

Fundraising Strategy



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Customer Success Instructor



POLL – Why strategic planning

Why does your organization want to undertake strategic planning?

1. Our team needs to get on the same page
2. We've been reacting to changes to frequently
3. We are not making sufficient progress towards our vision
4. We'd like to be able to share a strategic plan with donors
5. So that we don't keep changing the target each year
6. Other reason

STRATEGIC PLANNING – Benefits

- Team alignment
- Proactive instead of reactive
- Desire to improve/achieve vision
- Makes annual planning easier
- Strengthens communications
- Focuses attention

STRATEGY – Overall Direction

- Long-term view 3 – 5 years
- Incorporates vision, mission, and values
- Examines internal and external factors
- Attempts to determine “why”
- Creates major objectives to help achieve vision


STRATEGY – DIY or Consultant

- Experience of leadership
- Complexity of issues
- Availability of project manager
- Cohesiveness of team
- Financial and time considerations
- Outside perspective

STRATEGY – Team Members

- Executive team
- Fundraising team
- Board of Directors
- Other key stakeholders

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 **Fundraising Strategy and Annual Action Planning Worksheets**

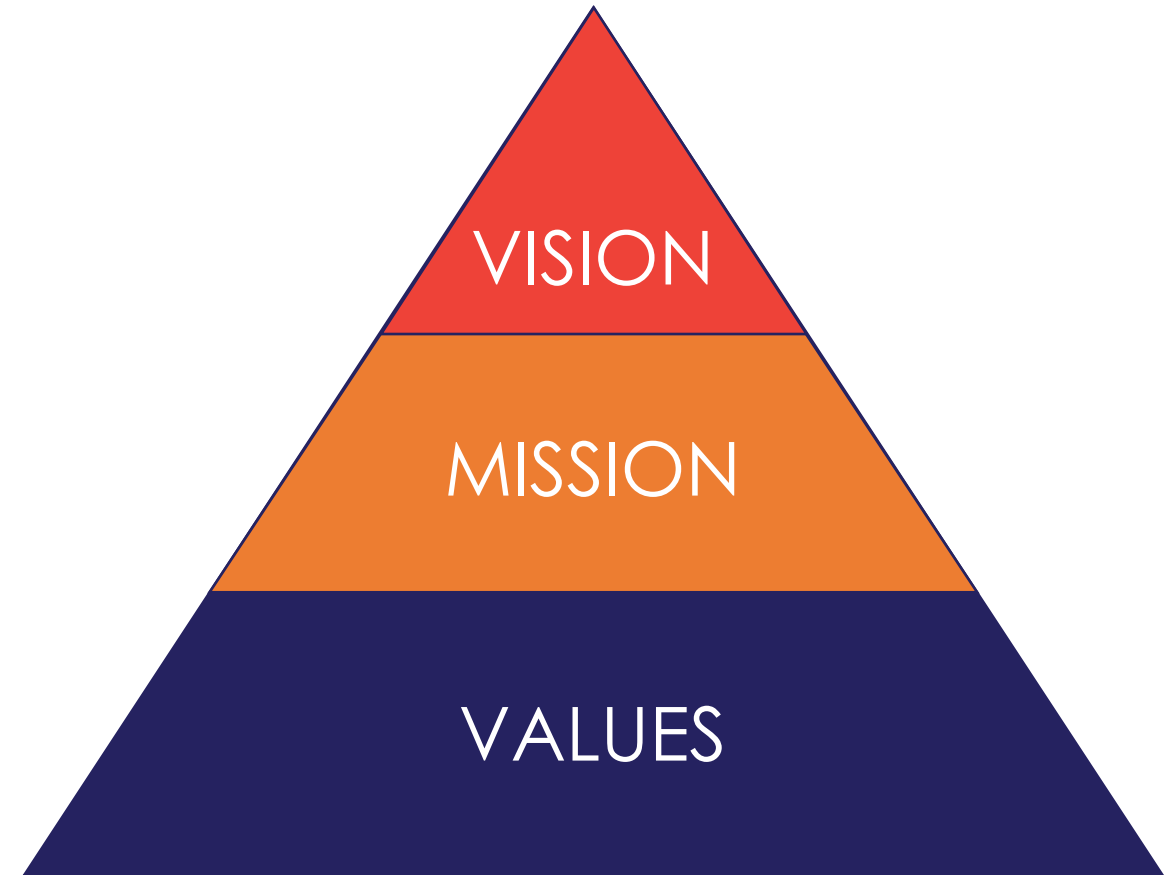
Fundraising Strategy - Helping the Kids

Team Members

Name	Role
Helen Burns	Executive Director
Gretchen Wolinzski	Board President
Mark Suarez	Treasurer
Candice Olsen	Board Member
Betty Bruin	Board Member
Jason Bennett	Board Member
Mary Hornsby	Board Member
Javier Mendez	Donor Care Coordinator
Petra Eli	Administrative Assistant
Sue Wong	Development Director
Greg Washington	Development Assistant

STRATEGY – Guiding Principles

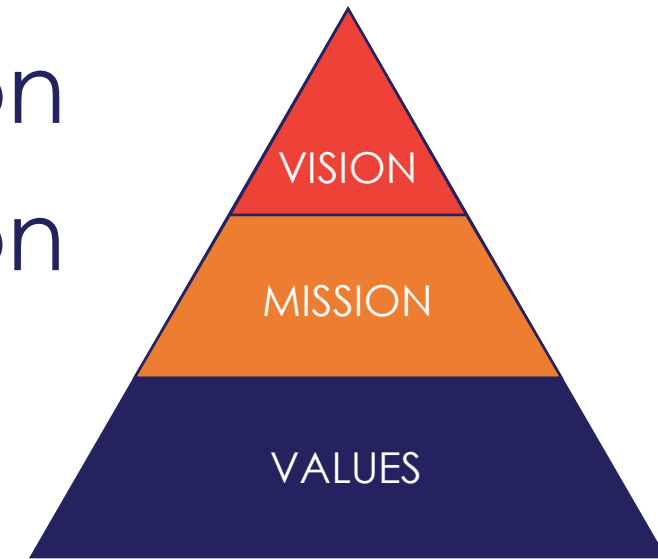
- Foundation for strategy and plans
- Helps with decisions
- Clarity of purpose



POLL – Ranking

Rank the guiding principles in order of importance:

1. #1- Vision, #2 - Mission, #3 - Values
2. #1- Mission, #2 - Values, #3 – Vision
3. #1- Values, #2 - Vision, #3 – Mission
