how the donation is helping. The more board members feel comfortable in all aspects of fundraising, including in thanking, the easier it'll become for them to ask for money.

4. **Board Training:** Don't expect your board members to come to the job knowing how to serve on a nonprofit board, even if they serve on another

nonprofit or corporate board. Don't assume anything. One of the biggest failures I've seen is executives complaining about board members who don't make introductions into the community when there's been no communication or understanding of how board members can do this.

Each year, take a day out for a board retreat. Make sure fundraising is a large part of the program and hire someone from outside of the organization. Then, work with the facilitator to help inform and educate the board about how to be excellent board members that add value to the organization.

5. **Make the Ask if They Can't:** Some people–no matter the training and support–will simply be too terrified to make an ask. That doesn't mean this board member should be shafted. When you face this situation, there are things that can be done to support the board member.

   One of the best things to do is to work as a team. The chief fundraiser can, perhaps, ask this board member to make some introductions. The fundraiser, who is presumably trained to cultivate and ask for money, can support the board member by having this person simply express to a prospect why he or she supports the organization. Given the opportunity, a board member will be happy to say why they support a cause and speak about the work done. When the time comes to make the ask, the fundraiser can then step in.

   The board member still participated in the solicitation and so this contribution should be reflected in favor of the board member. However, the board member who is honestly terrified of asking–no matter the training and support–can feel good for having raised money without having to make the actual ask.

Chapter 5
You Have Major Donor Prospects You're Missing

"You give but little when you give of your possessions. It is when you give of yourself that you truly give." – Kahlil Gibran, The Prophet

During my fundraising career, there was one area where I consistently saw nonprofits struggling. That was with individual donors. I saw plenty of organizations that were rock stars writing and submitting grant requests, but it was typically the area of major donors that needed to be strengthened.

I know many of Wayne's supporters and followers are schools, churches and small nonprofits. Many of these organizations are fortunate if they have more than one person doing fundraising. But if you can get volunteers, such as your board and others, to help you, you too can get gifts from major donors. And I think with the shifts happening in philanthropy, it makes sense to reach out to decision-makers and influencers and develop relationships.

When I started out in the business, there was a well-known consultant from the leading international consulting firm. He and I would drive around from appointment to appointment and he would always tell me there's a major donor everywhere, even in the poorest neighborhood. It might be a widow or widower or it might be the person who never married but owns a small neighborhood business. The bottom line is never make assumptions about where you can find major donors. They are everywhere and I've heard stories of piles of cash being donated that was originally in a mattress for decades or even a bed that was given to charity. A bed? Yes, it belonged to Marie Antoinette and was worth lot of money once the charity understood what it had on its hands.

The Psychology of a Major Donor

The first thing you want to do if you're embarking on developing a major donor program is to understand why people give. There are many reasons, but here are some of the main ones I've found along the way:

- **Altruism:** Once you become a giver, it's easy to understand how those who donate get more in return than what they give. Altruism, feeling good about giving and making a difference for society are important reasons people give.

- **Full Circle:** I've discovered along the way that even the wealthiest people may have started with different circumstances in their early life. Remember, major donors and wealthy people may have more toys, but they might not have started out that way. Some may have received services themselves or had a family member who did. Later, they are so grateful they feel they need to give back to the organization.

- **Legacy:** Carrying the family name and legacy is also a major motivator with respect to why people give to charity.

- **Taxes:** No one wants to pay more in taxes than they have to, and the wealthy definitely protect their assets. On rare occasion I've seen sizable gifts donated to charity for purely financial tax reasons. Taxes are always a consideration, but it's typically not the main driver in a donation.

Here's the number one reason people give: THEY WERE ASKED!

I know that sounds really obvious, but I can tell you, based on twenty plus years of experience myself and on that of my colleagues, so many organizations are simply too timid or shy to ask at the levels where they should be asking, if at all.

Elements of Creating a Major Gift Program

We live in a world of money. You might not like it, but we do. And there are plenty of people out there with plenty of money who would be willing to support your organization if you set the right foundation. The following are what I view as the most important elements of a major gift program:

1. **Leadership:** Wayne has said it often. The rise and fail of charities boils down to leadership. He's spot on. Think of major gift fundraising as a team event or sport. The CEO of your organization certainly has to be involved, as does your board. There should be a designated "quarterback" who is responsible to ensure all the parts are moving as they should. If you don't have someone on your team with fundraising expertise, hire outside counsel. You can also look at places such as VolunteerMatch.org to find someone who can volunteer. The bottom line is to make certain your quarterback has proven fundraising experience and knows the science and art of the field.

2. **Prioritized Prospect List:** Next you'll want to develop a list of prospects. One of the first questions any organization developing a major gift program asks is what defines a "major gift" amount? The answer is, it depends. For some organizations that have low gift amounts, a major gift might be $500. For others it might be $1,000, $5,000 or even $100,000. Your major gift fundraiser will help you sort out your major gift amount floor and levels. What you should be mindful of is that "middle group". You probably have donors who've been giving to you for a long time at a higher than average level. Consider including them in your prospect list. Once your list is completed, you have to prioritize it. Who is closest to you with the greatest capacity? Who follows from there? Remember, you want to approach the "lowest hanging fruit" and circle out from that point.

3. **Case Statement & Collateral Material:** What you're doing matters. How you're doing it matters. The success you're having matters even more. Today's prospect does not want to read–nor do they have the time–for dense information. Work with a copywriter and designer to synthesize what you're doing, how you do it and your success into content that is compelling and digestible. Everything should always be presented in a high-quality and professional manner. You don't have to spend a lot of money in today's world to develop material, including a website that is easy to understand and looks appealing.

4. **Relationship-Building:** There's a distinction in the following two words: "fundraising" and "development." Fundraising is about securing a gift or fundraising goal. Development certainly incorporates that idea, but it's also about building relationships. It's very easy to understand. If you're looking to raise money from people at significant levels, you have to build and maintain good relationships. You want to engage your prospects. You want to inform them about what you're doing, but you also want to learn about what interests them. You want to be thoughtful. And, when they do make a donation to your organization, you want to thank them. I can't tell you how many times I've seen organizations simply never acknowledge their donors or their donations. A major donor program is a relationship program.

