

Dream No Small Dreams

Keynote Talk
FSI Forum 2009
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Kay Sprinkel Grace

From Goethe....

“Dream no small dreams for they have no power to move the hearts of men.”

Johann Wolfgang von Goethe

What We Will Cover

- Why small is beautiful but need not limit dreams
- Principles for philanthropic giving that span all sizes of organisations
- How small organisations can be dream brokers
- What I learned in my first job with a small organisation
- Lessons for all small organisations
- Moving forward in a time of change

Why Small is Beautiful and Need Not Limit Dreams

- It is not the size of the organisation that matters, it is the size of the mission (e.g., Project Open Hand)
- Impact can be huge
- More opportunities for personal attention to nourish major donors (shop in the High Street –vs- Marks and Spencer)
- More opportunities for engaging volunteers – our “back up work force”
- Microcosm of diversity in fundraising practices
- Easier to hear the dream



“I welcome you to the 283rd meeting of the Society for Innovation in Fund Raising.”

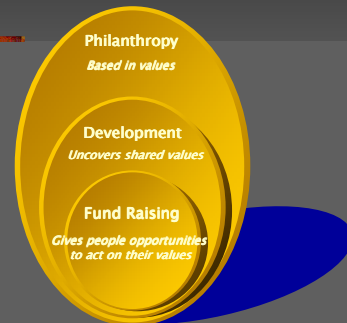
Principles for Philanthropic Giving

- Big organisation or small, these principles are true:
 - People give to you because you meet needs, not because you have needs
 - A gift to you is really a gift *through* you into the community (you are not the end user of the gift)
 - Fundraising is not about money, it is about relationships and long term investors
 - You have to put away the tin cup

Where It All Begins: Values

- ▶ Philanthropy – philosophical
 - Organization-wide values-based philosophical commitment to the importance of relationships (“love of humankind”)
- ▶ Development - strategic
 - Of values-based relationships
 - Primary task for boards and staff
- ▶ Fund Raising - tactical
 - We are successful when we have the philosophical framework and strategic platform to implement our tactical approach to engaging prospects and donors around shared values

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Mission, Vision, Values

The basis of all we do
Our framework, inspiration and responsibility

Mission

- Mission is “why” not “what”
 - (We exist because...)
- It is bigger than your organisation – describes the human or societal need you are meeting and it should resonate in a way that engages people in a relationship with you (what need do you meet?)
- Master the mission so that it inspires others to desire a relationship with you
- Make the mission manifest through your communications and outreach

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Mission Example

- Vector Health Programs (medical agency treating hands in a California logging community)
- “Next to the human face, hands are our most expressive feature. We talk with them. We work with them. We play with them. We comfort and love with them. An injury to the hand affects a person professionally and personally. At Vector Health Programs, we give people back the use of their hands.”

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Vision

- ▶ Vision is a key to relationship building
- ▶ What is your vision for your organisation’s impact?
- ▶ If you are seeking legacy gifts, or in a capital campaign, your vision will guide those long-term investments
- ▶ Sharing and articulating the vision is everyone’s job
- ▶ The vision is instrumental in volunteer recruitment, constituency development, donor cultivation, the asking process and donor stewardship

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Vision Example: Pre-School Education Program in New Orleans

- “Our vision is that every child in the greater New Orleans area will be ready when it is time to start school.”

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Values

- ▶ Where do values come from?
- ▶ We derive the shared values from donors and volunteers so we can forge lasting relationships
- ▶ We need to link values to philanthropy, development and fund raising
- ▶ Values should be the basis of your messages
- ▶ Use values-linked feedback and stewardship to keep board, non-board volunteers and donors in a strong relationship with Hedgebrook

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An Expression of Values

- A thank you card sent to institutional and individual donors to a special campaign for a university library flooding emergency:
- “Your gift to the Stanford University Libraries helps us assemble the sources, the arguments, the hypotheses, the wisdom and controversies of the ages. For all those here, and those yet to come, please accept our gratitude.”
 - Michael Keller, Librarian

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Moving from Transaction to Transformation

Growing long-term stability by changing the way we engage our donors

Transactional Bell Curve: The Way We Have Asked



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Transformational Infinity Loop: A New Approach to Asking



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What Major Donor-Investors Look For In Organisations

- ❑ Issues – that match their values
- ❑ Ideas – that are innovative, workable
- ❑ Involvement – in whatever way engages them
- ❑ Impact – statistics + stories
- ❑ Investment – “return on investment” very important
 - Kay Sprinkel Grace and Alan Wendroff, 2001
 - High Impact Philanthropy (John Wiley & Sons)

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Stewardship: The Key to Continued Relationships

What it is; what it requires

The Goal of Good Stewardship is to Maintain the Relationship

- ❑ Stewardship: the ongoing relationship with a donor based on mutual respect for both the source and impact of the gift (*Beyond Fundraising*, Grace, 1997; Second Edition, 2005)
- ❑ A key ingredient in effective stewardship is the ability to communicate progress towards vision
- ❑ We engage our donors through stewardship: their commitment to us motivates them to help us bring in new prospects and donors who share our values and vision

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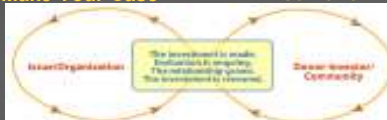
Maintaining the Relationship Requires

