



Fundraising in a Tough Economy

**Webinar Presentation
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Overview

- Setting the Stage-the Current Economy
- What Does that Mean for Nonprofits
- Common Pitfalls
- Strategies
- Creating an Action Plan
- Q and A



Current Economy

- The U.S. stock market (based on the NYSE Composite Index) lost about \$3 trillion in value from Oct. 3--Oct. 23. On Oct. 3, the market was valued at \$14.3 trillion, trading at 7,088. On Oct. 23 the market was at 5,671 and was worth \$11.4 trillion. ~5,000 points from 1 Year ago.
- Incredible Volatility
- Unprecedented in our Lifetime
- People do not have clarity yet-will likely have more clarity in first quarter of 2009



What Does That Mean for Nonprofits?

- Uncertainty is the enemy for philanthropy
- Experience from 9/11 in 2001 and early 2003
- Suspect smaller gifts from donors who typically give larger.
- Smaller donors will potentially give less
- Larger gifts still possible
- Gifts will be more selective in nature (20/60/20)
- Donors will be more cautious

Common Pitfalls

Blame

Status Quo

Rash Decisions

Lost Direction

Donor Abandonment

Communicate Less

Strategies

Perform a Financial Review

- Use volunteer base.
- Make sure staff understands importance of fiscal restraint
- Look at your business model.
- Analyze Earned Income Strategies
- Examples

Strategies

Be Proactive

- Address constituent and volunteer concerns.
- Change programs that are not working.
- Discuss with donors the change that you are making. Potential ask.
- Send communication through existing channels-online, print, letter, etc.
- Example

Strategies

Refine Your Message

- What is your role in the community?
- What is the value you bring?
- Are you effectively communicating this-it is imperative to change this.
- Not only donors but how do you want your constituents to remember about you during these times and going forward?
- Example

Strategies

Cultivate

- Bring potential supporters in.
- Focus on time.
- Look at opportunities that are cost effective to steward donors and constituents.
- Build relationships so that when a donor can give, they will to you.
- Example

Strategies

Communicate

- Tell others about how you are addressing the challenges you are facing.
- Use public relations strategies to inform the public.
- Example

Strategies

Keep Fundraising

- Meet with donors.
- Continue stewardship
- Cultivate!
- Practice conversations and address concerns.
- Example

Strategies

Find Answers

- Discover why there are decreases in program or participation.
- Analyze why before blaming on economy. It may have been a problem for a while.
- Example

Strategies

Partner

- Who is performing similar services. Can costs be saved through partnership?
- Partner for the right reasons-make it an economic or impact related decision.
- Mutual benefit is important.
- Example

Strategies

Define a Work Plan

- Develop a work plan for the next 6-12 months.
- Strategic planning is important.
- Involve the board and constituency.
- Example



Creating an Action Plan

Fundraising Action Plan for Tough Economic Times			
Goal 1:		Cultivation	
Objective 1A:		Existing Donor Cultivation Practices	
		Date Completed	Responsible
Task			
Task			
Task			
Task			
		Date Completed	Responsible
Task			
Task			
Task			
Task			
Objective 1B:		New Donor Cultivation Practices	
		Date Completed	Responsible
Task			
Task			
Task			
Task			
		Date Completed	Responsible
Task			
Task			
Task			
Task			



Conclusion-Q and A

- Be Proactive
- Be Positive
- Build Relationships
- Avoid Pitfalls-Analyze First
- Q and A