4. They are equally important



STRATEGY – Guiding Principles


- Vision
- Mission
- Values

Guiding Principles
Vision Statement A world in which every child has access to quality education and healthcare to be able to reach their full potential.
Mission Statement We are a non-profit organization dedicated to helping children, families, and communities across the country reach their full potential by enabling them to overcome poverty and injustice to fulfill their dreams and ambitions.
Values Statement We help children, families, and communities break the cycle of poverty by empowering people of all ages to dream, aspire and achieve. We value: Education - Teaching children today allows for a brighter future, one in which they can both learn and teach. Health - Vaccinating children against preventable disease enables them to live a healthy, productive life. Community - It takes an entire community to raise a child. Once that community is formed, anything can be achieved.

Guiding Principles – Vision

- Main Issue
- Desired Change
- Impact
- Formulate vision

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 **DONORVIEW**

Creating Guiding Principles for Strategic Planning

Vision Statement
Steps to Create A Vision Statement
What is the main issue we want to address?
Childhood education
How should this issue change?
All children in our community should have access to a quality education, but they need to have good nutrition and health to support focus on education
What will be the impact in the community or world?
Children from disadvantaged backgrounds will won't be left behind and will be educated and able to fully participate and contribute to the betterment of our community.
The organization's vision statement is:
A world in which every child has access to quality education and healthcare to be able to reach their full potential.

Guiding Principles – Vision

Principles of a Vision Statement	
Qualities	Meets the Criteria?
Idealistic	YES
High Impact	YES
Future-oriented	YES
Inspiring	YES
Specific	NO
Focused	NO
Easy to Communicate (No Jargon)	YES

Guiding Principles – Mission

- Why?
- Who?
- How?
- Outcomes?

