Towards Environmental Advocacy: Building Capacities of Civil Society

Workshop on

Fundraising Strategies

> **Trainer:** Ramzi Hage

> **Training Objective**: Acquire basic knowledge about how to raise fund for your project or cause and how to present proposals to donors.

> **Training Brief: the training included the following themes and topics**
> a) Basic Rules of Fundraising
> b) Fundraising Strategy
> c) Steps of fundraising
> d) What a donor wants
> e) Communication Strategy: how you should communicate with the donor, what should be said and what shouldn't
> f) Fund raising Team management: who should be on your team, what strategy to be used
> g) Tips for effective writing: the quality of writing, Good writing is clear, convincing, accurate, and simple.

Training Agenda:

Time	Program
9:00 – 11:00	**Session 1:** - **Introduction – objectives of the session** - **Participants understand the fundraising process**
11:00 – 11:30	**Coffee Break**
11:30 – 01:00	**Session 2:** - **Participants understand their role in fundraising** - **Participants build their fundraising skills** - **Participants create an initial fundraising plan**
01:00 – 02:00	**Lunch**
02:00 – 03:30	**Session 3:** - **Fundraising principles** - **Fundraising formula** - **Know yourself**
03:30 – 03:45	**Coffee break**
03:45 – 05:00	**Session 4:** - **Know the donors** - **Proposal and Budget writing** - **Evaluation**

Basic Fundraising , Networking and Proposal Writing

MEPI LAA July 11th 2012

Basic rules of fundraising

- *Donors want to give money.* It is their job, so think of you and your organization as offering the donor an opportunity to carry out their job well. Remember also that *fundraising is long-term.*
- *Money follows money*: donors are looking for credible organizations. One way to prove that is to show that someone else has entrusted you with funding. Often getting the first grant is the most difficult, but by highlighting that first bit of funding you can bring other donors into the project.
- *Diversify your funding base.* Working with a variety of donors is a good route to financial sustainability.

For a good fundraising strategy:

- *Know yourself*: your organization's vision, how you want to solve a particular problem, and why you are the right organization to do so. Once you have a good understanding of exactly what it is for which you need funding, you should then …
- *Know the donors*: who they are, what they are interested in, and what their constraints are. Use all this information to identify which are strong potential donors for you and then…
- *Communicate with the donors*. Use a number of ways to get to know the donors and have them understand your experience, your methodologies, your skills, and your future plans.

Step One: Know Yourself

- Identify donors with whom you are a good match, and second to be able to explain your organization clearly and compellingly to convince donors to work with you.

Develop a funding Profile which includes:

- Organization's goals and objectives.
- Target groups and their needs.
- Proposed project ideas to respond to those needs.
- Proposed project timing, and value.
- Organization's specialty, niche.
- Organization's capacity (staff, skills, past experience and demonstrable results).

Step Two: Know the Donors

- Once you've developed a clear understanding of your organization, it is time to start thinking about potential donors. Brainstorm a list of all potential donors for your project:

- *Embassies/ governments*
- *International institutions*
- *Foundations*
- *Individuals*
- *Cultural centers*
- *Councils*
- *Local governments*
- *Local public institutions*
- *Cooperatives*
- *Businesses*
- *International and local NGOs*
- *World Bank/ IMF*

What Donors Want

- **Technical expertise**: demonstrate your previous experience in implementing projects in that field or a related field; your knowledge of local issues/actors/opportunities/; your understanding of a particular geographic region; your ability to do strong project monitoring and evaluation.

