

The Big Rethink

Fundraising in the era of COVID-19

A GUIDE FOR NOT-FOR-PROFITS IN AUSTRALIA

By KCI Philanthropy (Canada). Adapted for Australia by Wendy Brooks & Partners,
in collaboration with Our Community.



ourcommunity.com.au
Where not-for-profits go for help

ACKNOWLEDGEMENTS

This publication is based on a [report](#) written by KCI Philanthropy for the Canadian not-for-profit sector. KCI Philanthropy have kindly allowed Wendy Brooks and Partners and Our Community to repurpose their report for the Australian context. We are extremely grateful for their generosity.

The content in this report has been informed by our work and conversations over the past several months with Canadian and Australian not-for-profit organisations, as well as various sector leaders and fundraisers. We thank those organisations and leaders for their fellowship in thinking and talking through some of the challenges they have been facing.

The COVID-19 pandemic is affecting all not-for-profits wherever they are, providing yet another grim reminder that “we are all in this together”. Tackling these real-time, on the ground problems has been instructive in shaping the advice and guidance we are pleased to share in these pages.

A full list of authors and the Canadian not-for-profits whose wisdom informed the original version of this publication is available here: <https://kciphilanthropy.com/wp-content/uploads/2020/07/KCI-The-Big-Rethink-Fundraising-in-Era-of-COVID-19.pdf>

An accompanying podcast series is available here: <https://kciphilanthropy.com/insights/>



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FOREWORD

Unprecedented. Uncharted. Uncertain.

Just a few words being used to describe the times we are navigating as we deal with the COVID-19 pandemic and its fallout. Given the degree of uncertainty we continue to face, it's hard to know exactly what this will mean for Australian not-for-profits and their fundraising.

So, what can we say for certain?

There is no denying that our sector faces challenging times ahead. A [sobering report from JBWere](#) suggests that total giving in Australia could drop nearly 20% by the end of 2021, down to 2012 levels. However, organisations will be affected to varying degrees, with some not-for-profits seeing an increase in donations, at least in the short term. Daniel Flynn, Managing Director and Co-Founder of [Thankyou](#), has a pertinent message for all of us:

“Anyone who works for a not-for-profit knows that sometimes you get knocked down and then you have to get up and go again. At times this could quieten the voices but I think we need to lead change, speak up boldly and strongly, and in that process we do that with humility and vulnerability.”

As is the case in any challenging time, there is also opportunity. Probably one of the most significant is that the pandemic has given the not-for-profit sector a ‘demonstration of relevance’ opportunity that is second to none. This situation illustrates how critical not-for-profits are to Australians’ health and wellbeing. It has demonstrated the importance of having a strong social safety net, whether in healthcare, education, or social services. As communities prepare to emerge from lockdown, we also believe Australians will be reminded how much we need the other essential elements of our lives – not just close contacts with our families and friends but also the sports, the recreation, the arts, our religion and our culture, the things that elevate us from existence to fulfilment.

There is one other thing that can be said with certainty – Australians are a generous lot. Think back to the response to the recent bushfires. Or how giving rebounded after the 2008/09 economic crisis. Australians have always been generous, and we don't expect that will change now.

Let's also recall what came after the 1918/19 Spanish flu pandemic. The ‘Roaring Twenties,’ as they were known, ushered in a time of significant economic growth, technological progress, widespread prosperity, and social, artistic, and cultural dynamism.

So better days are undoubtedly ahead. But exactly when those days arrive and what they will look like for our sector depends greatly on what we do now.

NICOLE NAKONESHNY

Partner / Lead, Knowledge + Insights, KCI Philanthropy

WENDY BROOKS,

Managing Director, Wendy Brooks & Partners

DENIS MORIARTY,

Group Managing Director, Our Community

INTRODUCTION

Organisations must be purposeful in planning how they will recover and set themselves on a path for future growth. And so, as the dust settles and we continue to emerge from this period of the pandemic, it will be imperative for boards and senior management to lead their organisations through visioning and planning exercises.

In this report, we have endeavoured to create a 'one-stop shop' to be used over the next few months to guide your planning activities. We have compiled our best thinking related to how the pandemic will affect fundraising and philanthropy and identified specific elements that organisations should be examining. We have also provided some advice and guidance about areas beyond fundraising that organisations need to explore to ensure growth. Finally, there are links to a variety of other resources that you may find helpful as you undertake your thinking and conversations over the months ahead.

Three bits of overarching guidance:

FIRST, not planning is not an option. No matter how you have or have not been affected by the pandemic, your organisation cannot assume that the way you used to do things will continue to work in the future. Given that every organisation's recovery will be slightly different, your plan and ultimate response also must not be boilerplate. Don't think of planning as a 'once and done' exercise. Set up mechanisms, including board and

staff taskforces or committees, that will enable you to review and revisit your strategic decisions on an ongoing basis for the next year or so.

SECOND, it's crucial that you nurture a learning environment with a 'culture of inquiry' and involve your volunteer leadership and donors. This is a time to plan with an open mind, and to re-engage key stakeholders in your mission to hear what they think and what they want. Involve them via surveys, conversations, and focus groups. As co-creators of your path forward, they will give you more of themselves, and that can only strengthen your organisation.

“Now is the time to really consider engagement with your community – what platforms do they use online? How can you reach the ones offline? Who is your target market when it comes to donors? Are you asking them how you can better communicate with them? Are you considering how you can best keep donors engaged virtually to optimise face to face interactions when they're possible?”

Wendy Brooks, Managing Director,
Wendy Brooks & Partners

FINALLY, don't pause too long or, worse yet, stop altogether. We know from previous experience with downturns that those who continue to drive ahead and maintain some degree of momentum will emerge much more successfully, while those that dial things back may find they have lost significant ground. Whether your group is contemplating a new initiative, a planned campaign or ongoing fundraising, be thoughtful about how you will move forward, but be sure you are maintaining some forward momentum in the organisation.

1

Your Case: Responding to Shifting Donor Interest

The pandemic has required most, if not all, organisations to pivot and refine their case for support to respond to a new reality.

This reshaping will need to continue. Whether because of a change in organisational strategy, or simply to make the strongest case possible in the context of emerging from the pandemic, organisations will need to meaningfully focus on their case for support for the next year. That could mean anything from undertaking a full fundraising priority setting exercise, or simply refining and adjusting elements and messages.

“I’m curious if this crisis has given the case for infrastructure support a boost. Donors don’t want to give to organisations that won’t weather this. Historically, moving into a surplus position deters funders from contributing; but a surplus would have provided stability in this scenario we’re in. Maybe going forward, donors will be willing to invest in financial infrastructure and financial wellbeing of charities they support.”

Bruce MacDonald, President and CEO, Imagine Canada

“We believe that there are already signs that in the current crisis, trusts, foundations and governments are more willing to support overheads to help charities keep the lights on. Sophisticated funders understand the perilous situation charities find themselves in and how critical they are to society during and in the recovery from a crisis like this.”

