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Developing A Fundraising Plan

Published 01 September 2012, updated 08 July 2017

A good fundraising plan allows you to reasonably project the income your organisation will generate and can be used as an ongoing guide and measure.

When creating your fundraising plan it is important to calculate a tangible income figure that your organisation needs to operate – your goal. It is not realistic or productive to simply aim for "as much as possible" – instead you should have monthly and annual figures to work towards. This will allow you to work backwards and can help to quantify how much you are aiming to generate from the various sources you intend to work with.

In fundraising it is also important to spread the risk – by relying too heavily on one source of income you will leave your organisation too vulnerable to any potential changes that might be out of your control.

Before looking to acquire completely new sources of income, it would also be advisable to look at how you can maximise income from your existing relationships. This will be much more efficiently and certainly more cost-effective. Collate all of your present and past donors, volunteers, 'clients' (if appropriate), corporate relationships, etc. This data is valuable to your organisation and should be kept up-to-date and accessible, rather than stored in bits and pieces across various computers and pieces of paper.

Quantify how much you would expect to generate from each of these existing relationships based on previous years and what you already know. But be realistic, if not conservative.

Then consider how you might increase income from these same sources. It is all too common that I will meet with charities that have completely overlooked these individuals, but further appeals to them can be extremely successful because they are already aware of and warm to your cause. These individuals could also be a great avenue through which to source new supporters to your organisation – peer to peer approaches are more successful than cold approaches.

You will need to understand and plan how you intend to nurture your relationships. How do you intend to update you donors on what their donation has done? What can you offer the companies that support you?

You should have a specific plan for each of these donors, and in fact every individual and organisation that is on your radar. How do you progress each of these relationships? What is the next step for each of them? What contact will you make with your event fundraisers to ensure they raise more, and do the same for you next year? What contact will you have with potential corporate partners in order to develop the relationship?

Putting the time into planning your donor management and implementing it will improve how much these donors go on to donate over the coming months and years.

Your donor management plan will also be used when building your relationship with new donors. Consider the following sample of methods by which you might secure new funding:

- Telephone – Having a conversation with existing and potential donors on the phone.

- Face-to-face – Having a conversation with existing and potential donors at events and in public spaces. Dedicated events – Organising your own branded events generating income through donation, entrance fees and sales.
- Organised events – Having a presence at events organised by others.
- On-line – Building your social media presence (eg. Facebook and Twitter) and asking for donations through these, as well as asking via e-mail.
- Grants – Applying for statutory funding and funding from foundations and trust.
- Corporate – Financial and gift-in-kind donations from profit-making companies.
- Mailings – Writing to your existing and potential supporters to ask them to become donors.
- Inbound contact – Being prepared to deal with and process donations from people that contact you.
- Legacies – Many individuals choose to leave money to charity in their will. You can make yourself available!
- "Misc. & Other" – It's always tempting to throw this in at the end and assume it will bring you a few thousand Euro...but what is it? What is your plan?

For each of these, and for the other forms of fundraising you decide to be appropriate for your organisation, try to determine an expected income to target yourself against.

Which mix of these you use and how your divide your time will depend on your own organisation strengths:

- Do you have great volunteering opportunities and a physical space for visitors? Then corporate partnerships and staff engagement might be worth more of your time.
- Are you primarily supported by older people? Then get your legacy program in place.
- Are you a niche cause with an innovative program that isn't going to appeal to the masses? Perhaps grants and foundations are where you should focus?
- Do you have a regular audience of potential supporters? Your time might be best spent using these events to convert them to regular donors.

Fundraisers are a helpful bunch – talk to fundraisers in other non-profits and agencies to get an idea of what to expect.

Also consider the expected costs – don't forget your own time...YOU ARE A COST! Besides yourself, who else is going to be involved in the running of each of these? Do you have volunteers you can utilise? And over what time period will they take place?

The income generated relative to the costs is a good indicator of how successful a particular method of fundraising is for you. Test your fundraising campaigns on a small scale before committing to a larger investment of time and money.

In practical terms, the appearance and structure of your fundraising plan depends on your personal preferences. By designing a plan to your own focused areas of knowledge and expertise, it will enable you to be more realistic in regard to the financial expectations which you put against each fundraising activity.

It can be difficult to find spare time alongside your usual workload, but putting aside some time to develop your fundraising plan initially will be hugely beneficial. This planning can be done with your fundraising team or those directly involved in fundraising if you have these resources available. But your planning should also be in consultation with your board and your CEO. Remember that everyone in your organisation is potentially involved in fundraising.

As such it pays to be prepared. If someone calls your main switch to make a donation will the person that answers be able to deal with this? If someone contacts your office to make a donation are you ready? They seem like silly questions but a huge number of donations are lost because charities do not make it convenient enough for people to give money, and very often you only get one chance.

It is worth noting that reducing costs is almost always easier than increasing income. Don't forget to constantly review your suppliers and costs on an ongoing basis.

Finally, ensure you put your fundraising plan in to action. It can be very easy to delay or ignore your own fundraising plan because you simply don't have the time. But make the time...fundraising is the lifeline of your organisation.

If I can be of any assistance at all in constructing or implementing your fundraising plan please do not hesitate to contact me.

My Top Tips:

1. Calculate a tangible figure of what annual income your organisation needs.
2. Be aware of your potential donors, i.e. know and manage your existing relationships with corporates, organisations, volunteers, previous donors, etc.
3. Don't rely too heavily on any one source of income.
4. What you like is not necessarily what your donors will respond to.
5. It's often easier to reduce costs than to generate income.

Suggested Reading:

1. Relationship Fundraising; Ken Burnett (2002)
2. The Wheel's Fundingpoint website
   www.fundingpoint.ie

Author

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