The Brass Tacks of Major Gift Fundraising

If you're looking to create or further develop a major gift program, it's important to have someone on board who knows how to do major gift fundraising. I know I've read it before in Wayne's blogs. Sometimes nonprofits think that their grant writer also has the skill to raise money from individuals. Typically, that's not the case. You're looking for professionals with, as Liam Neeson would say in one of the "Taken" movies, "…a very particular set of skills."

Still, what follows is a general road map, or high-level view, to help guide you in the process. There is much more detail to a good program than I could provide in this chapter, but always feel free to reach out to Wayne or me with any questions:

1. **Identification:** As I mentioned above, you want to start out by identifying major gift prospects. These are individuals who have the capacity but not necessarily the interest (yet), to give at a major donor level. With today's tech tools, it is increasingly common for databases to be analyzed by prospect research vendors. I'm not going to get into all of the issues around that practice, but what I will say is that you have to develop a list of prospects. In the old days, we would have rating sessions and we would run names internally with trusted individuals who may have had some knowledge about the financial capacity and backgrounds of individuals. Confidentiality is always critical during this process and your organization should have policies for how donor and prospect information is reviewed and analyzed.

2. **Gift Level:** As you begin to develop your list, you'll start to notice that some donors can potentially give you $2,500, but others have the capacity to give you $10,000. Giving levels will help you determine ask amounts. As an example, you might consider anyone who has given you a gift above $7,500 to be asked for $10,000. Perhaps individuals who have donated $1,000 to $2,499 will be asked for a gift of $2,500. Once you develop your list of prospects, you will want to prioritize them into giving levels based on history and relationship with your organization. I am a big believer in asking high. People are not offended when the time comes to make an ask if you ask them for a high amount (but generally in the ball-park of what you believe they can give). However, a prospect can certainly look at you curiously if he or she is a millionaire, let's say, and you only ask for $1,000. What major donors see in asking too low is that the person asking and the organization is too timid (so what's the point in getting involved seriously?). A prospect that is asked for an amount that is too low when it is clearly evident that they have the capacity to give a lot more may also think that you simply have not done your homework. That's never a good thing.

3. **Motivation:** You want to understand the motivating factors of your prospects. Remember, those who have a relationship with you and have given in the past are the likeliest to give to you in the future. You always want to start there. But, if you're starting a major gift program in advance of a capital campaign or new program, you really want to get an understanding and sense of why donors are giving to you. Does any given prospect have a strong interest in the work you're doing? If so, which program? Why? Does

he or she have an affinity, perhaps, to the founder of the organization? Is he or she a prospect because of a friendship with someone on the board? Is the prospect a business leader in the community looking have his or her corporation become a good corporate citizen? Is someone interested in giving in memory of a family member or as a legacy? You will begin to understand motivations as you start your cultivation process. During cultivation, you want to listen and ask questions. You want to convey the work you do, but it has to be an exchange of information.

4. **Proposal:** Once you understand a major donor prospect's interests and motivations, your next step is to prepare a proposal. A prospect has to feel that you married their interests with a given project and that it merits their consideration. Here are some things that major donor proposals should include:

    - Gift chart of gifts needed to reach the fundraising goal.
    - When and where appropriate, architectural drawings or renderings of the project.
    - A commitment form.
    - A multi-media presentation to bring your project to life.
    - The names and affiliations of other donors who have committed.
    - The case for support and the impact the program will achieve.
    - A specific ask amount.

    Remember, if you're asking someone for a substantial amount of money, give them the courtesy of a face-to-face meeting.

5. **Relationship:** One of the most important decisions you'll make is who should be establishing a relationship with a major donor prospect. It's easy to say the fundraiser should do it. That's not the right answer. The fundraiser should certainly be considered part of the team who will develop a relationship with any given major gift prospect or donor. However, for sizable gifts to your organization, the CEO or even board members should be involved as primary solicitors. If a board member has a friendship with a prospect, then the board member should be the lead, with support from the fundraiser. Other times, the CEO should be the lead with support from the fundraiser. Remember, major donors typically don't want to simply get to know the "hired gun" fundraiser. If they are giving a significant gift to your organization, then they deserve to have a relationship with the CEO and/or board members.

6. **Appointment:** If you're asking someone for a substantial amount of money, you have to give him or her the courtesy of a personal meeting. It's

important to set the tone and you should personally call them to schedule an appointment. A meeting can take place anywhere that offers an opportunity to talk and speak confidentially. Don't be surprised if a prospect asks you to send something to them in advance. Deflect. By sending a major donor proposal in advance of a meeting, you are inviting an opportunity for your prospect to postpone or even cancel the meeting. It's important to know that a face-to-face meeting and conversation is crucial for success.

7. **The Ask:** The moment of truth. You have to ask for the gift and you have to vocalize a specific amount (or a range that is tight). You can't be embarrassed. I remember when I was fundraising for the Olympic Bid for New York many years ago. The first ask I made was terrible. I was unsure of myself. I was trying to quickly learn the elements of a $2 billion bid. I remember getting very good at making an ask quickly. I met with CEOs of multi-national companies. I was typically informed in advance of a meeting that I had no more than 10 minutes with the person. In that time, I had to somehow connect with a high-profile executive I've probably never met, explain the key components of a major bid and make an ask. I still recall years later that I got to the point of timing myself. And I remember making a number of asks one day and timing each one. One ask and secured gift took me less than 7 minutes from the moment I entered the door to when I exited! This is not typical, of course. However, I relay this story to drive home the point that you can't be afraid to ask…and practice makes perfect.

   If the prospect agrees to make a gift, thank him or her for the generosity. If necessary, discuss a schedule of payments. However, your prospect may want to discuss the gift with financial advisors or have concern about the amount asked. It is at the point where your prospect says they need to discuss it with others or is expressing some concern that you need to stay the course. You have to suss out their objections. Ask pertinent questions. If he or she is concerned about the amount, explore what level gift they might feel more comfortable contributing. If they have to speak to their advisors, schedule a time to talk within a week and be specific that you will follow up. You want to keep momentum alive and a sense of urgency.