- **Management expertise**: demonstrate your track record of successfully managing grants of this or similar sizes, or at least your confidence in your ability to scale up to the next level of grant management because of the systems you have in place; show your solid staffing structures and the transparency and accountability of your board and/or volunteers; show evidence of the ability to comply with donor regulations by at least referencing them if not offering audit information

What Donors Want

- **Skilled staff**: showcase the qualifications, both academic and professional, of your staff, board members, and volunteers
- **Networked actors**: highlight networks to which you belong; make sure you reference other donors or supporters who have invested in you
- **Vision and strategy**: donors like to support organizations that are committed to their projects, rather than ones that implement whatever they find funding for. Let the donor know your vision and strategy, and also how your project will, in turn, support their goals.
- **Project innovation and sustainability**: donors are always interested in having unique, long lasting contributions so emphasize the ways in which you can provide those.

What You Should Know About Possible Donors

- Sources of information about donors include websites, word of mouth, directories, newspapers, and networks.
- As you research, look for the following bits of information about the donor. The following attached "Prospect Worksheet" is a helpful tool in early stages of research to help you capture this information.

What You Should Know About Possible Donors

- *Donor vision, goals, and objectives*
- *What projects they previously financed and with whom*
- *Donor capacities and institutional structures*
- *Geographical areas of interest*
- *Available assets*
- *Current partners*
- *Expectations, especially regarding the project influence*
- *Flexibility pertaining to the implementation of the project*
- *Donor project guidelines – project objectives and possibilities, funding amount, staffing rules, selection criteria*
- *Deadlines and project forms*
- *Who makes the decisions on proposals*
- *Who gives the money to the donors themselves*

This information helps you identify the donors who are the best match for your organization, determine the most effective ways to communicate with the donor, create competitive proposals that will appeal to the donor you are targeting, and also find credible partners for your work.

PROSPECT WORKSHEET

	Donor	Your organization
Date:		
Basic information:		
Donor name		
Address		
Contact person		
Donor's Financial Data		
Total assets		
Total grants paid		
Grant ranges/amount needed		
Period of funding/project		
Is donor a good match?	**Donor**	**Your organization**
Subject focus (list in order of importance)	1.	1.
	2.	2.
	3.	3.
Geographic limits		
Types of support		
Population served		
Types of beneficiaries		
People (officers, donors, trustees, staff)		
Application information		
Does the donor have printed guidelines/application forms?		
Initial approach (letter of inquiry, formal proposal)		
Deadline(s)		
Date(s) of Board meetings		
Notes:		
Follow up:		

Developing a Donor Strategy

- The information which you are gathering will help you identify those donors with whom you have much in common: shared vision, similar partners or methodologies, or matching grant amounts and timeframes.
- **Decide which are your strongest potential donors with whom to begin cultivating a relationship .**
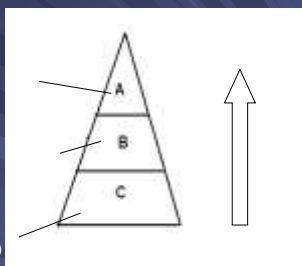
Developing a Donor Strategy

Those whom we can fully count on in the given period (committed donors)

Those who gave already once and/or are responsive (interested donors)

Those we know of and have references to (potential donors)

Step Three: Communicate with Donors

- Now that you've researched the donors and decided on those with whom you wish to build a relationship.
- The personal visit is the obvious and reliable method, but there are plenty of other important vehicles for you as well. Each donor is different, and your message should be tailored appropriately .
- As you develop your donor strategy, make sure you are always finding ways to get on a donor's "radar screen." Choose a combination of strategies.

A list of ways in which you can communicate with donors.

For existing donors (A's):
- *Personal update meetings*
- *Well written, information filled quarterly and final reports*
- *Presentations of project results at mid and end point*
- *Field visits/invitations to meetings you've arranged*
- *Email updates about your projects*
- *Greeting cards*

A list of ways in which you can communicate with donors:

For interested donors (B's):
- *Reports on issues you are finding in the field that relate to that donor's area of interest*
- *Meetings to introduce them to your organization and projects*
- *Promotional material (including cd's, dvd's, and films)*
- *Annual reports and audits*
- *Calendar- flyer of your events for their use*
- *Invite donors to contribute to your strategic planning sessions*
- *Field visits/invitations to meetings you've arranged*
- *Project outputs (handbooks, conference conclusions, and other outputs which demonstrate your technical knowledge as well as your reach)*
- *Copies of press releases or project launch/closing invitations*
- *Cocktails/receptions/roundtables/conferences on issues in their interest*