Mission Statement	
Steps to Create A Mission Statement	
Why does your organization exist?	Help children from underserved communities receive healthcare, nutrition and education.
Who do you serve?	Children affected by poverty, homelessness, and poor educational opportunities.
How do you serve the clients?	Providing healthcare, nutritious food, and supplemental education programs.
What is the outcome of your services?	Children are able to keep up with peers, graduate high school and pursue their desired career.
The organization's mission statement is:	We are a non-profit organization dedicated to helping children, families, and communities across the country reach their full potential by enabling them to overcome poverty and injustice to fulfill their dreams and ambitions.

Guiding Principles – Mission

Principles of a Mission Statement	
Qualities	Meets the Criteria?
Identifies the issue being addressed	NO
Identifies those being served	YES
Clearly outlines the services provided	NO
Present-oriented	YES
Achievable	YES
Easy to understand in simple terms - one or two sentences	YES
Motivating	YES

POLL – Values

What value would you like your organization to embody?

1. Creativity
2. Trustworthiness
3. Caring
4. Knowledgeable
5. Diversity
6. Spirituality
7. Environmentally Conscious
8. Bold
9. Efficient
10. Optimistic

Guiding Principles – Values

Values Statement

Value Words

Abundance	Communication	Equality	Humor	Originality	Sincerity
Acceptance	Community	Ethical	Imagination	Passion	Skillfulness
Accomplishment	Compassion	Excellence	Impact	Patience	Speed
Accountability	Competence	Excitement	Independence	Patriotism	Spirituality
Accuracy	Confidence	Experience	Individuality	Peace	Stability
Achievement	Consistency	Expertise	Inner Harmony	Playfulness	Stewardship
Adaptability	Contentment	Exploration	Innovation	Poise	Strength
Adventure	Contribution	Fairness	Insightful	Positivity	Structure
Affection	Control	Faith	Inspiring	Power	Success
Alertness	Cooperation	Family	Integrity	Productivity	Support
Ambition	Courage	Fearless	Intelligence	Professionalism	Surprise
Assertiveness	Courtesy	Fidelity	Intuitive	Prosperity	Sustainability
Attentive	Creativity	Fitness	Joy	Purpose	Teamwork
Authenticity	Credibility	Focus	Justice	Quality	Temperance

Awareness	Curiosity	Foresight	Kindness	Recognition	Thankful
Balance	Decisiveness	Forgiveness	Knowledge	Respect	Thorough
Beauty	Dedication	Freedom	Lawful	Responsibility	Thoughtful
Boldness	Dependability	Friendship	Leadership	Restraint	Timeliness
Bravery	Determination	Fun	Learning	Results-oriented	Tolerance
Brilliance	Devotion	Generosity	Logic	Rigor	Toughness
Calmness	Dignity	Giving	Love	Security	Traditional
Capable	Discipline	Goodness	Loyalty	Self-actualization	Tranquility
Careful	Diversity	Grace	Mastery	Self-development	Transparency
Caring	Drive	Gratitude	Maturity	Self-reliance	Trustworthy
Certainty	Education	Growth	Meaning	Self-respect	Understanding
Challenge	Efficiency	Happiness	Moderation	Selfless	Uniqueness
Charity	Empathy	Hard Work	Motivation	Sensitivity	Unity
Cleanliness	Endurance	Harmony	Obedience	Serenity	Vision
Clear	Energy	Health	Openness	Service	Vitality
Clever	Enjoyment	Honesty	Optimism	Sharing	Welcoming
Comfort	Enthusiasm	Honor	Order	Silence	Winning
Commitment	Environment	Humility	Organization	Simplicity	Wisdom

