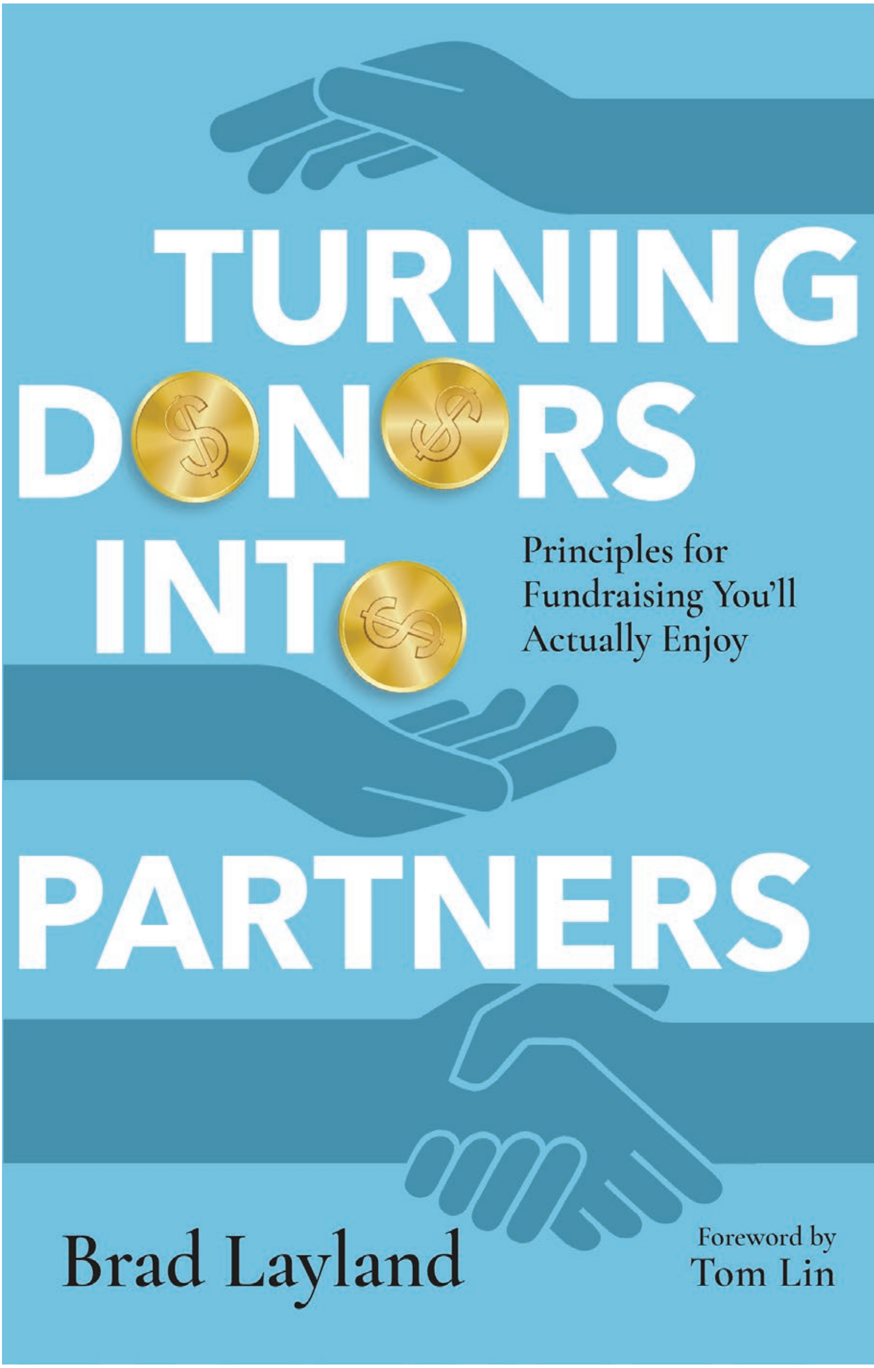

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DOING IT DIFFERENTLY

AN INTRODUCTION TO TAKING DONORS SERIOUSLY

Several years ago, I was intrigued by a party game I saw. Three people from the party are sent out of the room. Then the first person is brought back into the room and given an assignment: pretend to be washing an elephant.

While the first person is miming an elephant bath, the second person is brought back in. With no explanation, the second person is assigned to do what they see the first person doing. By the time the third person comes in and is told to do what the second person is doing, everyone in the crowd is dying with laughter. The first person kind of looks like they could be washing an elephant, but the second person, who's just mimicking them, looks totally ridiculous. But even the second person looks relatively normal compared to the third person, who has absolutely no framework for what they are supposed to be doing.

Fundraising is a lot like this party game. Many people who work in fundraising and development are simply mimicking what they see other people doing. They don't understand why they are doing what they are doing—they just know it is supposed to work because other people are doing it.

Fundraising can be a bewildering process, but it doesn't have to be. Taking Donors Seriously is the framework that explains the *how* behind fundraising efforts. Once you understand the framework (in the game it was washing an elephant), it becomes doable to raise the money organizations need in order to thrive.

ESCAPING THE TREADMILL

I have often compared fundraising to running on a treadmill: relentless forward motion but going nowhere. If you look at what most people do, you will see the annual fundraising dinner with an auction, an end-of-year appeal letter, and possibly a golf tournament. Then it's time to start planning for next year's events, which need to be even better than last year's.