Chris Wilson, Partner | Philanthropy & Social Capital, Koda Capital

As you think about your case for support, consider the following trends and observations that will shape donor interests over the next months and possibly years:

- We are observing some **shifts in philanthropic priorities** as many donors seek to understand the implications of COVID-19 and find organisations that are responding in a way that resonates with them. The areas of greatest interest at the moment relate to ‘supporting basic needs’ and ‘facilitating recovery’.
- As with many areas of life, **Australians’ focus has shifted to ‘local’**. Whether it be where goods are manufactured, the businesses they wish to support, or where they will take their vacations, there will be a trend, at least for a period of time, towards focusing on our own local communities. This orientation will undoubtedly factor into giving decisions as well.

In fact, more than two in three Australian givers (67%) have been found in recent [research](#) to be more inclined to **support Australian charities with a local/national focus** as they believe it is important to look after their own backyard first.

- There continues to be an openness, particularly on the part of long-time supporters, to engage in conversations about what the pandemic means for particular organisations even if they are not ‘on the front lines’, and a **willingness to hear the case for how this crisis is affecting the organisation**.
- A silver lining to this crisis may be the **opportunity to build a stronger case for operating support**. The pandemic has increased awareness of the need for infrastructure and unrestricted support of charities and donors may have greater openness than they have in the past to supporting strong and healthy operations. The SmartyGrants [COVID-19 Grantmaking Survey](#) found that 25% of grantmakers had provided funding for operational costs as a result of the pandemic.
- Pre-COVID-19, some not-for-profit organisations have had to justify their reserves to grantmakers. This is the time to educate funders about the importance of having reserves for “a rainy day” to deal with varying financial circumstances. **That rainy day is today!**

KEEP IN M!ND:

Scenario Planning

In times of significant uncertainty, scenario planning helps leaders navigate and provides a useful structure to make key decisions.

The pandemic has introduced an unprecedented level of uncertainty and disruption. As such, engaging in iterative scenario planning exercises is a critical factor for success.

This three-step scenario planning process involves developing and planning for several scenarios:

[Scenario Planning – 2020 – Maintaining Momentum Series Bulletin](#)

- **Organisational values are even more relevant to decision making than organisational mission and vision** right now. Donors are watching to see how organisations are responding. They are looking through a values lens and are often motivated by the values being exhibited by the organisation and its leadership during this crisis.

“Consider how you can best communicate your values to donors. Ensure transparency around decision-making and link those decisions back to the core values of your not-for-profit. Use working and live examples of your values in action – for example, through partnerships with not-for-profits offering complementary services and support to your community to best serve the need out there.”

Wendy Brooks, Managing Director, Wendy Brooks & Partners

“More than one donor or prospect has told me they feel they have a responsibility to give since they are fortunate enough to have a job and income. We should be talking about how each of our organisations are helping, and how through us (donors) can make a difference.”

Michael Kiefer, Senior Philanthropic Advisor,
Presidential Initiatives and Principal Gifts, Dartmouth College

RESOURCE LINKS

Strategic planning help sheets:

<https://communitydirectors.com.au/tools-resources/strategic-planning>

History Tells Us

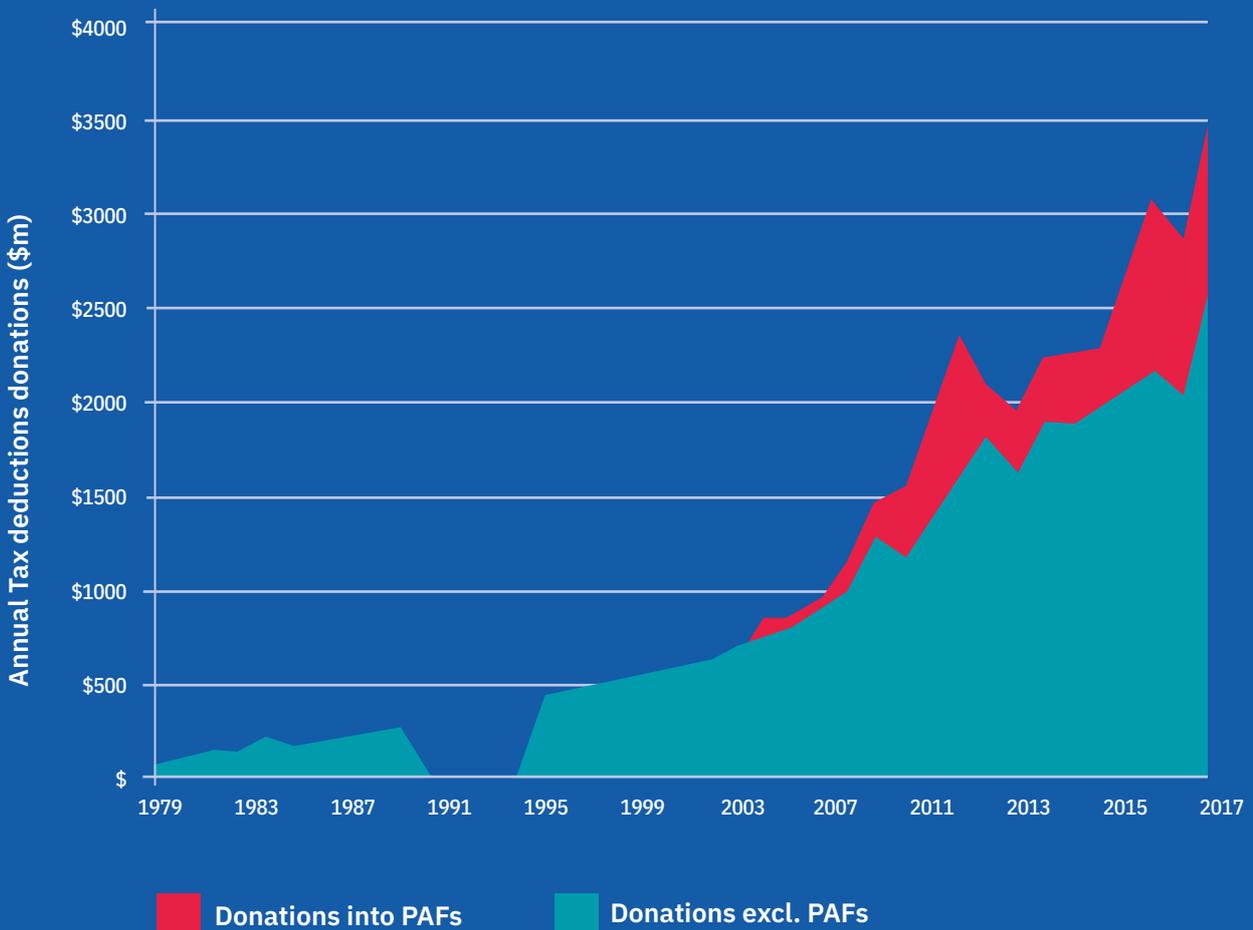
The concept that the ‘world is different this time’ is often cited during times of change and upheaval. But history shows that is rarely the case. We have come through wars, pandemics, natural disasters ... and life goes on, the economy continues to grow. The same is true when it comes to philanthropy.