   It is during this time, once you leave and your prospect is still considering, that you have to remain persistent. If your prospect is giving you the run around, it could mean they don't see the value of giving to your particular project.

Successful major gift fundraising takes knowledge, understanding and practice. Each situation is different. With experience, you'll understand the best practices and the nuances of this form of fundraising. While it's great to have prospects promptly agree to give you what you request, be prepared for delay and even rejection. Don't take it personally.

Besides the "science" behind major gift fundraising, it takes persistence, a good sense of humor and an engaging personality. I believe even people who tend to be quieter and shy can learn it.

The biggest recommendation I would give is to learn it from someone who's done it successfully. Even if you're the CEO or executive director of a nonprofit, but you've never raised major gift money, it's okay to be guided by your chief fundraiser or outside expert. Learn from a pro. Go out on visits with them. Be guided by them and listen to their advice and counsel.

Two Missing Types of Donors

Through the years I was often asked how to "find" new donors. A lot of times I was asked the question by people who had magical thinking, more on that in the next chapter. The reality is that unless you're beyond the start-up phase (i.e. older than 5 years), you probably have a database where you have hidden opportunities.

There are two types of donors that most organizations do not leverage as much as they should. So, if I were sitting right beside you today as a professional fundraiser, I would tell you to look at your LYBUNTS/SYBUNTS and mid-range donors. You always want to begin with those who are closest to you, and believe it or not, you probably have opportunities for more money in your current database.

1) **LYBUNTS and SYBUNTS**

   If you're a fundraiser, you know what LYBUNTS and SYBUNTS mean. LYBUNTS means donors who gave to you "last year but not this year" and SYBUNTS means those who gave "some year but not this year."

   If you believe, as I do, that fundraising is a team sport and is not the sole responsibility of the fundraiser, then you may be looking for opportunities to increase your fundraising. One of the easiest places to look that a lot of organizations miss is with their LYBUNTS and SYBUNTS.

   Depending on the study, nonprofits have a "donor churn" rate of anywhere between 60 and 90 percent. What this means is that donors gave an initial gift to your organization but did not donate again the following year, ultimately becoming LYBUNTS and then SYBUNTS.

   I believe one of the reasons for this is very simple. Organizations don't keep in touch, build a relationship and ask. Time and again I've seen organizations fall off the map in the world of their donors. You have to remain front and center, so crafting a special campaign for LYBUNTS and SYBUNTS is a good idea.

   When I was actively fundraising and consulting, I liked to educate executives and board members about the cost of fundraising. A simple tool that, although published years ago, is still accurate in today's world can be found on the Affinity Resources website[2]. As you can see, it costs more to acquire a new donor that it does to keep an existing one.

2) **Mid-Range Donors**

If you look at your database, you may have people who give to you at high levels, or as major donors. They are probably about 20 percent of your donor base. You then have the remaining 80 percent who are your general gift donors and give you smaller gifts. I've seen gifts as little as $0.25 or even a penny sent in the mail because the donor was so poor but cared so much about a particular cause.

Anyway, somewhere between your top 20 percent and your lowest donors, you'll find donors who don't yet give to you at a major donor level, but are certainly giving way above your average gift. Start out by looking at the middle third or so of your donors. These people make up your mid-range donors.

If I were you, I would develop a program that is special for them. It costs you less, and you have a greater return on investment by moving your current donors on the continuum of giving, than having to find new donors.

If you consider doing a mid-range donor campaign, I would look at a multi-channel approach for reaching them. What this means is you will use multiple approaches to reach out to them, such as direct response, social media, meetings and/or a special event(s). With respect to messaging, if you want to create a mid-range giving society, let them know about it. Be creative when it comes to engaging them further with your organization.

With the actual fundraising, I would be as specific, personalized and targeted as possible. In other words, you want to make sure they know you're aware they have been on your database for 5 years and their last gift was $500. You can be even more specific in your gratitude and let them know what's been accomplished with their gift. That's not just fundraising copy, it's the truth!

Develop increased giving levels and encourage them with a special campaign and effort.

If you begin with these two types of donors who are already in your database, I think you're going to be pleasantly surprised by what you find.

2 "How Much Does Fundraising Cost?", Affinity Resource Group, http://www.affinityresources.com/pgs/articles/fundraising_costs.html

Chapter 6
Your Fundraiser is NOT a Magician and Two Myths

"Think left and think right and think low and think high. Oh, the thinks you can think up if only you try!" – Dr. Seuss

I've written about this in the past and it's something that is probably at the core of fundraiser dissatisfaction with their job. Contrary to what everyone seems to think, fundraisers don't carry with them from job to job a list of contacts that they can dial-up to support a new cause. This is such a fundamental misunderstanding of what development is in the social sector and it warrants a discussion.

As someone who was in the business for a long time, I came across organizations that mistakenly thought when they hired a fundraiser they opened the money spigot. I know many people do not like to ask for money and it's pretty easy to pass things along to the hired gun.

Since the economy started to recover, there seems to be more magical thinking. Foundations have tightened up their giving guidelines. More money is heading to fewer organizations. Nonprofits have found themselves looking deeper into their database to come up with money they used to count on. I'm no longer actively fundraising, but the stories I hear from my consulting and fundraising friends are not to be believed.

The Fundraisers Myth

Wayne likes to say, "Do the work." He's spot on. Nothing comes with magical thinking. At some point last year I was reviewing a job opportunity that I thought I might pass along to a few colleagues. There it was, as clear as day. One of the requirements of the position was that the fundraiser bring his or her own "personal network of contacts."

I've been in this situation. Toward the end of my fundraising consulting in New York, I remember being referred by a friend to a prominent New York cultural institution. They were in the midst of raising money for a special project and they were up against a deadline.

I remember the executive director got straight to the point. She told me that she would hire me only if I brought my personal contacts to the table and solicited them for the organization. She said she wanted to be clear and respected me enough to not beat around the bush. She also said if I repeated the conversation, she would disavow it. I was impressed by her candor, but needless to say that was our first and last meeting.