Guiding Principles – Values

- Vision
- Mission
- Organization
- Stakeholders

Values Statement
Steps to Create a Values Statement
What values do you need to successfully reach your vision?
Education, health, trust, fairness, knowledge, community, unity, understanding, and caring.
What values do you need to implement your mission?
Efficiency, enthusiasm, passion, commitment, sharing, and service.
What culture do you wish your organization to exemplify?
Trustworthy, caring, openness, organization, responsible, respectful, and boldness.
What values are important to your clients, donors, and staff?
Trustworthy, responsible, caring, efficiency, transparency, and ethical.
The organization's value statement is:
We help children, families, and communities break the cycle of poverty by empowering people of all ages to dream, aspire and achieve. We value: * Education - Teaching children today allows for a brighter future, one in which they can both learn and teach. * Health - Vaccinating children against preventable disease enables them to live a healthy, productive life. * Community - It takes an entire community to raise a child. Once that community is formed, anything can be achieved.

Guiding Principles – Values

Principles of a Values Statement	
Qualities	Meets the Criteria?
Values are easily identified and exemplified by leadership	NO
Values are relevant to day to day operations	YES
Values impact client experiences	YES
Values resonate with donors	YES
Values are easy to understand and support vision & mission	YES

Issues – Obtaining Input

- Staff
- Donors
- Clients
- Board members
- Executive team
- General public

POTENTIAL ISSUES – From Feedback

- Can identify known issues
- Focused on fundraising, but may reveal other issues
- Be sure to include in SWOT Analysis

Potential Issues	
Area	Description
Development	Staff utilizing outdated technology, multiple software platforms that do not communicate.
Development	Lost key staff member, new employees have drive, but little experience.
Board	Board members not meeting personal fundraising goals.
Grants	New state funding priorities may reduce grant allotment.
Partnerships	School budget cuts may eliminate afterschool buses.

SWOT ANALYSIS

- Internal
 - Strengths
 - Weaknesses
- External
 - Opportunities
 - Threats

SWOT ANALYSIS			
Internal			
Priority	Strengths	Priority	Weaknesses
1	Enthusiastic staff	4	Lost key development staff member, lack of training and experience with new staff
1	Solid donor base	3	Two large capital projects taking attention from annual giving
1	Effective programs with measurable outcomes recorded for many years	1	Lack of board participation - especially with fundraising
3	Strong social media presence	1	Heavy dependence on state grant
1	Sold out annual fundraising event	1	Need new technology to support expansion efforts
2	Several volunteers willing to help with data entry	2	Direct mail costs increasing and ROI decreasing
		2	Website needs updating
		1	No formal moves management process
External			
Priority	Opportunities	Priority	Threats
2	Several organizations have reached out about partnerships	1	Potential loss of after school buses
1	New peer to peer campaigns	1	Fewer government grant opportunities available
1	Donor wealth analysis	4	Boys & Girls Club in neighboring county is planning to expand into our area
1	Free training available from local AFP	2	Changes to Medicare may affect delivery of health services
	Have resources to support 100 additional		

SWOT ANALYSIS

- Describe issue
- Deep dive into reasons
- Root cause - 5 Whys?
- Adds clarity
- Ideas to address issues
- Evaluation - Scoring system

SWOT ANALYSIS - Evaluate

Ease:

How simple or easy is it to address this issue – easier, higher score

Cost:

The cost to address the issue – lower cost, higher score

Impact:

The impact on the organization or fundraising efforts if this issue is addressed – bigger the impact, higher the score

Alignment:

Does this issue positively affect our ability to embody our values, accomplish our mission, or achieve our vision – more alignment, higher score

- Numbers are subjective, based on opinions of those participating
- Higher total score = better expected outcome

KPIs – Key Performance Indicators

- Snapshot (lagging)
- Direction - % or time comparison (leading)
- What are industry averages

Key Performance Indicators			
Indicator	Current	Target	Delta
Donor Retention	55%	70%	15%
Donor growth rate	4%	20%	16%
Cost per dollar raised	0.18	0.12	0.06
Matching gift rate	0	5%	5%
Average gift size	\$92.56	\$150	\$57.44
Number of donors >\$5000/year	40	60	20
Number of corporate sponsors	3	10	7
Recurring gift percentage	10%	20%	10%
Board member participation rate	85%	100%	15%