Sure, hopping on a treadmill is a great way to go for a five-mile run without leaving the gym. But nonstop forward motion without going anywhere is no way to live. In the long term, approaching life like this leaves us running ragged, barely noticing our progress because we are so exhausted.

Beyond the obvious disadvantages of focusing on events—draining your staff, exhausting your volunteers, and stressing out the donors themselves—there are some significant problems with this way of fundraising. It's easy to slip into these patterns:

- Having an unrealistic plan to raise the annual budget
- Lacking a fundraising team with clearly defined roles and responsibilities

- Focusing on events instead of relationships
- Lacking strategy to guide how to approach donors, so every donor is approached the same way, regardless of his or her ability and desire to give
- Underutilizing the most effective way to raise money: meeting with donors face-to-face

A BETTER WAY

What if you could achieve your fundraising goal within the first three months of your fiscal year? What if you could raise more money, faster, and with less effort? And what if you could do this while decreasing the pressure on your donors? And most importantly, what if you had more time to advance your organization's mission?

A strategic, relational framework like Taking Donors Seriously helps you jump off the treadmill and move toward a bigger, more sustainable, and less labor-intensive fundraising program. The Taking Donors Seriously framework enables you to establish a strong foundation, with the following elements in place to sustain your fundraising efforts:

- A well-defined annual fundraising plan
- A tangible case for support, a *case statement*, that enables you to clearly share the vision with major donors
- A prioritized list of donors who are likely to support you, based on their relationship with you or your organization
- A strategic and personalized approach for every prospective donor, allowing you to spend most of your time with the donors who will give the majority of the money

- A volunteer fundraising team with specific roles and responsibilities

Many times people have told me that I make fundraising sound simple. The truth is that fundraising *is* simple, but does require hard work, and the hard work is only effective if done the right way. This book will teach you the right way and give you a set of principles to follow when new situations and questions arise.

PEOPLE ARE THE BIGGEST GIVERS

When you read headlines about big corporate donations or giant foundations giving millions of dollars to major causes, you might think that these large entities are the source of most of the giving in America. The truth is, the vast majority of charitable giving is from individuals like you and me! Each year an organization called Giving USA publishes a report on total charitable giving in the United States. In 2020, Americans gave away more than $471 billion.[1] (Billion! As in a thousand million!)

This total amount has gone up every year, except two, since the data has been tracked, and continued through the pandemic. Let's look at how this breaks down by giving type: During 2020, individual people contributed about 69 percent of charitable giving in the United States; almost three quarters! Foundations gave 19 percent of the money. Bequests or estate gifts made up 9 percent of the money, and corporations gave the rest.

The amazing reality is that individuals give a very large part of charitable gifts in the United States. Over $324 billion was given by individual people to organizations like yours. The smallest contributing group of givers is corporations, with about $16.86 billion. So while it is important to think about corporations or foundations, it is most important to think about individuals; that is why it's so important to focus on relationships. Many individuals give six- or even seven-figure gifts, and they don't just give to the biggest, loudest nonprofits. Rather, they give to the causes that have won their hearts—and it could be you and your organization.

START WITH WHO, NOT WHAT

When I was growing up, we had a Hoover vacuum cleaner. It was big, it was heavy, and it didn't work very well—that's what I remember.

In the early 1990s, in the midst of rapid technological innovation and the rise of the global internet, a teacher from the United Kingdom named Jim Dyson got frustrated with his vacuum cleaner. In the midst of so much innovation, surely there was a way to build a better vacuum.

Dyson was able to invent a new vacuum cleaner that used cyclonic separation—and it was a huge improvement over existing vacuum cleaners. But then he tried to find investors. Imagine going into a bank to raise venture capital to start a vacuum cleaner business while everyone else is trying to join the dot-com revolution! He ultimately couldn't get anyone to invest in his business in the UK and wound up going all the way to Japan to find people interested in his vacuum.

In the end, Jim was successful. My wife and I even have a Dyson vacuum cleaner at our house, and it works great! In 2021, Dyson's company, which has expanded into many other technologies, did $6.72 billion (USD) in sales while employing a global workforce of over twelve thousand employees.

It can be hard to trade in our usual way of looking at things, but as Dyson's story attests, sometimes we simply need to do something familiar in a different way.

What does it mean to "build a better vacuum" in fundraising? We must start by asking better questions and rethinking our mindset. I have often said that fundraising is not that complicated; the formula for successful fundraising is simple. At the core, fundraising is about building relationships with individuals and inviting them to be a partner in the mission and vision of your organization. But somehow, the old, familiar ways of thinking about fundraising can sneak up on us. Recently I met with a board of a small nonprofit that does incredible work in our community. When the topic of fundraising came up, they did the equivalent of buying an old vacuum. They started off with that all-too-familiar question: "What are we going to do this year to raise money?"

At face value, this seems like a good question; but in reality, this is the wrong question for a board to be asking. Having a strategy of "what to do" does not take the relational core of fundraising into account. The right question for a board or executive director of an organization to ask is, Who are the people we need to engage with to raise the money we need in order to accomplish the mission and vision of our organization?

This question requires us to know not only the cost of doing our work but also the people who would like to partner with us to accomplish this mission. Our fundraising planning should start with the *who*, not the *what*.

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