Now, I know as I write this that I'll hear from some executives and board members who'll say to me, "Linda, what's wrong with that?" They will listen to what I have to say about it and they'll think I'm being ridiculous. But, here it is again for the record.

Donors are not like free agents for sale to the highest bidder and fundraisers are not brokering deals.

Fundraisers are not, by ethical standards, supposed to "take" relationships from one organization to the next. And, unfortunately, we still do have the situation where most fundraisers stay at an organization for less than two years. A false expectation from executive directors and board members is one of the reasons for this state of affairs.

I call this the "Fundraisers Myth". The myth is that when you hire a fundraiser with presumed contacts, particularly with individuals, that money is going to rain in. Yes, more than likely any major gift fundraiser with a successful track record at a good organization has developed key relationships, but they're not yours to have just because you're paying the new salary.

So, let's do the work and understand what professional fundraisers cannot do with your donors.

Association of Fundraising Professionals

Most fundraisers know the Association of Fundraising Professionals. The AFP has been around for more than 50 years. If you're an executive director or fundraiser, I suggest you join. The AFP is the place to understand and learn about fundraising, best practice and ethics as it relates to raising money in the nonprofit sector.

If you take a look at their Code of Ethics[3], you'll find the following:

TREATMENT OF CONFIDENTIAL & PROPRIETARY INFORMATION

Members shall:

17. not disclose privileged or confidential information to unauthorized parties.

18. adhere to the principle that all donor and prospect information created by, or on behalf of, an organization or a client is the property of that organization or client.

3 Association of Fundraising Professionals, Code of Ethical Standards, http://www.afpnet.org/Ethics/EnforcementDetail.cfm?ItemNumber=3261

So, let's discuss that a bit. The most important thing it means is that donor data needs to be treated confidentially. It's privileged information. In other words, you're lucky to have it. Now, here's the kicker in point number 18, in black and white, "…donor and prospect information…is the property of that organization…"

The bottom line is this: fundraisers have an ethical obligation to not disclose donor information. And, yes, disclosing it to a new organization is not ethical.

Here's what I used to tell organizations that approached me about fundraising for them and were clear that I had to bring a list of contacts: What if I worked to get you a gift of $50,000 and the donor became a major donor to your nonprofit? Two years later I left your organization and moved to another one. Now remember, I've developed a relationship with Mr. Jones, your $50,000 a year donor. My question to you is very simple, would you care if I went ahead and telephoned Mr. Jones and began to cultivate him for my new organization?

My other question is this one: how many donors was I expected to bring? When I was asked, or another fundraiser is asked to bring their contacts, how many donors are these misguided organizations expecting? Then the next logical question becomes how much money are they expecting from that fundraiser with these donors?

How many relationships is a fundraiser expected to bring? Five, ten, twenty-five, a hundred? As a former fundraiser, I am telling you that an organization would be exceedingly lucky if he or she brought five people in total who became major donors to the charity. Of course, that's assuming this was even ethical.

Every time a nonprofit thinks that part of the job or consulting contract for a fundraiser requires him or her to provide a list of prospective donors based on prior relationships, organizations are fundamentally misunderstanding the role of a fundraiser. I've had the privilege of working for well-run and informed organizations, and those boards and executives understood that fundraising is a team sport.

Fundraising is something that involves the board, CEO and the fundraising team. It's not something that is left on the shoulders of only the fundraiser. It's just never going to fly that way. And, as I've said, that's one of the reasons there is a revolving door of fundraisers in nonprofits.

We know there are major shifts happening in the social sector. I believe, as Wayne does, that there is going to be a continued shift to market based solutions to address society's challenges. I don't think this is the end of nonprofit organizations. Smart funders, investors and nonprofits that have decades of data and experience on a given issue know it takes a partnership between the market, government and social sector groups to make things work.

This evolution definitely begins to change how money is raised. The shifts are already impacting philanthropy. We're in the midst of a great sea of change because of the abilities of technology, the tremendous wealth in the tech sector that is setting the tone and the worldview of Millennials, among other things.

The Bill & Melinda Gates Myth

My gosh, I've heard it so many times in my career that I named it! At least I think I did. I can't even tell you how many times I've heard in twenty plus years that someone's cause is "…so great, I know we can get money from the Bill & Melinda Gates Foundation."

I've heard it so many times and if I had money for every time someone said that in my presence, I would be very wealthy. I have called this type of thinking the "Bill Gates Myth." I've been hearing about it since before the foundation was founded in 2000. I need to correct myself. It's now the "Bill and Melinda Gates Myth".

Nevertheless, the myth simply means that the affluent and wealthy should or would support a particular effort, "just because" they have money and the cause is a good one. This too is a mistake and it's a myth. There are plenty of wonderful organizations out there large and small. I still have people reaching out to me with incredible organizations and ideas. However, just because someone has money and your cause is a good one does not mean a philanthropist is going to support it.

Typically, someone who is not a fundraiser speaks this myth. He or she may serve on a board–that's often the case. It's fun to see when this type of discussion occurs. You'll see someone get very passionate about the cause. Of course, there's nothing wrong with that! But, then the shoe drops.

"The Bill & Melinda Gates Foundation should be funding us!" the board member will exclaim. "What are you doing about it? Why isn't this happening?"

Oh, I don't know…could it be that the organization does not have the metrics or scale to get funding? Perhaps the nonprofit does not have the organizational infrastructure to appeal to a foundation like Gates? Or, maybe it doesn't meet the guidelines for Gates funding?

Why give your fundraiser heartburn?

There's a way to get there. It's called "walk-jog-run."

First you need to walk. Then you jog and then you can run to Gates, assuming you meet their giving guidelines.

Get your house in order before you start demanding that your chief fundraiser spend precious resources and time going for money that does not have any chance of being donated until you get your house in order.

I think between the Fundraisers Myth and the Bill & Melinda Gates Myth, fundraisers have their hands full.

These cannot be the expectation. Nonprofits that are considering basing success on either of these myths to evaluate a fundraiser should take caution. Instead, nonprofits should look to follow good business practices, maintain the highest ethical standards and develop a strong and diversified portfolio of revenue streams that makes good business sense and takes advantage of the resources available. Anything less is not fair to the fundraiser, donor or the organization.

