

# FUNDRAISING FOR NGO

ERASUM +

## STEPS4LIFE PROJECT

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### TRAINING FOR TRAINERS

FEBRUARY 22-MARCH 1, HA LONG, VIETNAM

# GETTING ACQUINTED

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**Give the following information:**

**One main achievement of your organisation you are proud of;**

**One proverb from your country about money and its meaning for our training program;**

**One main expectation from this training;**

# **TRAINING OBJECTIVES**

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**At the end of this training you will have:**

**Improved knowledge and skills in fundraising;  
Action plans for the elaboration of a strategic plan and a fundraising strategy for your organisation.**

# **PROGRAM STRUCTURE**

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**What is fundraising;**

**Funding sources;**

**Funding forms;**

**Fundraising activities;**

**Developing a fundraising strategy.**

# TRAINING APPROACH

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**If not new knowledge, a new light  
on the already known things.**

**Learning by doing**

**Learning from each other**

# WHAT IS FUNDRAISING?

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Fundraising is a

set of activities through which you access the necessary funds to ensure the flow of revenues To sustain your organisation's activities.

# **SUSTAINABLE FUNDING**

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**Sustainable funding can be achieved only by gaining the trust of your potential or actual founders.**

# EXERCISE

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**Imagine that your organisation is a person who asks for your support to implement some activities that you think are worth doing.**

**To what kind of person will you be open to provide your support?**

**(qualities, behaviour, attitudes)**

# **FUNDRAISING AND NGO**

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## **NGO'S NEEDED CAPACITIES:**

**INTEGRITY**

**ACCOUNTABILITY**

**TRANSPARENCY**

**PROFESSIONAL AND MANAGERIAL CAPACITY**

# ACCOUNTABILITY

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**Being responsible to someone for actions taken by explaining, clarifying and justifying the actions.**

**It implies that someone has a right to know and hold your organisation to account and that your organisation has a duty to explain and account for its actions.**

# INTEGRITY

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**Walk your talk;  
Keep your promise and honour your word;  
If that is not possible, say when it will be  
and how the impact will be solved.**

# TRANSPARENCY

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**Being easily understood;**

**Being open, frank and honest in  
all communications, transactions and operations;**

**Accountability and transparency go hand-in-  
hand.**

# **PROFESSIONAL AND MANAGERIAL CAPACITY**

**Being effective:**

**Doing the right things**

**Being efficient:**

**Doing the things right**

# **TWO TYPES OF FUNDING**

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**INDIVIDUALS**

**ORGANISATIONS**

**Non-profit**

**Private**

**Public**

# WHO ARE YOUR CLIENTS?

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**Individuals or organisations who can influence your activities/services and to whom you report, being accountable for what you deliver and how you deliver it.**

**Both groups' members are your clients.**

# EXERCISE

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**Complete the table:**

**Who are the individuals or organisations that are your funding sources?**

**What motivates them to offer you support/funds?**

# MOTIVATIONS TO GIVE

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**People give to people;**

**Foundations give to fulfil their mission;**

**Corporations give to have a return on their investment;**

**Public institutions give to implement their public policies.**

# **FUNDING FORMS**

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**Donations/gifts**

**Grants**

**Fees for services/products**

**Membership fees**

# **EXERCISE**

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**Teaching each other**

**Divide into small groups**

**In each group a participant with experience in one type of funding form will make a short presentation for the rest.**

**Each group will prepare together a presentation for the other groups and will teach them**

# PROFIT AND NON-PROFIT SOURCES

<u>Traditional non-profit</u>	<u>Non-profit with income generating policies and practices</u>	<u>Social enterprise</u>	<u>Socially responsible business</u>	<u>Corporations practicing social responsibility</u>	<u>Traditional for profit</u>
Mission motives Income reinvested in social programs or operational costs			Profit-making motives Profit redistributed to shareholders		

# **SOCIAL ENTERPRISE**

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## **SOCIAL ENTERPRISE**

**Social enterprises are social mission-driven organisations which apply market-based strategies to achieve their mission.**

## **SOCIAL ENTERPRISES**

**Non-profits that use business models to pursue their mission.**

**For-profits whose primary purposes are social.**

# **BASIC RESEARCH FINDINGS ABOUT NGO'S ACTIVITIES**

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Activities are closely aligned with NGO's missions;

Net income is not the only measure of success;

In the early stage, economic activities are capitalised with internal funding and grants.