A list of ways in which you can communicate with donors:

For potential donors (C'S)
- *Media coverage of your projects*
- *Web pages (yours and theirs)*
- *Participation in trainings/meetings donor has organized*
- *Ads/branding of your projects and premises with your organization's name and logo*

Important issues when communicating with donors:

1. **Tailor your communication methods to your audience**. Some donors prefer formal communication such as quarterly reports using their specified format.
2. **Transparent communication helps build your credibility**. Sharing your annual reports or being open about obstacles you face in implementing projects are ways to show your professionalism and make donors more likely to work with you.
3. **Highlight your partners and your other donors**. How you are perceived is affected by those who are allied with you. Donors can be impressed by the number and type of other partners you have as well as the other donors who fund you.
4. **Enable your project participants to speak on your behalf.** Take donors on field visits to meet satisfied, excited beneficiaries. Collect quotes and stories from project participants to include in reports, media alerts, proposals, and promotional materials. Their words can be even more persuasive than your own.

Meeting with a Donor
Donor Visit Do's and Don'ts

Before the Meeting

- **DO:**
- Decide what you want to achieve
- Know how much you are able to commit to in the meeting versus what should be followed up by your manager
- Agree on the main points to express
- Agree on what information you want from the donor
- Decide who will take which roles during the meeting (opening, facilitating, covering specific issues)
- Research the organization and/or person you will be meeting with

Meeting with a Donor
Donor Visit Do's and Don'ts

During the meeting

- **Do:**
- Be courteous and on time
- Bring partners if appropriate
- Be concise and stay within the planned timeframe
- Listen for and identify common areas of interest
- Know concrete facts and figures about your project
- Know your weak points and be prepared to answer them
- Ask questions! Donor interests/visions/goals, experiences, timeframe, constraints, other ways to help your project, etc.
- Leave written material about your organization or project
- **Don't:**
- Be intimidated: donors WANT to find qualified partners to carry out projects
- Make up answers if you do not know.
- Discuss too many points or bring up too much information

Meeting with a Donor
Donor Visit Do's and Don'ts

After the Meeting

- **DO:**
- Debrief with each other: what were the commitments? What were the open questions? What are the next steps
- Share this information with your manager and colleagues
- Build the relationship. Follow up with a thank you letter or more information.

Managing your fundraising team and strategy

- **Your fundraising team and strategy will be unique to your organization**.

- **Regardless of how your organization sets up its fundraising team, there are several standard tasks that must be accomplished. Note that several of these tasks can be undertaken by the same person, but all should be done for maximum success.**

Managing your fundraising team and strategy

- **Donor research**: Whether through the web, newspapers, networks, or phone calls or staff.
- **Donor contact**: Initial contact with donors often should be made by high-ranking organization officials, but maintaining ongoing relationships can be done by others .
- **Project design:** Project methodologies first and foremost should be appropriate to the need you are trying to address.
- **Proposal/report writing:** Proposals and reports are two key ways in which to communicate with donors. Those who write both of these documents therefore should be aware of the larger fundraising and programming strategies.
- **Creation of communication materials:** Whether glossy flyers or less formal email "flash reports", communication materials should build on each other. They should all include your logo and contact information. Communication materials should be regularly updated.