As we consider the future and what this means for giving in Australia, it is instructive to look back at how giving by Australians changed as we emerged from past challenging economic times. The data is

reassuring. Looking at past trends, we expect giving in Australia to be negatively affected during this economic and health crisis, but it will bounce back, as it did after the 2009 global financial crisis. It may just take some time, particularly if the impact of the virus on the economy proves long-lasting.

It’s worth remembering in times like this that while the short-term tends to be volatile and unpredictable, long-term outcomes are more predictable.

AUSTRALIAN TAX DEDUCTIBLE GIVING 1979-2017



Source: ATO, JBWere Philanthropic Services
Note: Data not available between 1988-89 & 1991-92.

2 Individual Donors: Deepening Relationships

Individual giving has long been the primary and most resilient driver of philanthropic revenue for charities. That is not expected to change.

What may change, however, is what you are asking for and how organisations tap into giving from individuals. Those that have relied on transactional, event-based or face-to-face fundraising will likely be challenged for some time given the physical and psychological fallout from social distancing measures. What may also change is who has the capacity to give as we continue to deal with the economic consequences of the pandemic, including high unemployment.

As such, not-for-profits must focus resources and attention on individual giving programs that **build personal, ever-deepening relationships, particularly with donors who have greater giving capacity.**

“Individuals will be more resilient than corporations as donors. The financial crisis of 2008(-9) affected jobs and portfolio values but individual giving remained strong. I’m seeing that many donors are interested in increasing their giving. They are making an effort to understand the situation and find organisations that are responding in ways that resonate with them.”

Malcom Burrows, Head, Philanthropic Advisory Services,
Scotia Wealth Management

As you think about individual donor giving programs, consider the following trends and observations:

- **Major donors are still exhibiting great willingness to engage** in conversation. The nature of this crisis is generating significant response from philanthropists who see the critical role that philanthropy must play in dealing with it.
- However, **communications need to be tailored** specifically, based on the donor's interests and focus areas. Generic messages will not get any traction and will not solicit support.
- [JB Were](#) have predicted that in the next 20 years, **structured giving, bequests and corporate support will increase much faster** than mass market giving and volunteering.
- From a tactics point of view, individual giving trends specifically point to **creating and implementing major, mid-level, monthly and planned giving capacity within the organisation**. Pledge-based gifts-in-wills giving, like major and monthly giving, tend to be the most resilient philanthropic revenue sources.
- Don't forget about **donor loyalty**. Many organisations have had an influx of gifts from new and lapsed donors thanks to their COVID-19 fundraising activities. Be smart about segmenting this group of first-time donors and **converting them to regular, ongoing contributors through good engagement and stewardship**.
- Speaking of stewardship, with a [smaller proportion of Australians giving now than 10 years ago](#) it is absolutely essential that you're able to develop long-term, meaningful relationships with donors. **Resist any urge to cut stewardship programs**. Note that stewardship is another area where social distancing will have an impact as activities like events, tours, and field trips likely won't be able to happen for a while. Organisations will need to find other creative and safe ways for donors to see and feel the impact of their support.
- If a donor tells you that it won't be possible to make a donation in the near future due to their change in economic circumstances, don't give up on that person. **Make sure they continue to feel valued and involved**. If they are ignored they may feel they're only valued because of their cash, and you are unlikely to get them back because they will feel demeaned and disengaged. Offer other ways that they can get involved with your cause, such as signing petitions, volunteering, brainstorming fundraising activities, referring you to friends and colleagues, providing a testimonial ("why did I give") in newsletters, sharing information about recent campaigns on social media, attending virtual events, etc. When the good times return, you can be confident **you will often be rewarded for building the relationship and keeping them engaged in your cause**.

RESOURCE LINKS

Donations Help Centre:

<https://www.fundingcentre.com.au/donation/help>

KEEP IN M!ND:

Targeted Acquisition and Strategies

It would be naïve not to acknowledge that some Australians will be struggling financially given the economic hit they will have taken during the pandemic, and the effects of what is expected to be a continued high unemployment rate for the foreseeable future.

While not-for-profits must not cease their acquisition strategies, it would be wise to take a more intentional approach to identifying the correct target segments for acquisition efforts, rooted in analysis of your databases and communities.

It will be critical, as well, to create targeted cultivation and solicitation strategies for particular segments of donors rather than taking a broad-brush approach. Create specific strategies and programs for different donor groups – e.g. women, millennials, seniors, and those with different philanthropic focus areas.

3 Digital: Growing (or Creating) Digital Capacity

Given the challenges that social distancing has created for charities, particularly those highly reliant on events or face-to-face fundraising, it's vital that you assess your group's digital capacity.

Organisations with existing digital capacity and facility were able to respond much more quickly when social distancing measures were enacted. However, even if the pandemic were to end tomorrow and we were able to connect in person, investing in digital capacity is still an absolute necessity. You need to be able to raise money and connect with donors online. There is no going back.

“We have seen great success with our clients reaching even more donors virtually than their events achieved when held face-to-face. Don't cancel events, consider how to better hold them in this new world. Think about how you can reach new audiences (regional and rural community members for example) whilst continuing to build deep relationships with your existing donors.”

Wendy Brooks, Managing Director, Wendy Brooks & Partners

“Digital is now the leading driver of sector growth. Online has been the leading channel of recruitment of new donors since 2016.”

James Herlihy, Pareto Fundraising Digital Strategy Director

As you think about growing your digital capacity, consider the following trends and observations:

- To make decisions about how to approach your digital strategy, there are **three distinct filters to think through**:
 1. **Engagement** – Improving the donor experience by migrating engagement onto digital platforms
 2. **Fundraising** – Facilitating fundraising by creating / migrating fundraising programs onto digital platforms
 3. **Decision making** – Making better decisions across the enterprise by leveraging data.
- Digital capacity involves creating an **entire digital landscape** that includes your website, social platforms, email outreach, search engine optimisation, content creation, digital marketing, response mechanisms, and data tracking and integration.
- It can and does, however, also include **creating online campaigns and initiatives**. This can involve migrating current programs (appeals, events) to an online format. Or it can involve creating a special online campaign like a giving day or participating in one or the national days of giving (e.g. [Giving Tuesday](#)).
- In addition to a digital strategy, you need the **organisational capacity** to develop, support, and execute your strategy. Capacity means a variety of things including:
 - Knowledge, skills and technical capabilities of staff
 - Infrastructure, such as systems, databases, website, and platforms
 - A means to monitor and assess progress, such as analytics and reporting tools.
- Australian not-for-profits [report](#) spending an average of 6% of their operating budget on technology, but almost two-thirds (64%) of not-for-profits are less than satisfied with the way they use technology, and 49% said **staff capability was one of their biggest challenges**.
- Without good data, it's impossible to 'go digital', so **getting your data house in order** is a critical concurrent or even first step in your efforts to become digitally competent. Good data practices are a fundamental underpinning to executing a digital fundraising strategy.

KEEP IN M!ND:

Creating a Culture of Innovation

Organisations are going to need to be innovative in order to adapt and adjust to their 'new normal'.

Many organisations have had to do more with less in recent months, and this creates a different mindset and a new way of thinking and operating. This should be maintained in order to build resilience, develop a culture of innovation and rethink the future.