SWOT – Strengths

- Review your fundraising processes
 - Workflows
 - Good KPIs
- What are you doing well
- Extra resources
- Skills & experience

SWOT – Strengths

INTERNAL SWOT ANALYSIS				
STRENGTHS				
First	Solid donor base			
Why?	Donors love what we do			
Why?	Good relationships with staff			
Why?	Staff works hard at cultivation			
Why?	Outcomes are well documented and easy to share			
Why?	Staff is experienced, professional			
Final 1st	Committed donor base with good relationships to staff			
Ideas to leverage this strength:				
Utilize the skills and experience of staff to formalize moves management program				
Pair staff with board member for donor meetings				
Start new donor referral program				
Ease	Cost	Impact	Alignment	Total/Priority
5	5	3	4	17

SWOT – Weaknesses

- Identified internal issues from feedback
 - Poor Workflows
 - Unsatisfactory KPIs
- Lack of technology/resources
- Training
- Staffing

SWOT – Weaknesses

INTERNAL SWOT ANALYSIS				
WEAKNESSES				
First	Heavy dependance on one source of revenue from state grant			
Why?	Grant funding was readily available			
Why?	Limited staff, so large return for minimal effort			
Why?	No research for other sources of grants			
Why?	No formal grant goals			
Why?	Lack of overall fundraising strategy			
Final 1st	Heavy dependence on state grant makes the organization vulnerable to funding disruptions			
Ideas to address this weakness:				
Investigate contract grant writers				
Formalize grant application goals and targets				
Investigate increasing other sources of revenue in lieu of grant				
Ease	Cost	Impact	Alignment	Total/Priority
3	2	4	4	13

SWOT – Opportunities

- Trends
- Funding sources
- Partnerships
- Technology
- Prospect research
- Services

SWOT – Opportunities

EXTERNAL SWOT ANALYSIS				
OPPORTUNITIES				
First	Several organizations have reached out about partnerships			
Why?	We are successful in delivering our programs and have a good reputation			
Why?	We have available resources to serve more clients			
Why?	Economy of scale and negotiated better prices for materials			
Why?	Good PR working with other competent non-profits			
Why?	Opportunities to fundraise for the new partnerships			
Final 1st	New partnerships available to expand services and help more children			
Ideas to take advantage of this opportunity:				
Partner with House of Hope for food pantry support				
Investigate possible partners for camp programs				
Consider joint fundraisers for partnerships				
Ease	Cost	Impact	Alignment	Total/Priority
2	4	5	5	16

POLL – Threats

What is the biggest threat facing your organization right now?

1. Competition (other non-profits or for-profits)
2. Negative trends – politics
3. Negative trends - economy
4. Natural disasters
5. New government regulations
6. Donor/volunteer loss

SWOT – Threats

- Competition
- Negative trends – politics/economy
- Natural disasters
- Government regulations
- Donor/volunteer loss
- Other vulnerabilities

SWOT – Threats

EXTERNAL SWOT ANALYSIS				
THREATS				
First	Potential loss of after school buses			
Why?	Budget cuts to non-school programs			
Why?	Budget cuts necessary due to reduced revenue from economic downturn			
Why?	Outside programs not a priority for school board funding			
Why?	Effectiveness of the after-school programs not well publicized to school board			
Why?	School bus program was assumed to be a priority for school board			
Final 1st	Potential loss of after school buses			
Ideas to mitigate this threat:				
Set up meetings with school board members				
Presentation to school board				
Seek other sources of funding for school buses or other transportation options				
Ease	Cost	Impact	Alignment	Total/Priority
2	5	5	5	17

SWOT – Prioritize

- Prioritize issues
- Get stakeholder's input
- Validate with guiding principles

Priorities	
Focus Area	SWOT Items
New fundraising	New peer to peer campaigns
Existing donors	Donor wealth analysis
Staff Development	Free training available from local AFP
New fundraising	Potential loss of after school buses - find grant or donor to sponsor
New fundraising	Fewer government grant opportunities available - seek out new grant opportunities
Existing donors	Sold out annual fundraising event - investigate having an additional event or expanding the existing event
Technology	Research and select new all-in-one CRM platform
Existing donors	Implement a moves management process.
Existing donors	Add matching gift program

