

8 Steps to a Culture of Fundraising

By Steve Birnbaum

Most of the effort put into a successful program, service, event or exhibit happens behind the scenes. Each instance is the culmination of months and even years of hard work. Fundraising is no different. Being able to simply show up and ask for money would be nice, but it only works if you are very, very lucky. Luck, however, is not a fundraising strategy.

Of course, having a little luck, a dedicated donor or talented major gift officer is helpful, but fundraising that relies on the heroic efforts of a few is hard to repeat and harder to scale.

So how do large nonprofit institutions consistently raise tens of millions annually or complete billion dollar campaigns? How can a typical nonprofit organization produce similarly consistent fundraising results?

Specific goals will always vary based on the realities of each market, but a successful **culture of fundraising** will yield reliable results year after year, without depending on a single donor or staff member. The bottom line might vary, but the best organizations share similar characteristics, whether they raise one or twenty million.

No one can control the outcome of a direct mailer or major gift ask, but everyone can control the culture, and the behavior accompanying it, that drives the fundraising efforts and ultimately leads to success.

Great fundraising requires a cultural shift that goes far beyond any individual or departmental efforts. The following eight steps will help point you in the right direction.

1. Insist on Excellence

All nonprofits struggle with budget, but this is no excuse to accept mediocrity. Hiring the wrong person because the right candidate is too expensive rarely ends well. Short-changing program development to fill a hole in your offerings will not win new benefactors.

To convince people to donate their hard-earned dollars, you must have great people and an excellent product--something that everyone can believe in. Donors will not fund mediocrity. Great programs and services--and great people--generate great results.

2. Share Consistent Values

Many organizations that have been around for decades or longer have an entrenched silo mentality that undermines effective fundraising. This happens when staff focus on departmental boundaries or internal politics before the patron's, donor's or member's experience.

Fundraising is not the sole responsibility of the development staff; everyone must align around a common goal. Donors pay close attention to how they are treated with each and every interaction. The experience of buying a single ticket, making an annual gift, becoming a member or volunteering should feel similar to making a large major gift. How can this happen if departments do not share core values and coordinate approaches?

3. Hold People Accountable

Does your organization hold staff, management and board accountable? How do peers hold each other accountable? How about subordinates? Does your organization have an effective way to escalate problems identified from the junior ranks? What happens when the most junior development associate regularly fields angry calls from donors who have been mistreated in other contacts with your organization?

The most junior staff members often have insight into the real conditions on the ground. Does your organization make sure that you are looking for problems to correct? Do you celebrate those people who discover these problems and focus efforts on resolution? Having to "rat out" a senior manager or another department is embarrassing, but problems that go ignored result in alienated donors and patrons who stop giving money and buying tickets. Recognizing and dealing with uncomfortable truths keep nonprofit organizations in business.

4. Acknowledge the Bottom Line

Nonprofit status is a quirk in the tax code, not a guiding principle for how to handle your finances. Programs, services, events, exhibits--all must make money. Ineffectual staff and convoluted business practices waste money. Just because nonprofits are tax exempt doesn't mean they are immune to the realities of payroll. Many nonprofit organizations elevate the very fabric of

society, but they still must think like businesses when paying the electricity bill.

5. Embrace Systems

All those databases that drive fundraising and other organizational activities are not static entities that simply record the past. Implemented and managed properly they create the future. Organizations of any complexity simply cannot operate without effective systems. When you deal with thousands of members, visitors, donors and other constituents in any given year, it is impossible to treat each properly, based on their desires, without systems--both computer and people.

Systems that fail to perform are all too often the result of poor planning and lack of prioritization. If you put a junior staffer who seems to know something about Twitter in charge of your organization's IT, you should not expect professional results. Senior leadership must support the strategic use and implementation of information technology. Failing to mail to the right people at the right time costs money. Assigning the wrong prospect to the wrong gift officer costs opportunity. Technology and operations should drive staff behavior and create an environment where everyone is held accountable to common goals.

6. Record Everything

While it may feel counter to the laid-back ethos that attracts many to a career with nonprofit organizations, the

only way to improve is to analyze and adjust based on data. This analysis is impossible if individual staff can choose not to use systems or fail to use them properly. People not only must know what they are supposed to do, but they also must to do it.

For example, every call--whether made by an assistant or the CEO--should be logged in your organization's database. When gift officers call prospects, they need complete information to be successful. If they secure a gift but fail to record the precise interactions, then that information is permanently lost to the organization. How can the next gift officer recreate that success? How can you build a team?

Two simple rules apply:

- If the interaction is not in the system, it did not happen, and no one gets credit for it.
- Coming in over budget is as bad as coming in under budget; there should be no surprises.

7. Measure, Measure, Measure

Analyze, measure and improve to help remove some of the unpredictability from the fundraising process. Controlling the outcome of anyone's behavior is impossible. In each isolated circumstance, people may behave unpredictably, irrationally even. In aggregate, however, figuring what works and, more important, what doesn't work is not terribly hard. When fundraising activity takes place outside the system, it becomes impossible to measure.

Landing that single major gift is wonderful, but building a repeatable, trainable process that gives all gift officers the tools to be successful is even better.

8. Don't Over-think Technique

It may seem odd to leave technique for last, but this topic is covered by every fundraising book on the market. How to ask? What to say? It almost doesn't matter. Get out there, and try everything. As long as the culture is in place, your people track what they do, and you measure everything, you will have created a process that can repeat year over year to achieve consistent fundraising outcomes. ❁

About the author: Steve Birnbaum has more than 15 years' experience in nonprofit management, with particular expertise in organizational planning, technology implementation and change management. Steve currently is Vice President of Client Solutions for SofTrek Corporation, developer of ClearView CRM. He previously was Chief Operating Officer of Jacobson Consulting Applications, Inc. (JCA), a firm specializing in helping nonprofits use technology more effectively to achieve their fundraising goals. At JCA, he managed delivery of consulting services and new business development. He also provided strategic guidance for large organizations launching complex technology initiatives.

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