There are a number of questions you should consider:

- What do we want to be in the new normal?
- Do we want to be what we always were, or do we recognise that there's a need in our sector, in our geography, to do something different, whatever that might be?
- How will we define success?

Leaders should identify what has worked over the past few months during the COVID-19 period and leverage these lessons.

Now can be a time to focus and rebuild and use that innovation to take you to a better place.

- In all online communications, there should always be a “**call to action**” and a link to a donation site and options for ways to get involved. This can be a “soft ask” (“if you agree with our approach and want to see more of this, please get involved and donate now/email your local member/sign up to our e-news/volunteer etc”). Or it can be a “harder ask” (“We need your support now to help us achieve [x,y,z]. Please get involved and give generously at [link], sign the petition [etc]”).

“Our sector is under increasing pressure to do more with less, but we know that not-for-profits that put in the time and effort now to develop staff capability and improve systems will see enormous benefits to their service delivery and impact in the future.”

David Spriggs, CEO, InfoXchange

Getting Your Data House In Order

KCI, the Canadian consultancy that originally authored this guide, created the following Data Platform to be used as a guide when thinking about how to assess your data capacity and ensure it is as robust as possible.

YOUR DATA PLATFORM

TIER 4: ANALYTICS & ADVANCED TOOLS	If the elements from Tiers 1-3 are in place, are you harnessing your data to understand your donors? And predict future trends and support? Approaches and tools at this level are tailored based on the question to be answered, and output quality depends on data quality.
TIER 3: METRICS & REPORTING	Do you have solid reporting about your key metrics? Can you monitor donor retention, acquisition, renewal, etc. by channel and program? Do you know who your best and most engaged multi-channel supporters are?
TIER 2: INTEGRATION & DATA STRUCTURE	Is data from various sources (P2P platforms, communications, events, etc.) integrating with your primary database – in a timely way? Does your data structure support basic and advanced reporting?
TIER 1: DATA CAPTURE & CODING	What data do you need? Are you capturing it effectively? Efficiently? Does coding support directional analysis?

“Mike Wilson at JDRF Australia points to the opportunity for the sector to pick up talent that otherwise might have been unattainable. Mike, like many, believes digital transformation will be fast-tracked through the crisis, though the sector may not currently have the skill set to implement this effectively. With talent becoming available from the for-profit sector, Mike sees this as a timely opportunity to bring in the skill sets he requires to roll out their digitalisation plans and other strategic priorities.”

From [Navigating Non-Profit Organisations Through the COVID-19 Crisis](#)

By Chris Wilson, Partner Philanthropy & Social Capital, Koda Capital

RESOURCE LINKS

Do you want to do more with data?

Our Community provides tools, templates and advice to help you work with data. Take a look at our free online resources or reach out to one of our data scientists to learn more.

<https://www.ourcommunity.com.au/innovationlab>

Damn Good Advice on Cyber-safety and Fraud Prevention:

<https://communitydirectors.com.au/advice-guides/damn-good-advice-on-cyber-safety-and-fraud-prevention>

4 Fundraising: Ensuring diversity and a 21st Century Mix

As we continue to navigate uncharted territories, one thing won't change: the need for community programs. In fact, the need is likely to become even greater.

In other words, there has never been a more important time to prioritise your strategic fundraising.

“Don't stop. Don't abandon your fundraising plans. See them as a lifeline.”

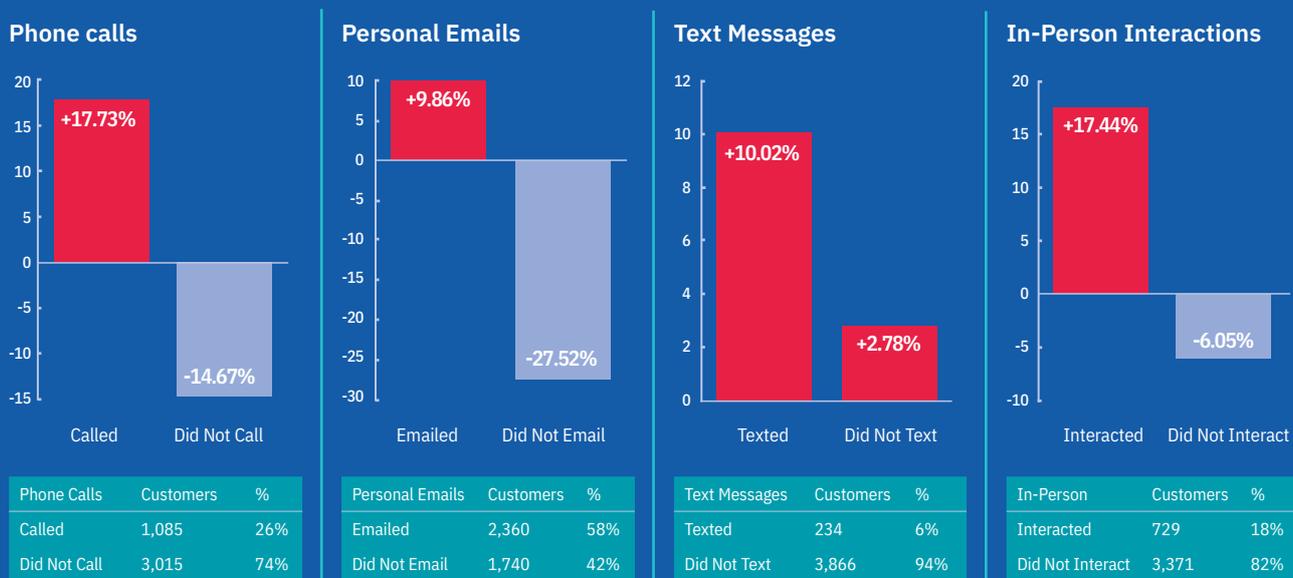
Chris Wilson, Koda Capital

Even though some organisations are reluctant to make an “ask” during a crisis, economic downturn or pandemic, there is increasing evidence **that those organisations that don't ask, will not receive.**

A random sampling of about 4000 [Bloomerang](#) customers found that those who reached out to donors personally (phone, email, text, in-person) in March, April and May 2020 saw significant year-over-year increases in revenue compared to those who didn't.

PERCENT CHANGE IN REVENUE (COMPARED TO SPRING 2019)

Customers are grouped based on whether or not they recorded any interactions through each channel between March 1st and May 31st.



Source: [Bloomerang](#)

Meanwhile, in what might seem a counter-intuitive result, 70% of respondents to a [recent survey](#) reported an *increase* in giving to their 2020 tax appeal, compared to their 2019 tax appeal, with some reporting a 50% increase. (It's worth noting, however, that a number of organisations reported significant declines in income from their tax appeal.)

Anecdotal evidence also suggests that you should not see a drop in donations as a foregone conclusion. A Melbourne-based CEO of a not-for-profit has reported having **great success using phone calls** during a recent campaign, with better results than in previous years.

Meanwhile, a secondary school was concerned that many parents may not be in a position to respond to the annual tax appeal this year, but found that while that assumption was confirmed, a number of older alumni stepped up and **donated more than they had in the past**. Thus, the appeal was successful, and the school is able to provide the extra support some students need to get through this difficult period.