Any fundraiser or fundraising team has to have systems to manage the following:

- Ongoing intelligence gathering on donors
- Ongoing contact with donors
- Updating of communication materials
- Production of proposals
- Production of reports

One tool for assisting with managing these is a regularly updated action plan which can become part of a management team's regular meetings. Such an action plan could include the following information:

Sample Fundraising Action Plan

Donor	Concept	Amount	Submission Date	Next steps
USAID	Women's empowerment	$50,000	June 1	• Mindy to research current USAID partners working on women's issues • Vivian to assess partner interest
EU	Ag development	$750,000	March 30	• Mindy to convene project design workshop
US State Dept.	Youth empowerment	$425,000	Submitted	• Ana to check on when decisions will be made
US Department of Labor	Child Labor	??	??	• Sally to submit report from current USAID-funded child labor project and assess DOL interest in a follow on project

Writing Project Proposals

- **Another important way to communicate with a donor is through your project proposal. Donors are faced with hundreds of proposals with little time to evaluate them. Therefore you should invest time in yours to make sure it is clear, concise, and exciting.**

- **Most donors have a specific format in which they wish to receive proposals. Be sure to research their format early on so that you are able to answer their specific questions. However, most proposals have the following basic elements in approximately this order:**

Writing Project Proposals
Components of a project proposal

Background
- *Basic information about the region, conditions, political, economical and social situation*

Problem statement
- *Description of the problem to be addressed/ need for intervention*

Project goals and objectives
- *What you wish to do in order to solve the problem you described, and the reason why your organization is the most suitable to undertake this project.*

Plan of activities/ implementation
- *Specific, concrete, complete approach*
- *Timeframe of activities*

Expected results/ basic measurements/ indicators/ M&E plan
- *Changes which will result from your project*
- *Indicators*
- *Means of monitoring and evaluating progress and impact of the project*

Assumptions/possible risks
- *Possible barriers or risks independent of you. (Work of other organizations, inclusion or permission of the Ministry, weather conditions)*

Organizational capacity
- *Your organization's (and your partner organization's) skills, staff, offices, programming experience, relationship with local actors.*

Budget
- *Overall expenses*
- *Ensure that project expenses are much higher than administrative expenses*
- *Leverage donor resources through matches with private funds or other donor funding.*

Phases of Developing a Proposal

- Proposal writing is an iterative process and each proposal is unique. Sometimes you and a trusted partner will work together to gather information about the proposal opportunity and then jointly decide whether or not to apply.

- Other times you may research the opportunity on your own and then decide you need to solicit new partners.

Phases of Developing a Proposal

- Note the importance of reading and rereading the call for proposals. Make sure you respond to the donor's requirements in every way, from project design to proposal format to donor "buzzwords" to submitting it in the way they wish.

Phases of Developing a Proposal

1. Gather intelligence/read the call for proposals.
2. Create your team and timeline/Read the call for proposals.
3. Look for partners/Read the call for proposals .
4. Design the project /Read the call for proposals.
5. Letters of support.
6. Design the budget /Read the call for proposals.
7. Write the proposal/Read the call for proposals .
8. Review /Read the call for proposals .
9. Submit the proposal/Read the call for proposals according to guidelines.
10. Follow up with the donor

Tips on What Donors Want: effective project design
Methodology

- **Be creative and tailor it to the local context.**
- **Be specific**
- **Explain the "science" behind your methodology**
- **Ensure sustainability**
- **Build innovative partnerships**

Tips on What Donors Want: effective project design
Sustainability
– **Cultural:**

- **Create lots of space to bring people together**
- **Motivation**
- **Media/public awareness**

Tips on What Donors Want: effective project design

- **Leadership:**

– **Involve a number of people in different leadership positions**

– **Cultivate leadership throughout the project through trainings, mentoring, and hands on learning**

Tips on What Donors Want: effective project design

- **Financial:**

• **Promote local resource acquisition from the beginning.**

• **Invite other donors to major project events.**

Tips on What Donors Want: effective project design

– **Policy:**

■ **Work with local government – several levels - from the beginning**

Tips for effective writing

An important part of a good proposal is the quality of writing. Good writing is clear, convincing, accurate, and simple.

BEFORE YOU START WRITING

■ **Think about your audience**. What do they know already? What additional information do they need? How will they use the information you give them?