Do The Work

So, now that we understand some of the thinking we don't want to do and the myths, what does a productive relationship between a fundraiser and an organization look like?

- **Relationships:** Fundraising and development should be all about relationships, and that begins with the fundraiser. Social sector organizations should look at their chief fundraiser as a trusted member of the team. This individual plays a vital role in an organization. Trust is the foundation to any solid relationship.

  Hire someone with a proven track record of individual fundraising, if you're looking for those types of gifts. And, if you have someone who has that type of experience, allow him or her to be the expert. You hired them because they bring a particular set of skills. Follow their guidance. Fundraisers, board members and the executive director all need to be partners in fundraising. I can't emphasize that enough.

- **Expectations:** We live in a very fast-paced world. A lot of us expect things to be done "yesterday." That might work for some things, but it doesn't work for development. If you're building a solid development program, and you're building relationships, this is not a short-term endeavor.

  You have to believe your fundraiser when she tells you that a gift from a corporation, foundation or new donor prospect that is cold will not arrive next month, even when you've already budgeted for it. That's not reality. Development and building relationships that then bring financial support takes time. Stop expecting miracles. Quit having unreasonable expectations of your fundraising team. You're just setting up for failure that way. If you hired a fundraiser that you trust, listen when he or she tells you how long it will take to secure a gift.

- **Formulas:** Yes, there are formulas in fundraising. Become a fundraising student, including in best practice formulas. For example, generally speaking, you can expect $3 to $4 for every $1 you invest into fundraising efforts.

  So, while there is certainly an art to fundraising, there is also a "science" to it. Crunch your data. See how much return on investment you're getting. Understand your average gift. Learn the costs in your organization to retain and acquire every type of donor (e.g. individual, direct response, corporate, foundation, etc.).

  And, most importantly, understand the direct and indirect costs of events. I've seen many organizations get lured into doing a lot of events thinking they're making money. The reality is that events should be considered a marketing event that raises your brand visibility. When you factor in direct and indirect costs against the revenue, you're more than likely going to see that your event costs you much more than it would if you hired a major gift fundraiser.

- **Embrace Fundraising:** I've worked as a fundraiser and I know our group is viewed as "hired guns". Fundraisers are sometimes looked upon with a certain respect because they can bring in the big money. And, on the other side of the coin, with apprehension because they can bring in the big money. People can be threatened.

  There is a perpetual debate within many organizations about who is more important, the program team or the fundraisers. Here's the scoop: they're both absolutely critical.

  Infuse throughout your organization a culture of philanthropy and fundraising. It'll make the job for raising money easier. You can do this by building bridges and opportunities between the marketing and program groups. Make sure fundraisers are part of meetings. The more they understand what is happening organizationally, programmatically or financially, the better they become at their jobs.

- **Donors Choose:** Donors have become much less trusting of nonprofits. Donors are much more careful across the board of where and how they invest their money. That means your organizational financials have to be open and transparent if you really want to compete for donor dollars.

  When I look at organizations for one reason or another, I always look at their financials. I've had friends and colleagues who've reached out to me and asked about a particular nonprofit and whether they should support it.

  The fact of the matter is that if a nonprofit is not transparent about how the money is spent, a donor should not give them even $1. There are probably plenty of similar causes out there who are clear about their expenses.

  Become familiar in how to understand a nonprofit's financials. Charity Navigator has a good resource for how to evaluate a charity's financials[4].

4 Charity Navigator, Evaluating Charities Not Currently Rated by Charity Navigator, http://www.charitynavigator.org/index.cfm?bay=content.view&cpid=847#.Vm62wsr7LCq

Chapter 7
Here's What to Look For In Your Next Fundraiser

"The raising of extraordinarily large sums of money, given voluntarily and freely by millions of our fellow Americans, is a unique American tradition...Philanthropy, charity, giving voluntarily and freely...call it what you like, but it is truly a jewel of an American tradition." – John F. Kennedy

One time I wrote a blog article about what an organization should look for when they're looking to hire their next fundraiser. It was a well-received article and I thought it was important to include that discussion in Wayne's book.

I understand that most organizations are small or, at best, medium-sized. And I know many executives are going from one crisis or issue to another. I've had the privilege to work with large organizations and small start-ups, so I have a good perspective of what you may want to look for when you hire your next fundraising executive.

Don't Make These Rookie Mistakes

If I were the executive director of a social sector organization, I would be very clear about the skills I want in a fundraiser. I think one of the reasons why we have very high turnover of fundraisers in our industry is the simple fact that there is a fundamental misunderstanding of what fundraisers do (see Chapter Six). And, since many people out there really don't understand fundraising and development, they're unclear about whom they should be hiring. In turn, this creates misunderstandings, mixed up expectations and an all-around bad situation, hence the turnover.

Here's how to reduce the risk of hiring the wrong person:

- **Organizational Size Matters:** If you're the executive director of a small pop and shop, don't look for someone who comes to you from a $100 million plus organization. More often than not, a fundraiser you hire from one of the big organizations–assuming you can afford the salary–are used to a different type of working environment.

When I was on staff, I preferred to work for large organizations with sizable teams. Although I did work with small charities as a consultant, I know I would never have been happy on staff at a small organization. I enjoy working in an entrepreneurial, but large staffed, environment with infrastructure. On the other hand, I have a colleague of mine who loves working in one or two person shops. That's wonderful. Different strokes for different folks.

If you have a résumé in front of you from someone who's spent most of their career working in a larger organization and you're the only person on staff in your nonprofit, look at another résumé.

- **Mission Is Everything:** As a fundraiser, I loved working in education and youth development. I had a passion for this type of work. Although, since I left the day-to-day fundraising and now that I am not as connected to education because my daughter grew up, I've moved on to other interests.

  I remember one time I was interviewing for a reputable and large international environmental organization. I did great on the interviews and was the runner-up, but thankfully I did not get the job. It was only when the job went to someone else that I had time to reflect and understand that my heart was in education and youth development.