STRATEGIC OBJECTIVES

- Create an objective for each priority/KPI
- Multiple objectives For one complex SWOT issue
- Verb + Activity + Measurable Outcome
- Feeds Action Plan

Strategic Objectives			
Priority	Action	Detail	Outcome
1	Create	new peer to peer campaign for camp programs	to raise at least \$10,000 by April 2024.
2	Implement	donor wealth screening and moves management program	to acquire at least 20 new major donors by Feb 2024.
3	Purchase	new all-in-one CRM software	to manage new fundraising programs by Dec 2023.
4	Update	donation forms to add matching gift information	to increase matching gift rate to at least 5% by 2023.
5	Train	all fundraising staff and board members in AFP Fundamentals of Fundraising program	to ensure everyone has necessary skills by Dec 2023.
6	Apply	for new grants of at least \$200,000	to replace lost income from state grants by Sept 2023.
7	Invite	20 local business to the facility and share sponsorship opportunities	to gain at least 7 new sponsors by Oct 2023.
8	Interview	potential consultants to take over captial campaigns	to provide captial project focus by July 2023.

STRATEGIC OBJECTIVES - Evaluate

Financial Impact:

Revenue generation or cost avoidance

Operations Impact:

More efficient activities or better delivery of service

Personnel Impact:

Improves culture, communication, or leadership and staff skills

Social Impact:

Improves ability to serve clients – directly moving closer to vision

Risk:

Level of effort, scope, criticality of activities affected, or potential for unexpected outcome

STRATEGIC OBJECTIVES - Score

OBJECTIVE 1						
ACTION	DETAIL			OUTCOME		
Purchase	new all-in-one CRM software			to manage new fundraising programs by December 2023.		
Financial	Operations	Personnel	Social	Total	Risk	Strategic Priority
9	9	7	4	29	5	34
Revenue Impact	\$ 50,000	Expenses Impact	\$ 6,000	Net Budget Change	\$ 44,000	
OBJECTIVE 2						
ACTION	DETAIL			OUTCOME		
Create	a donor wealth screening and moves management program			to acquire at least 20 new major donors by February 2024.		
Financial	Operations	Personnel	Social	Total	Risk	Strategic Priority
9	8	6	4	27	3	30
Revenue Impact	\$ 100,000	Expenses Impact	\$ 10,000	Net Budget Change	\$ 90,000	

STRATEGY – Financial Situation

- Operating Budget
- Capital Projects
- Complete after SWOT & priorities

Financials				
Annual Operating Budget				
	Revenue	Expenses	Net Assets	Comments
Current	\$ 5,500,000	\$ 6,100,000	\$ (600,000)	
Year 1	\$ 5,800,000	\$ 6,200,000	\$ (400,000)	
Year 2	\$ 6,000,000	\$ 6,300,000	\$ (300,000)	
Year 3	\$ 6,300,000	\$ 6,300,000	\$ -	Break even year
Year 4	\$ 6,600,000	\$ 6,500,000	\$ 100,000	
Year 5	\$ 7,000,000	\$ 6,800,000	\$ 200,000	
Capital Projects				
Project Name		Project Budget	Target Year	Progress
Picnic and Outdoor Pavillion		\$ 750,000	2025	\$ 200,000
Renovate South Hampton Building		\$ 200,000	2026	\$ 40,000
		\$ -		
		\$ -		
		\$ -		

STRATEGY – Executive Summary

- Summarize overall direction
- One or two sentences
- Be specific

Executive Summary

Implement new programs and search for new sources of funding to address budget shortfalls without cutting core programs for education and health. Will support staff and volunteers with new training and technology tools to help them be better prepared to undertake new activities.

Next Steps

Watch the video and download the free Excel worksheet

Donorview.com/AFPwebinar

**Register at AFP Global for next webinar
on August 17th**

Annual Fundraising Plan - Deep Dive

THANK YOU!



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