■ **Outline your main points in advance**. This helps organize your thought process.

■ **Follow a logical structure**. State your main point at the beginning, then provide your arguments for it, and conclude with a brief summary.

■ **Eliminate unnecessary detail**. The shorter a piece of writing is, the more likely people are to read it. If your writing provokes enough interest, readers can always come to you for more details. Get them to read it first!

WHILE WRITING:

■ **Keep it simple**. Don't use flowery language (lots of adjectives and adverbs) or technical jargon.

■ **If you get tangled up in words that do not express what you want,** stop, take a breath, and ask yourself "What am I trying to say?" This lets you get back to your basic message.

■ **Use action verbs**. Don't say "Community needs will be identified by our organization." Instead, say "Our organization will identify community needs."

■ **Keep paragraphs short** and focused. Each paragraph should address only one idea.

AFTER WRITING:

■ **Edit.** Reread your writing and take out extra words or repetitive sentences.

■ **Get feedback**. Ask a colleague to read your writing and give feedback about how clear, organized, and interesting it is.

Tips on Getting Letters of Support

■ Sometimes it is helpful to send a template to someone from whom you are asking for a letter of support. The longer you have worked with that organization or institution, the more specific the letter can be in referencing your past joint achievements.

■ When using draft letters of support, change the suggested wording that you send to the organization so that you don't have several identical letters.

Sample letters of Support from a New or long term partner or project stakeholder

Dear *(Name of Your Organization)*,
We have been consulted on the proposed project to work with *(your organization)* and others to (*describe the project goal here*). We find this to be an important project and are therefore pleased to support it.
Sincerely,

Sample letter of support from a long-term partner or project stakeholder

Dear*(Name of Your Organization)*,
We have been working with your organization since xxxxxxx on projects such as yyyyyy and zzzzzzz and have benefited from our joint activity. For this reason we are pleased to note our support for the proposed project to *(describe project goal here)* and look forward to implementing such with you should the project be funded.
Sincerely,

Sample Cover Letter

- Use your cover letter as yet another opportunity to sell your proposal to the donor, but keep the cover letter to a few paragraphs. Note that some donors have strict guidelines for what information should appear on the cover page so be sure to follow those .

Dear xxxxx,
On behalf of its partner Caritas Lebanon, Catholic Relief Services (CRS) is pleased to submit the following 2-year, $750,000 project to protect the rights of migrant workers. This project builds on the groundbreaking partnerships which Caritas Lebanon brokered with Lebanese government and businesses in the wake of the December 2004 tsunami. By forming a multisectoral working group to address the legal situation of migrant workers, this project not only will improve the situation of these vulnerable people but also will model new forms of citizen involvement in policy making.
We are excited by the possibility to work with the US State Department on this important issue. If you have any questions please do not hesitate to contact us.
Sincerely,

Remaining questions / next steps

- Following is a list of helpful tips about what to do – and what to avoid – when writing reports.
- These steps pave the way for future projects with the donor.

Tips on Writing Reports

- Do:
  - Adapt information to needs of report
  - Insert pictures
  - Summary/INTRO (bear in mind that donor may have hired a new person)
  - Underline important features at the beginning
  - Structure your information (short, precise, expressive)
  - Use annexes for additional information
  - Include beneficiary's quotations
  - Insert specific results in charts
  - Include concrete information regarding activities
  - Discuss the impact of the activities
  - Write a summary paragraph or page
  - Include analysis of your work
  - Gather newspaper articles
  - During elaboration hold on to original project goals
  - Make every report an independent document, outlining the project goals and summary of activities to date

Tips on Writing Reports

- Don't:
  - Insert pictures/stories without explanation
  - Include too much information in summary/introduction
  - Exclude relevant information
  - Use acronyms

  - As you can see, effective reporting involves collecting and conveying a great deal of relevant information. This requires planning, and the following tool can help you and your team to do just that:

Thank you!