  If your organization is a social service nonprofit, you want to get someone with that type of experience. If you're in education, you want someone with that type of background, and so on. The reasons are simple: a fundraiser reveals his or her passions and interests depending on where he or she has previously worked. Use that as your guide. If they have no social service background, they're probably not that interested in social services, even if they believe in the cause. You want people on your team who are passionate about your mission!

  The other reason for hiring someone with experience in your particular industry, if possible, is because although many of the practices can be the same from one industry to another, there are differences. Funders interested in education or health may not be interested in social services or the environment. The way you approach and message funders in one sector may be somewhat different in another.

- **Public or Private / Generalist or Specialist:** One of the biggest mistakes I see consistently is hiring someone with one set of skills when you really need someone with other skills.

  I know Wayne has written about this in the past in his blog and I've also written about it. Don't look to hire a major gift officer if the person you really need or want to hire is a government grant writer. These two professionals likely have different skill sets, experience and interests.

The other situation that comes up often is an organization that is looking to hire a generalist, typically as a director of development, only to saddle the fundraiser with piles of grant requests. If you're really looking to continue your excellent fundraising program from grant requests, then hire a director of institutional funding, director of government grants or director of corporations and foundations. Don't hire a director of development. In other words, a generalist.

I've seen it time and again; an organization hires a new director of development and tells them they want to expand into individual and digital fundraising, only to drown the person in grant requests.

- **Clearly Understand Your Revenue Goals:** My earlier point now leads me to this point. If nothing else, remember when you're hiring to be clear about where you want to focus your revenue goals.

  Even if you don't know how you'll actually execute a major donor or digital fundraising program, be clear if you want this to be a revenue stream or not. Having clarity on the revenue streams you choose as an organization to invest in will only help you hire the right person for the job.

  If you have a solid direct response program, you may not want to hire someone with CSR experience to run it. However, if you're looking to truly expand your fundraising revenue streams, then perhaps someone with broader experience than direct response would be the way to go.

  The bottom line is that you don't necessarily have to be the expert in how you will get from A to Z with your various revenue streams, especially if you're growing a particular area for the first time. What you do have to be clear about is which revenue streams you want to create or broaden so you can hire the right person for the job.

A Fundraiser's Résumé

As much as I don't like to draw comparisons between sales people and fundraisers, they do share some similar traits. Allow me to clarify. I know Wayne has been in sales for the majority of his life, as has my husband, by the way.

I think there's a marked distinction between sales people and social sector fundraisers. Excellent sales people can sell anything. They can sell a building, a piece of art or a widget. I have yet to meet a fundraiser who can "sell" a pen. Fundraisers are typically motivated by the mission or by "doing good." Our primary motivator is not money. Please don't misunderstand, however, that we're not motivated by money. It's typically not our primary motivator. For sales people, they're primary motivator is money, which is why most sales people work on commission versus a salary.

Back to my point: something sales people and fundraisers have in common is a track record. A lot boils down to dollars and cents. Unless you're looking at someone who is new to the field of fundraising as a support person on the development team, you should be looking to hire someone with a proven track record.

So, what should you be looking for in that track record?

Here are some of my thoughts for minimum qualifications:

- **Money Raised:** As an executive director or board member of an organization, if I were looking to hire a director of development, I would like to understand the prior history of the fundraisers I interview. Of course, we know that previous performance is not a guarantee of future results, but it sure is a great indicator.

  I would want to understand a few things about the dollars raised:

  1. I would want to see long-term growth. So, if at a job 5 or 7 years ago they were raising $500,000 annually, I would want to see that in their most recent job they were raising, perhaps, $1 million. In other words, you want to see a career in development and progress forward from job to job and/or organization to organization.

  2. I want to understand the percentage of growth they achieved from job to job as a fundraiser. Let's say you have a résumé in front of you and your budget size is $500,000 and the person's résumé indicates in his or her last position they were raising $1 million annually. Well, the natural inclination would be think that's wonderful. But, what if that person was director of development for the last five years and since they started they were raising $1 million year after year? Doesn't seem as rosy now, does it? At the very least, you should ask questions and delve deeper in to why fundraising during their 5-year tenure has remained flat. There could be valid reasons, but at least it's a question to ask.

  3. I would want to know their direct experience in raising the money they raised. Did your candidate have a staff? Or was this person responsible for everything on his or her own? Again, fundraising is a team sport. If fundraising was done as a team, that's okay. But you want to understand their direct experience in actually raising money. In other words, you want to make sure the person sitting in front of you has actually walked the walk.

  4. To that end, I want to know about the largest gifts they personally solicited and secured. It's important to understand if they know the pro-

cess, from start to finish, of fundraising a particular revenue stream. I would argue that you may not want a director of development, if you have a diverse revenue stream, who has not personally solicited individual donors. Understanding the largest gifts an individual personally solicited and in what circumstances (e.g. individuals, corporations, foundations, etc.) helps you understand their track record and experience.

- **Education:** When I started out in the business, if my mentor had not pushed me to get a Master's Degree, I may not have pursued it. In fact, it did help me land my last staff position, but that was a whole other world then.

  On the flip side Wayne has achieved great success and he never went to college. I think the debate still rages about a degree or no degree. There was a time when I thought, before the Great Recession, that you wanted to have people on your management team with degrees. I don't believe that any more–not by a long shot. The world has changed. Yes, in some places a degree is important. For example, I could see it in a university or hospital setting.

  However, I think in today's world, so many other qualities are much more important. I have always been a believer in the "School of Life." I know Wayne is. There's a lot of education going on there. The bottom line is: if a degree is important for some reason, then by all means, require it. But, if it's really not–don't knock out great people with a lot of experience who happen not to have a college degree.

  By the way, if someone has obtained a certificate in fundraising or some other credential, those should count in your evaluation.

- **Leadership Experience:** I know Wayne and I agree on this one. We're both big students of leadership and management. I have my Masters in Social & Organizational Psychology. Wayne has lived it as a successful international CEO and has written about it extensively, including in his most recent leadership book.

  I can go on and on about this subject, but I don't have enough pages. I've seen great leadership and management and I've seen absolutely awful management and presumed "leadership".

  If your organization is looking for someone who will be managing people, here's my recommendation. Hire. A. Leader. You can really rock and roll with someone who is a leader. And, leadership is not something that you have or don't. Leadership can be learned.