- ❑ Strategic marketing about program impact (Black & Decker drill)
- ❑ Information about financial performance (“People no longer give to charity, they buy into results” – Peter Drucker, Wall Street Journal, 1989)
- ❑ Perceived “ROI” related to the donor’s values
- ❑ Our responsiveness to change (windows –v- mirrors)
- ❑ A strategic plan based on the reality of the marketplace
- ❑ Systems and structures to support change

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Infinity Loop: Keeping Your Donor-Investors Engaged

1. You Make Your Case
2. You Tailor Your Case



3. Your Donor Investors Champion Your Case

High Impact Philanthropy
Kay Sprinkel Grace, Alan Wendroff

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Why What You Do Now Is More Important Than Ever

Knowing how to navigate in a turbulent economy: key strategies and messages

Key Messages for Success Heading Into a New Decade

- How the impact of your organisation favors the donor's two (or three) portfolios (financial investment, social investment, development of social capital)
- The importance of community investment
- The sustainability of your organisation
- The community impact of your organisation
- Your own "testimonial" as to why you stay involved and engaged
- The benefits to donors of continuing their support

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Long Term Relationships: Helping Donors In-VEST

- V**alues – donors must share your values to stay engaged over time
- E**ngagement – keeping them "in the loop"
- S**tewardship – the active relationship-building with those who support you through outright or planned gifts and through their volunteer work
- T**rust – accountability, transparency, disclosure

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Specific Activities That Work

- Become community connectors
- Master your "elevator speech" (and an elevator question)
- Focus on stewardship
- Create board/staff partnerships in building relationships – and partner with donor-investors to increase their sense of engagement
- Know the key points of both annual and capital opportunities for your organisation

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Making Strategies Work in a Small Organisation

Overcoming challenges
Capitalizing on opportunities

Strategies for Overcoming Challenges

- Maintain your own enthusiasm and sense of abundance
- Be consistent and expansive in your outreach to continuing and new supporters at every level
- Formulate and communicate the answers to tough questions so you and others will be able to assure donors about your future, impact and importance

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Strategies - 2

- Keep communicating even when people don't give
- Don't focus on diminished resources or programs
- Convey your impact, not your needs
- Let them know that the dream or vision is intact
- Embrace volunteers
- Believe there is still money out there
- Intensify your focus on legacy gifts
- Be better stewards of all donors

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My Story

Stabilizing a small organisation

1980

- Development Director, no professional experience
- 35 year old organization; founders still involved
- Many long time donors, no active major giving program
- Few systems in place
- Mostly direct mail and events
- Great board, but only a few involved in fundraising
- Development Staff = 3 FTE

1983

- Major giving program in place with board
- Remake of all print collateral materials (pro bono)
- Reduction in number of events and addition of one larger event with sponsorship
- Creation of board corporate support committee
- Planned Giving and Active Memorial/Honor Gift Program in place (still reaping benefits)
- "Systems liberate" and NO addition in staff

What I Wished I Had Then?

TECHNOLOGY!

Technology

- Donor stewardship interactive 2.0 programs
- Planned giving support programs: Crescendo, Future Focus
- Email communications to keep donors in touch
- Website promotion of organisation's accomplishments and opportunities for those who are searching for YOU

Key Insights from My Experience

- Engage volunteers
- Keep the programs simple
- Keep the materials simple
- Systems liberate
- Get your story out
- Market the success stories
- Make legacy giving an option in all major asks
- STEWARDSHIP

Daring to Dream

Small is beautiful: reprise

The Paradox of Urgency

- The constant challenge of the professional: urgency of the need being met (the dream or the vision) –vs- the urgency of needing funds for the dream
- Creating partnerships with donor-investors
- Translating dreams into opportunities for action
- Meeting the demands of donor-investors and the community (Lexus “customer retention center”)
- Spinning the story of transformation: community, organisation, donor-investor to move donors from *impulsive* to *habitual* to *thoughtful* to *careful*

Why Donors Drift Away

- Related to mission drift in many organizations: donors no longer see us as dealing effectively with “their” issue
- Failure to communicate on a personal basis (“Show me that you know me”)
- Failure to connect with them until they self-identify with a gift that gets our attention
- Bad experience (infrequent – more often it is because there is NO experience)
- Small organisations have great advantages in strategic donor retention

Summing Up

Making your dreams – and your donors’ – come true

How Small Organisations Can Broker Big Dreams

- Listen for the dreams of your community and your donors
- Personalize all of your outreach and communications
- Focus on your core mission and programs: build capacity but resist the temptation to expand beyond your capacity
- Partner and collaborate: the mission is bigger than any one organisation

Engage Your Donors

- Individuals are the largest source of long-term gifts: build the relationships, and the money will come. Nurture the relationships, and the donor-investors will stay.
- The advantage of being small is that more relationships can be personal relationships
- Another advantage is that people can get involved in a way that is meaningful to them

Support Each Other

- FSI brings you together around common community dreams, issues, concerns
- Work with other organisations to strengthen the perception of urgency and relevance of the issue(s) you are addressing
- Our sector shares ideas and successes: we learn from each other and if an idea works, let others know

Closing Thought

- “You see things, and you say ‘why?’ But I dream things that never were, and say ‘why not?’”
 - George Bernard Shaw

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