# FUNDRAISING ACTIVITIES

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- 1. Knowing your prospect**
- 2. Knowing what you want**
- 3. Communicating your request**
- 4. Build the relationship**

# KNOWING YOUR DONORS

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**Who they are?**

**What they need and want?**

**How they may give?**

**Why they may give?**

# EXERCISE

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**Identify for your organisation:**

**most important donors: what type  
of funding source they belong to?**

**where do you place them on the donors' pyramid?**

# **TWO STRATEGIES FOR FINANCIAL SUSTAINABILITY**

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**Diversity of donors**

**Loyalty of few main donors**

# EXERCISE

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**You have the opportunity to meet with a donor who wants to support NGOs improve their skills in building their financial sustainability.**

**Donor will support the best plan for raising funds of one NGO's partnership working in the same field.**

**You have 10 minutes to present your plan in front of the donor's evaluations team.**

# **REMEMBER WHEN MAKING YOUR REQUEST**

**Appeal to the heart;**

**Raise interest and get attention;**

**Provide facts to deal with skepticism;**

**Tell what to do and how to do it.**

# **BUILDING RELATIONSHIPS**

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**Building relationships is building connections.  
What do you do in order to build  
connections with your supporters or  
beneficiaries?**

# **BUILDING RELATIONSHIPS WITH BENEFICIARIES/SUPPORTERS**

**Bring them to your organisation;**

**Go out to meet them;**

**Keep in touch with them;**

**Look for ways to help them;**

**Thank them quickly and accurately for their generosity;**

**Recognise them appropriately.**

# **STRATEGIC PLANNING**

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**Where we are?**

**Where we want to be?**

**How to go there?**

# **STRATEGIC PLANNING MAIN CONCEPTS**

**Where we want to be: Desired future mission, vision, goals, objectives.**

**Where we are: Present problems/obstacles, weaknesses, threats, opportunities.**

**How to go there: Solutions strategies, programs, projects, services, products, activities, actions.**

# **ORGANIZATION STRATEGIC PLAN**

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**It looks at your organisation's existing situation using different frames of analysis;**

**It describes the desired future synthesised in your organisation's mission and vision;**

**It identifies what activities, programs, services, products you will provide in order to achieve them.**

# **YOUR ORGANIZATION FUNDRAISING STRATEGY**

**Can be elaborated when your organisation has a strategic plan: knows how to go from where it is to where it wants to be.**

**Includes solutions to achieve financial sustainability of your organisation's activities, programs, services, products.**

**What are the main reasons for starting a strategic planning process in your organisation?**

# **IMAGINE DESIRED FUTURE**

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## **Organisation's mission**

**Why your organisation exists?**

**For whom your organisation works?**

**How your organisation works?**

**Where your organisation works?**

# **IMAGINE DESIRED FUTURE**

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## **Organisation's vision**

**Your organisation three years from now:  
size, location, people, beneficiaries, activities,  
outsiders' perception about, etc.**

# **ANALYSE PRESENT SITUATION**

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**SWOT analysis**

**Types of funding sources**

**Programs/services sustainability**

# **STRATEGIES FOR ORGANIZATIONAL DEVELOPMENT**

**In order to achieve your mission and vision, based on the information generated by the different frames of analysis of the existing situation decide:**

**What activities you want to perform and what programs, services, products you want to deliver?  
When you want to deliver them?**

# **STRATEGIES FOR ORGANIZATIONAL DEVELOPMENT**

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**Evaluate costs and possible funding sources**

**Know what you want**

**Evaluate the planned activities, programs, services, products costs.**

# **STRATEGIES FOR ORGANIZATIONAL DEVELOPMENT**

**Know your prospect**

**Research and identify your possible sources of funding.**

**Determine your fundraising objectives based on these two steps.**

## **ELABORATE ACTION PLAN TO ACHIEVE FUNDRAISING OBJECTIVES**

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**Decide the actions**

**Timing;**

**Who is responsible;**

**What resources are needed (money, time, information, other) in order to make the request and build the relationships.**

## **PROPOSED STEPS FOR ELABORATING YOUR ORGANIZATION'S FUNDRAISING STRATEGY**

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**In your team elaborate the process steps that you will implement after going home in order to elaborate your organisation's strategic and fundraising plans and support their implementation**