  If you hire someone who is a leader, you'll be able to do things you never thought possible. That means you want to hire someone who talks big and has big ideas. BUT, this person also has to have the experience in having actually done it in the past. Otherwise they are just a poser. No one has time for that.

So, in your interview process, when you get to the point where you're asking for references, ask for a couple from direct reports. Find out how this person has led in the past.

- **Philanthropic Interest:** I believe the best fundraisers are donors themselves. Listen, fundraisers don't need to give thousands to charity or a social cause. That's not what I'm saying. What I am saying, however, is that they live their values. They give money, time or talent.

  If a fundraiser is also a donor or volunteer, that person demonstrates his or her commitment to social good. It doesn't matter how much they give or how. Ask a candidate if he or she is a donor or volunteer and, if so, to what organizations.

  As a donor and fundraiser, I've cared about various things at different stages of my life. But, overall, it's been pretty consistent: education, youth development, healthcare and women's equality. I'll go back to my story I told earlier in the book. I care very much about the environment, but I have yet to give to an environmental organization.

  Asking your prospective candidate where he or she chooses to give his or her time, talent or treasure tells you a lot about the priorities of that person, and if they meld with your organization.

My Biggest Tip When Hiring A Fundraiser

One of the best suggestions I could give to anyone who is looking to hire a fundraiser is to have a professional fundraiser participate during the interview process. This is probably the best thing you can do for yourself.

I am reprinting (with minor edits) in this book a post I wrote about it entitled, "Only A Fundraiser Should Hire Another Fundraiser."[5]

Not too long ago, I came across this headline: "Fundraisers: you need to be one to hire one."[6] As a professional nonprofit fundraiser, I was immediately intrigued about the piece written by Reinier Spruit. He's spot on. If you're a social sector CEO or executive, you should read it.

People who were social sector fundraisers have interviewed me in the past. Those interviews have involved the most substantive conversations. The discussions provided both parties with the necessary information to decide if, in fact, we wanted to work together. Nonprofits and professional fundraisers should not be in the business of wasting time and money in relationships that will not lead to success.

5 "Only a Fundraiser Should Hire Another Fundraiser", Living For Purpose™, August 4, 2015, http://lnspencer.com/only-a-fundraiser-should-hire-another-fundraiser/

6 "Fundraisers: you need to be one to hire one", 101 Fundraising Crowdblog on Fundraising, June 1, 2015, http://101fundraising.org/2015/06/fundraisers-you-need-to-be-one-to-hire-one/

People who have had no idea what fundraising and development is about have also interviewed me. It's been a waste of my time and theirs. In these situations, organizations have continued to hobble along. Not because they did not hire me or I decided not to work with them, they simply had no understanding about everything involved in good fundraising and development. This has led to a revolving door within the organization.Typically, they're not really interested in educating themselves and learning. They also have the mistaken idea that when the "right" fundraiser is hired, he or she will magically make money rain down on the organization with no support or assistance.

A good fundraiser may come into a work situation that will ultimately become untenable because he or she cares deeply about the mission. The fundraiser may believe that somehow he or she will play a role in changing the internal dynamics. The fundraiser may think he or she can professionalize the development side of the business. Sometimes there is success, but often there's not. Typically, senior staff and/or board members are saying some of the right things, but are not following up. They don't understand or want to really take the time to comprehend the art and science of fundraising. All they want are the results without the effort.

We need to recognize something. Nonprofits exist because of great programs. But without money for these great programs, they don't exist. If you've worked in the nonprofit sector, there can be good tension that comes from the program and fundraising sides of the business. These two forces need and depend on each other.

Thus, fundraising is critical in most social sector organizations. The senior fundraising professional typically plays a very important part in the overall success of a nonprofit. He or she will develop relationships with executive management, board members and donors. This person has to be good. And, in order for nonprofit leaders to know if this person is really good, they have to understand and know fundraising and development.

You can't possibly develop a job description if you don't have a fundamental understanding of the position you want to fill. Are you looking for a generalist? Are you looking for someone with major gift experience? Are you looking to find a grant writer? Often grant writers and major gift professionals have different skill sets. I've seen it time and time again where an organization says they want to hire someone to work on major gifts, but when the person comes on board they suddenly become the grant-writer who has to continue to get those grant requests out the door.

If executives understand the work of a fundraiser, they'll be able to develop the job ad and position. During the interview process, they will ask the right questions. Executives will extract the information they need to help make certain the individual they hire is truly the "right" person for the job. And, once they are hired, they will be able to support the fundraiser's success as well as evaluate his or her performance fairly.

As Reinier Spruit states in his article, if you don't have experience as a fundraiser, get someone who is on the search committee. If there is no one on staff or on the board with the experience, hire a consultant. This type of expertise is invaluable.

Yes, this position is too important to muddle through.

Chapter 8
It's Not About You; It's About Your Donors!

"Do your givin' while you're livin'...then you'll be knowin' where it's goin'."
– Ann Landers

Linda and I have written a lot in this book about funders. At the end of the day, that's what fundraising and development are about. Yes, absolutely, our first priority is the cause we serve. For me, it's my team, our clients and the micro-entrepreneurs in the 25 developing nations where we partner.

For you, it might be the children that you educate, the patients at your hospital or the environment. It might be the soup kitchen where meals are served every night to the homeless citizens or elderly of your city or state. It might be the drug or alcohol prevention program. Whatever the cause, yes, those people are the first priority.

But, when it comes to fundraising, it's your donors. It's always about your donors. In the old days, nonprofits dictated how and when they communicated with donors. Today, things can happen that can impact your fundraising without you getting the ball rolling. A great example of that is the ALS "Ice Bucket Challenge". That took on a life of its own, way beyond ALS.

Donors have a tremendous amount of power. And, with that influence, they're changing the dynamics of the game.

- They are demanding more robust metrics.
- They are requiring transparency.
- They are seeking creative solutions.
- They are looking for you to reach out to them on their terms, wherever and whatever that may be (e.g. in person, on social media, digital marketing, etc.).
- They are looking for added value from YOU!

That means you have to get fundraising, development and donor relations right.