“If you’re concerned about asking for donations in these uncertain economic times, focus on setting out the need and communicate how your not-for-profit can shift the dial when it comes to providing a solution. Those that can give will then be encouraged without being directly asked. Those that can’t donate will still be receiving important information about the need and the work your not-for-profit is doing, and will be more likely to give when they can in the future.”

Wendy Brooks, Managing Director, Wendy Brooks and Partners

An **assessment of your fundraising program mix is imperative.** You need to clearly identify where there is ongoing strength and relevance, where investments and innovation are required, and where sunsetting of activities is necessary.

Given the disruption to the ability to raise money in person, you will want to ensure you either create or adapt programs that, at least in the short term, can be executed from a distance. For the longer term, you will want to create a degree of diversification to be certain you are not overly reliant on one revenue stream. You will also want to be sure that your program mix is appropriate to raise money in today's predominantly digital environment.

“Boards will become more activist to ensure organisations are not caught unprepared if something like this happens again. Boards will be more worried about business continuity plans, and donors will want to see this too. They won't want to invest in charities where risk is associated with the gift they're giving. Stability and strength will be more important in making your case for support.”

Ted Garrard, CEO,
SickKids Foundation

KEEP IN M!ND:

The Our Community Fundraising Rules

1. If you don't ask, the answer, is always no.
Rule Number One. Tattoo it on the back of your hand.
2. Diversity equals strength.
The more the sources of funds you have, the stronger the organisation.
3. People don't give to causes, people give to people.
People give when someone they like and trust asks them.
4. People don't give to causes, people give to people.
People give when they're able to identify with the eventual recipient. (Stories are often the best way to do this).
5. The first time is to make mistakes, the second time is to make money.
Don't change for change's sake – you'll lose your hard-won experience.
6. The magic word is “Thanks”
Let your donors know how very, very, very grateful you are. Often.
7. Just because they didn't give yesterday doesn't mean they won't give today.
Be persistent up to the maximum limits of politeness.
8. Great oaks from little acorns grow.
People give tentatively at first; you have to make it meaningful for them before they'll give meaningful amounts.
9. Make your donors your friends. And make you friends your donors.
Building relationships is your most important job ... and a pleasure.
10. There's no such thing as easy money.
The more you put into it, the more you'll get out of it.

We can't promise that you won't have to put in some hard work, but we can promise that if you follow the advice in this guide, your hard work will result in a stronger, more vibrant, more independent and more effective organisation.

As you think about the right fundraising mix for your organisation, consider the following:

- Irrespective of bushfires, floods, economic volatility and coronavirus, trusts, foundations and PAFs (private ancillary funds), by law, **must still make distributions every year.**
- This means there is still funding available, and **you must not lose momentum** with your fundraising activities.
- Of course, it's also a time in which your usual supporter base will be under financial and other kinds of pressure. As a result, **you may need to modify what the ask is, who you are asking, and how you engage with prospective donors.**
- A good mix of fundraising programs should include ones focused on **acquiring new donors**, ones focused on renewing gifts from donors, and ones focused on encouraging groups of high-potential donors to **grow their giving.**
- Digital and online programs must be a part of your mix, but it's important **not to fully abandon offline channels**, including direct mail programs. Some donors continue to prefer to give via offline channels and for a period of time, it is important to have a multichannel mix.
- Given the challenges to event fundraising, now is a crucial time to **examine all events in your portfolio.** Determine which you wish to keep for the long term, which you can migrate to a virtual format, and which you should be dropping to invest elsewhere. In doing that review, don't just consider through a financial lens. Rather, examine from all perspectives, including the event's utility in engaging, cultivating, and stewarding donors, and determine how you replace those activities before deciding to drop it.
- Ensure your mix includes **monthly, mid-level, major, and planned giving capacity.** Given the demographics in Australia, gifts in wills are a wise investment and should be an area of focus for not-for-profits. It can be a very resilient form of revenue. Major and monthly giving are also resilient revenue sources. In general, charities have not reported a significant decline in pledge and monthly giving during the pandemic.
- **Stewardship must be a part of your fundraising mix** as the resilience of planned, major, and monthly giving programs can only be realised if stewardship is done well and consistently. If donors feel the organisation is taking them for granted or not communicating well with them, there is a risk of bequests being revoked and pledges not being fulfilled.
- **Step up your communications** but make sure they are authentic. Clearly highlight the ways that your organisation is helping in the current situation. Clearly explain to your supporters why you may be changing normal practices or implementing innovations.
- Work to get the balance right between **keeping donors informed and asking for donations.**
- Integration between the relationship-focused areas of fundraising, **notably major and planned giving, is becoming more and more common.** Many organisations are ensuring that fundraisers who engage with donors and prospects on a personal level are comfortable with all types of giving. They are also talking to donors more often about 'blended' gifts that include both present and future commitments.

“Board members should learn about and understand the four T’s when it comes to fundraising and their role as board members. The four T’s stand for ‘Time’, ‘Talent’, ‘Trust’ and ‘Treasure’. A discussion should occur at the board level about how each board member can contribute towards the four T’s. More and more donors are expecting to see board members financially contribute (Treasure). This may be a new concept for board members but it is an important consideration.”

Wendy Brooks, Managing Director, Wendy Brooks & Partners

Role of the board in fundraising

For organisations to have the resources they need to achieve their goals, the board needs to play a vital fundraising role by providing leadership, connections to donors and potential donors, and (where appropriate) financial support.

Experience has shown that fundraising is more successful in the long term when it is a **whole-of-organisation activity** rather than something left solely to the fundraising team. Fundraising works best as a by-product of **good, impactful activities underpinned by a well set-up organisation** with a dynamic board actively engaged in supporting the organisation's fundraising strategy. This includes board members sharing their time, talent, treasure and ties.

As fundraising is not a one-size-fits-all endeavour, **there is always a role board members can play**. Their role may vary over time based on their skills, experience and aptitude and the organisation's needs. The ways board members can support an organisation's mission include being an:

- Ambassador
- Steward
- Relationship builder
- Positioning advisor
- Personal donor
- Asker
- Influencer who leverages.

People give to people. Some donors will go to the website to see who is on the board. The photos of the board directors should be attractive and warm, and the biographies of the directors should clearly articulate the particular attributes that each director adds value to the organisation. A brief quote from each board director, explaining why they are passionate about the cause, can be very persuasive to donors.

In summary, **board engagement is felt by staff, heard by donors, acknowledged by funding agencies, and experienced by all.**

RESOURCE LINKS

[The Complete Community Fundraising Handbook](#)

Free marketing resources: www.ourcommunity.com/marketing

Grants database: www.fundingcentre.com.au

Developing a fundraising strategy help sheet:

<https://www.fundingcentre.com.au/help/fundraising-strategy>

The Seven Pillars of Fundraising help sheet:

<https://www.fundingcentre.com.au/help/fundraising-pillars>

#saveoursector:

<https://communitydirectors.com.au/save-our-sector>

Board Diversity help sheets: <https://communitydirectors.com.au/tools-resources/board-diversity>

KEEP IN M!ND:

Diversity & Inclusion

This critical element ran the risk of being lost in the madness of the onset of the pandemic, but it is again being underscored and brought into our collective consciousness by the recent protests in the United States and around the world.

It is imperative for not-for-profit organisations to ensure that people from diverse communities feel, and are, valued. This extends to board membership, how you market yourself and tell your stories, whether you can speak to diverse communities in their languages, the makeup of your staff, and whether you are engaging all communities (e.g. LGBTQIA+, different ethnic communities, people with disabilities, etc.).

If this is not a focus area for your organisation, you run the risk of appearing tone deaf and out of step with the times, which will limit your ability to grow and be seen as relevant.

Most importantly, you will miss the richness of perspectives and insights that a commitment to inclusivity and diversity brings.

5

Corporate Partnerships: Safeguarding your Relevance

The trend of companies getting into the ‘doing good’ business has been around for a few years, and it is expected that the pandemic will only intensify this practice in the future.

Throughout the pandemic, companies around the world have made significant shifts for the good of their employees, their customers, and society. People pay close attention to how companies are responding to community needs in times of crisis. It is anticipated that this consumer expectation will continue and, as a result, even more businesses will be reflecting on what they are doing for the ‘greater good’.

The key opportunity for not-for-profits in this trend is that business will be looking for ‘purpose solutions’ – and purpose is something we have in spades.

“Companies are clear that their giving is tied to their enterprise (their employees and customers) and I suspect this will move community higher up on list of criteria. There is always a balance point with corporations between shareholder happiness, employee/corporate wellbeing, and community satisfaction. The equation between these three things will change.”

Barbara Grantham, President and CEO, CARE Canada

As you reflect on your organisation's corporate partnership potential, consider the following trends and observations:

- **Corporate Australia has been generous in the past**, but this is likely to change as corporate profitability comes under pressure.
- Corporate support will still be available, but business' own operations will likely have dramatically changed and **the ways they may be able to support could look quite different**.
- Are there **opportunities to utilise any spare capacity** businesses may now have (for either goods or services), rather than simply asking for cash, which may currently be more difficult?
- Many companies will want their **staff to be involved in the decision-making** for donations. It is really helpful to have a strong relationship/champion in the business who is prepared to go into bat for your organisation. The higher up or more influential that person is, the better your chances of securing long-term support.
- Companies view their **social contributions as brand differentiators** and are seeing the need to not only deliver financial performance, but also show how they make a positive contribution to society. The key to building partnerships with companies will be to demonstrate how a charitable organisation can help advance their corporate strategy and brand.
- Companies are increasingly integrating their 'purpose' activities into their overall business models. In other words, they're not just earmarking funds for charitable donations, but **exploring how their teams, products, and core competencies can address key needs in the community**.
- The challenge for charities seeking to tap into this trend will be to **create customised partnership opportunities** that incorporate companies' business models and involve their customers and employees. This will not simply be about 'writing a cheque' to charities.
- It is important to anticipate that, like other parts of their business, **companies will likely undertake a review of their community investment strategies**. As a result, giving priorities and existing relationships with charities may shift and change.

RESOURCE LINKS

Community-business partnership resources:

<https://www.fundingcentre.com.au/sponsorship/home>

Thinking Big: To Merge or Not to Merge:

<https://communitydirectors.com.au/advice-guides/thinking-big-to-merge-or-not-to-merge>

KEEP IN M!ND:

Mergers and Collaboration

Given the degree of financial pressures charities are facing, many will be exploring if a partnership of some sort is the right way forward. As a result, we are anticipating there could be significant merging and consolidation over the coming months and years.

Organisations should be reaching out and looking for ways to support their peers. Otherwise, impactful organisations and their programs and services will collapse.

We also anticipate that there may be greater collaboration between organisations in general, as well as between the three sectors – public, private and not-for-profit. This may have implications for the execution of your mission.

You should also be prepared for donors to be looking for and expecting a greater degree of collaboration between organisations and sectors. Donors want to know that changing circumstances have been taken into consideration, that organisations know what role they should play to have the most impact in their particular ecosystem, and that a specific collaboration is the most effective and appropriate way to achieve social change.

Existing collaborations need to be reviewed and potential new collaborations considered as part of your dynamic strategy.

Note: While collaboration and shared plans are an appealing strategy for some, this strategy won't suit every organisation, and can it require a lot of work to get right.

6

Campaigns: Updating Strategy... and Creating a Reason

When we emerge from the pandemic, campaigns will be an important fundraising tool for not-for-profit organisations.

Whether multi-year and multi-faceted or short-term and singularly focused, campaigns will continue to be an effective way to break through the noise and clutter of donors' day-to-day lives and bring attention to your cause and case.

Campaigns help you establish a reason to be worthy of attention. They create a sense of excitement, momentum, and urgency. They raise profile and amplify voice.

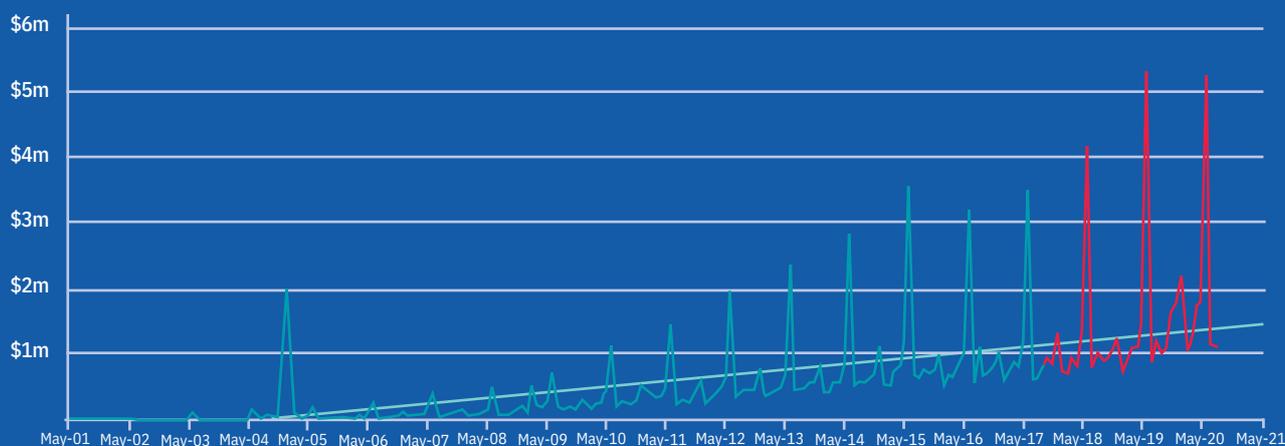
Today almost half of givers in Australia (46%) are “need responders”, being most likely to give when they hear about a need or an issue. In 2016 this was three in 10 (30%), a 16% increase **in four years**. In other words, people are less likely to give if they don't know of the need. This is why campaigns can play an important role in your fundraising.

“One of the great things in the community has been people are willing to help and support if they understand what the issues and problems are.”