If you get nothing else from this book, just get this: development and fundraising are about relationships. The better you become at building solid relationships with your donors that are meaningful, and not simply a transaction, the better your fundraising and, ultimately, your programmatic impact.

The best way to build a relationship is to tell YOUR story. But, you have to remember that not all donors are the same.

There's been a lot written about Boomers as they compare to Millennials. Let's talk about generational giving because it is important to understand, generally, what different generations of donors view as important in their giving. It'll only help in your fundraising efforts.

Matures (1945 and earlier)

According to Blackbaud's generational giving study[7], these donors represent 26 percent of the total donor population. They are the most generous group of donors with 88 percent of this generation giving to philanthropy or charity.

The average annual gift for Matures is $1,367 and they support 6.7 charities. This group of donors is probably the last cohort of donors where the majority of people do not have to fully understand the direct impact of their gifts. In other words, they are not that interested in return on investment. They are much more moved by emotion.

Although these donors are much more likely to respond to direct mail, according to the Pew Research Center, 70 percent of people using the internet are 65 or older. So, digital marketing and fundraising can't be dismissed for Matures because of their age. Remember, this is the Greatest Generation and they can do just about anything, even at an older age.

Baby Boomers (1946 – 1964)

The Boomers were born post-World War II. Boomers currently give 43 percent of all gifts to philanthropy. For the longest time, Boomers represented the largest living generational group according to the Pew Research Center. In 2015 that distinction went to the Millennials. Last year, 74.9 million people in the United States were Boomers as compared to 75.3 million who were Millennials.

According to a Merrill Lynch Wealth Management study, Boomers were 49 percent more likely than the generation before them to research how a nonprofit used its money before they donated. 44 percent want to direct how their money is used.

We know that most philanthropic money goes to religious organizations,

7 "The Next Generation of American Giving: The Charitable Habits of Generations Y, X, Baby Boomers and Matures," Blackbaud, http://npengage.uberflip.com/i/147711-american-giving

but Boomers are the first generation where there is a decline in giving to these institutions. Yet, they are still more inclined to give to religious organizations than are Gen Xers or Millennials.

According to Blackbaud's generational giving study, the Boomers represent 51 million donors in the United States, have an average annual gift of $1,212 and support 4.5 charities each. They also represent 21 percent of monthly donors, and this is an important fact to remember. They like giving monthly.

Generation X (1965 – 1980)

GenXers are in middle age. This group is sandwiched in between the Boomers and the Millennials and marketers (and practically everyone else) often overlook them. That's a shame because if you're thinking only about Boomers and Millennials, you're missing a good group of people who could be supporting your cause.

In the Blackbaud study, GenX represented 20 percent of the total donor population, or 39.5 million people. 59 percent of this group gives to social sector causes, and their average gift is $732 annually. They support 3.9 causes.

Gen Xers are more likely to support human rights and international causes. This group, as compared with Boomers, does not believe that only money can make the most difference in the world. They believe in spreading the word about a cause or volunteering and 50 percent of GenXers have to see the impact their gift would make before they would support a cause.

Gen Xers are tech savvy and they like to engage with a social sector organization online, preferably on their mobile devices. 47 percent of this population follows nonprofits or causes on social media. Gen Xers are also the group likeliest to give more often.

Millennials / Generation Y (1981 - 1995)

We'll be hearing about Millennials for decades to come, just as we did with the Boomers, simply because of its population size. As I mentioned previously, they are now the largest generational group living in the United States.

Referring back to the study, Millennials represent 11 percent of all donors, which translates to 32.8 million people. 60 percent of Millennials give to charitable causes and they give an average annual gift of $481. They support approximately 3.3 charities.

The majority of this group (84 percent) will give to a cause online. That is their preferred mode of donating. And, as with Gen X, Millennials will more than likely do their research or reading on a mobile device.

This group is also the most multi-cultural and internationally thinking generation. They are also the most socially tolerant group.

It's important to note that Boomers were affected by Vietnam. The shadow of 9/11, downward economic mobility and inequality are ingrained in the collective psyche of the Millennial generation. Millennials are far more likely than any other generation to demand transparency, accountability and fairness. Their demands are already being felt and will only continue to change the philanthropic landscape as they get older.

Millennials are also more likely to blend shopping with supporting a good cause.

What Makes Me Not Want to Like You?

I recommend you read the Blackbaud study if you haven't done so already. It's a good read. One of the things it contained that I found interesting is what is not an acceptable approach as it relates to fundraising depending on the generation. I always think it's important to know what to do and what not to do.

- Solicitations on social media by groups someone does not know generally doesn't bother Gen X or Millennials, but Boomers and Matures don't like it.

- Direct mail and email sent to prospects of any generation when they have not opted-in is seen as unacceptable.

- Telemarketing and robo-calls from organizations where someone has not opted-in to receive such calls is also seen as unacceptable by all generations.

- Most everyone does not like to receive any solicitation via text or SMS, even if they opted-in.

- Prospective donors across all generations generally don't like street or door-to-door fundraising in the United States.

What Makes Me Want to Know More About You?

And, finally, here are approaches that you can use to help fundraise for your cause:

- Having a friend or colleague asking for support for a cause is seen as acceptable.

- Having a friend or colleague's child asking for support is viewed as acceptable (think of school fundraisers).

- A direct mail appeal from a known charity where one has opted-in.

- An email appeal from a known organization where one has opted-in.

- A PSA or infomercial on television or the radio.

- A check-out option when purchasing something.

Originally, when Linda and I set out to write this book, we wanted to write a book that was much more specific with respect to "how-to" do varying things in fundraising. However, the incredible changes happening in philanthropy warranted we write a book that was more at the 40,000-foot level.

You have to understand the lay of the land and the horizon before you can delve into the tactics. To do it any other way would be missing the forest for the trees. You have to understand the general picture first.

This year, however, I intend to write fundraising books that are specific to schools and churches. So, keep an eye out for those in the Not Your Father's Charity series of books. And, if you have any specific stories you would like for me to share either in my forthcoming books or blog articles, please reach out to me. I believe in sharing the wealth of experience and information so we can lift all boats.