Paul Masi MAICD, Chair and President of the
Cerebral Palsy Alliance

The data shows that the time people are most receptive to campaigns is the tax campaign in June:

GIVENOW – DOLLARS GIVEN



The graph above shows giving over time via the GiveNow donations platform. As you can see, giving spikes occur every June (the exception above is in 2004, where giving spiked in response to the Indian Ocean tsunami).

Be aware, though, that when it comes to the general public, a smaller proportion of Australians are giving now than 10 years ago.

As you reflect on whether a campaign is a good strategy to implement, consider the following trends and observations:

- If you are currently running a campaign, undertake a **fulsome campaign review and assessment**. You will want to determine if you should pivot any element of your strategy, including your case for support, your volunteer structure, your messaging, your timeline, etc.
- If you think a campaign may be a good strategy to consider, note that campaigns cannot just be ‘switched on’; they **need preparation and planning**. To be successful, put together your case for support, mobilise a small team of volunteers, identify a group of prospects, and get your messaging and communications materials organised.
- Consider a campaign as a means to **advance goals in addition to financial goals**. These can include brand building and raising the profile of the organisation, advancing the culture of philanthropy, or growing the involvement of the community of stakeholders. However, **loss-making campaigns should never be tolerated**. There is always something better that you can do than losing money!
- **Volunteers are critical to campaigns**. Leaders (including board members) who will open new networks and nurture new relationships with key philanthropists and corporate partners are essential to help organisations attract gifts and mobilise philanthropy. Their voices as champions of the case for support also bring important credibility.

“It’s very important to keep supporting your existing donors and help them understand the challenges you’re facing and, if you need some support, to ask for it clearly and directly.”

Paul Masi MAICD, Chair and President of the Cerebral Palsy Alliance

KEEP IN M!ND:

Fundraising Volunteers

Volunteers are still critical to our work and will likely grow in importance in the coming years as not-for-profits seek to grow and stabilise fundraising revenues.

However, especially in the short term, you may need to re-engineer volunteering as it is predicted we may move towards fewer volunteers with fewer hours to give.

The professionalisation of the sector had started to shift focus away from volunteers but even before the pandemic the pendulum had started swinging back. In what will be a challenging fundraising environment, volunteer leaders who give at levels commensurate with their financial ability, then fearlessly and unapologetically ask others to follow their example, will be fundamental to success.

Volunteers are key to opening doors, providing introductions to prospective donors, and influencing giving. And volunteers may become more crucial to acquisition and solicitation efforts at all levels of giving, helping scale your efforts and facilitating introductions to new donors.

Don't make volunteers an afterthought. Integrate the development of a robust volunteer strategy into your planning process.

RESOURCE LINKS

How to plan an end of financial year campaign:

<https://www.fundingcentre.com.au/help/eofy-appeal>

Big Picture Rethink: Going Beyond Fundraising

Planning for future fundraising success goes beyond the function of fundraising itself and must include **a holistic rethinking and examination of your organisation – your value, your capacity, and your culture.**

Value

At this time of profound change and upheaval, organisations should undertake robust and courageous examinations of what they exist to do.

- Which shifts resulting from the pandemic will materially affect the value you provide to your stakeholders and the context in which you operate?
- How will you execute your charitable purpose in a world where social distancing is the norm, and where travel may be restricted?
- What are the risks and opportunities associated with these and other trends over the short, medium and long term?
- What is the resilience of your strategy when taking these shifts into consideration?

Answering these questions means stepping back and taking a critical look at your purpose and the fundamentals of how you are set up and operate. This work involves poking holes and pushing back on assumptions about your mission, who you are, and how you work.

Capacity

It will also be necessary for organisations to get serious about assessing and filling gaps in their capacity to execute. When thinking of your capacity, be sure to include the following: people, skills, knowledge, structure, infrastructure ...

and any other physical or intellectual resources necessary to implement your strategy. There will undoubtedly be a need to augment, upgrade, and reskill.

One often overlooked area of capacity is board governance practices and operations. We know that strong board governance and excellent board management relations are critical to organisational strength and resilience. As a result, this element should be included in an exploration of organisational capacity.

“I’ve been hearing charities say to me: ‘If you can get this government money for us, we can keep doing our work’. What some have meant, though, is they can keep doing work the way they used to. We need to instil that this is a new frontier, not a reset of the past. Organisations will enter a recovery period. For the next one to two years, it’s unlikely the world will look like it used to. To continue to try and get back to the old normal is naïve. It must be about planning for a new frontier, and this is a fundamental change. We must let go of the past.”

Bruce MacDonald,
President and CEO, Imagine Canada

Culture

A critical element to consider when thinking of the changes you'll need to make to ensure future fundraising success is your organisational culture. Unfortunately, it is probably also one that is far too easily overlooked.

The uncertain, rapidly evolving environment we are navigating requires a highly nimble and agile organisational culture. Organisational adaptability and agility are primarily driven by the ability of your employees to adapt. Agile organisational cultures are characterised by a high tolerance for ambiguity, entrepreneurial drive, empowered teams and employees, and rapid learning and decision-making cycles. It's important to note that agility is not something you do, but rather it is something you become over time.

There are very few organisations for which some degree of culture shift will not be required. Be sure to include it as one of the elements to be explored as part of your overall organisational rethink, assessing where you have strengths and where there are gaps requiring remediation.

RESOURCE LINKS

Institute of Community Directors Australia:
<http://www.icda.com.au/>

“The greatest impediment to change is the gravitational pull of the status quo. We think we want to change and evolve until it gets scary. But overnight, everything changed. Before this crisis we were asking ourselves ‘How can we change this?’ Now, the question is ‘How can we sustain and leverage these changes?’ This is a chance to leave behind bad habits such as operating in silos.”

Ken Mayhew, President and CEO,
William Osler Health System
Foundation

Looking Forward

While it's hard to say with certainty who will best weather this storm, we have a few observations about the **organisations that have shown the greatest resilience as they have navigated this crisis so far.**

Use these characteristics to inform how you can best fortify the resilience of your own organisation to be ready for the next inevitable shakeup:

- Those that have deep relationships with their individual donors
- Those that have diversified revenue streams
- Those that have strong board / management relationships and strong board governance
- Those where the board plays an active role in fundraising

- Those that have an ability to be nimble and adapt quickly (mindset, skill, culture, attitude)
- Those that have existing digital capacity
- Those that have pledge-based gifts-in-wills and monthly revenue streams
- Those that have adjusted their case for support to be relevant given the situation

While recognising that every organisation's particular situation will dictate where they need to focus and what they need to do to respond to the pandemic, **the checklist on the next page is a summary of the areas that every organisation should be exploring** over the next weeks and months as part of their own 'Big Rethink'.

“The COVID-19 crisis will end, and the non-profit sector will get through this. Organisations will face hardship and difficult decisions will be required, but most will survive. Through the crisis organisations will reorganise their operations and teams to deliver to their mission in new and innovative ways. Their boards will guide them, manage risks and keep one eye on the future. People will grow as leaders and organisations will discover new leaders who flourish in this time of uncertainty and upheaval. Fundraising will come under pressure and you will have to stay close to donors and other stakeholders. New opportunities will be uncovered, and the crisis will sharpen fundraising efforts for the future. The strength of their balance sheets and level of reserves will give most organisations comfort that they can see out this crisis and carry on delivering to their mission for decades to come.”

Chris Wilson, Partner | Philanthropy & Social Capital, [Koda Capital](#)

BIG RETHINK CHECKLIST

- Revisit organisational strategy
- Redefine fundraising case for support
- Ensure the board supports the fundraising strategy
- Grow relationships with individual donors
- Invest in digital capacity
- Explore corporate partnership potential
- Diversify fundraising program mix
- Update campaign strategy
- Assess organisational capacity (skills, structure, infrastructure)
- Review and strengthen board governance
- Create a diverse and inclusive organisation
- Shift organisational culture (mindset, attitudes, behaviours)

“The charities/not-for-profit sector largely exists to lead change. This may be change for justice, the environment, the alleviation of poverty or the building of community. Whatever sphere you may find yourself in, continue to lead change, continue to speak for those who don’t have a voice and make a difference in our communities.”

From [McCrinkle](#)'s *Australian Communities 2020 Report*



About KCI

KCI is Canada's leading consultants to the non-profit sector with professionals across the country in fundraising, strategy, research & analytics, and executive search.

Our core purpose is to inspire and enable organisations to raise money, to make the dream of better communities and improved lives a reality. And through our 35 years of experience, we've helped thousands of organisations craft their strategies, build their teams, and raise billions of dollars in the education, health, social service, arts & culture and religious sectors.

In doing that work, we firmly place our focus on values and people... both ours and yours. We are proudly and resolutely guided by our core values: the highest integrity in all our actions; commitment to excellence and innovation in everything we undertake; openness to new ideas; and collaborative and respectful relationships with our colleagues and our clients. We hire to these values and live them every day.

And because we know the future won't look like the past, we hold capacity building, knowledge sharing and insight creation at our core.

<https://kciphilanthropy.com/about-kci/>



About Wendy Brooks & Partners

Wendy Brooks & Partners build the capacity of the not-for-profit sector to maximise impact.

A specialist in the not-for-profit sector, Wendy Brooks & Partners offers strategic planning and fundraising services designed to increase your impact. We work with you to lead, leverage and implement social change.

Our team has extensive experience across the social sector in helping organisations effectively communicate their vision and work, articulate their unique point of difference, design projects and elevate their fundraising.

As a partner, working side-by-side with your team, we build your capacity to attract funding by ensuring you have a clear vision, actionable strategies, sufficient resources, good governance and concise messaging on impact.

We ensure our clients are in the strongest possible position to maximise their impact, attract funding, collaborate meaningfully and build partnerships for sustainable change.

<https://wendybrooks.com.au/>



ourcommunity.com.au

Where not-for-profits go for help

About Our Community

Our Community works to build stronger communities through stronger community organisations.

The Our Community group is a world-leading, technology-driven, social impact-focused company that provides help, education, connections and software for people and organisations working to build stronger communities. Our offerings include:

- **OurCommunity.com.au** – Australia’s centre for excellence for the nation’s 600,000 not-for-profits and schools: where not-for-profits go for help
- **Institute of Community Directors Australia** – the best-practice governance network for the leaders of Australian not-for-profit and government boards and committees, and the senior staff who work alongside them
- **FundingCentre.com.au** – the best place to go to get information on grants and fundraising in Australia
- **GiveNow** – Australia’s most innovative giving platform, working to increase donations to community causes and to help people become smarter, more effective givers
- **Good Jobs / Great HR** – The first resource for community workers looking for a job and for community groups wanting to improve their human resource practices and policies
- **Communities in Control** – Australia’s most inspiring annual community sector gathering: thought leadership for the not-for-profit sector
- **SmartyGrants** – software, data science and grantmaking intelligence for revolutionary grantmakers
- **The Innovation Lab** – the engine room for sharing ideas and mobilising data to drive social change
- **Our Community House** – a co-working space for people who want to create a new era of social change

The Our Community Group is evolutionary as well as revolutionary. Our websites and our services are always changing. Our vision centres on social inclusion and social equity. Our dream is that every Australian should be able to go out their front door and stroll or wheel to a community group that suits their interests, passions and needs – or log on and do the same. We want to help make it easy for people to join in, learn, celebrate, worship, plant trees, play a game, entertain and be entertained, care and be cared for, support others and be supported, advocate for rights and celebrate diversity. To get involved. To be valued.

www.ourcommunity.com.au

Glossary of key terms

Campaign

A campaign is a planned set of activities that people carry out over a defined period in order to achieve a targeted amount of money. A campaign can be simple and short-term, involving the use of a single type of direct marketing (emails, phone calls, events or letters); or multi-faceted, involving more than one medium or channel (e.g. email, social media, text, phone call). Major campaigns have large financial targets with clearly defined purposes (buildings, renovations, property developments or endowment funds) and are generally run over a number of years.

Case for support

A marketing-style document that details exactly what the organisation does, what the issues are, and how supporting the organisation will help 'shift the dial' on these key issues. The Case for Support must not only articulate your organisation's 'Why?' and 'What?'...but also its 'How' and 'So What'.

Donor stewardship program

A donor stewardship program is a plan for how you ensure relationships with past, current and future funders remain consistently strong. It describes how you thank and engage supporters so that you keep donors and ideally deepen relationships to take contributions from small, one-off donations or engagements to larger, long-term commitments.

Fundraising donor market segments

Donor market segments are sub-sections of your donor base that are likely to respond to different degrees of sophistication of marketing, messaging and engagement, and are likely to give at different levels. These segments also have varying emotional and intellectual responses to your cause, which will impact on their likelihood of giving. Below is a rough guide to the levels of giving in and key drivers for each market segment:

- General donors – \$2–\$1000 (emotional response to your cause)
- Mid-level donors – \$1000– \$10,000 (emotional response + some intellectual interest)
- Major donors – \$10,000+ (emotional response + significant intellectual interest)
- Pledged gifts in will – \$10,000+ (emotional response + significant intellectual interest)
- Corporate donors – \$25,000+ (commercial interest + some emotional response – see a fit between your cause and their target market or employees)
- Charitable Trusts and Foundations – \$20,000+ (intellectual interest [must fit with strategic guidelines or focus area of trustees] + some emotional fit with administrators and trustees)

Fundraising mix

The fundraising mix is the different fundraising methods and tools you use to attract donations. This can include short-term campaigns; online (email, texts, social media etc.); direct marketing; crowdfunding (peer-to-peer), where your supporters raise money for your cause; events; single donations; monthly/regular donations; face-face-fundraising; sponsorships; multi-year capital campaigns; and grants from trusts and foundations.

Gifts in wills

Also known as bequests, planned giving and pledge-based giving. People pledge to leave a gift in their will for your organisation.

Scenario planning

Scenario planning helps you identify possible and plausible futures/scenarios and then see what potential consequences these scenarios might have for your organisation. It is not a prediction, but an exploration of what may take place in the future and lets organisations analyse how they might respond in each situation.

KCI

Wendy Brooks
& partners



ourcommunity.com.au
Where not-for-profits go for help