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We were fortunate to sit in a very special place. As a funder we were able to observe multiple fundraising approaches. And, in the past year, we fundraised ourselves, approaching tech companies and funders to support our work. Fundraising is hard at the best of times but, if you've just started out, it's a really tough gig. Start-ups don't have professional fundraisers, a track record or brand to draw upon. We failed to survive because we didn't successfully fundraise. Our experience of funding and fundraising inspired us to create www.beehivegiving.org to make it easier for small organisations to secure funding. We've captured our insights in the hope that others will have more success than us.



Diversify

We started our journey by being funded by one company. We always encouraged our start-up partners to have a range of donors supporting their work but we didn't act on our own advice until it was too late. We're not beating ourselves up too much - we were a corporate foundation and we don't know too many of those who survived after their founding company stopped supporting them. We learnt that it takes time to diversify, particularly if, like us, the organisation isn't set up to work with different funders. We needed to change people, priorities, and how we positioned ourselves as an organisation. And then we had to put down the foundations to fundraise, such as identifying and researching targets and developing collateral to inspire them. Being small, we found it difficult to do all this while continuing our work. It took us 6 months of graft to gear up and get into the swing of fundraising.

Time

It takes an awful long time to secure support from a donor. From our experience of both funding and fundraising we reckon it takes, on average, twelve to eighteen months from the first approach to the cheque being written. We're closing because we ran out of time to fundraise. So we should have started much earlier. It also takes up a significant amount of time to

fundraise well. We should have dedicated more time to fundraising but boy it's hard when you're small and trying to run your operation at the same time. Which is precisely why funders should minimise the burden they place on their applicants.

Influence

It's an old fundraising adage that people give to people, and our experience supported this. The organisations that were able to build up a good relationship with us were more successful. They were able to exert influence over us and, ultimately, encourage us to invest in them. We now understand how important it is to know which people to influence. Often it's several people, such as the grants manager, director and trustees. We always liked it when applicants asked us whom they needed to convince and how they could do that. It's so much easier to build a relationship in person so the best fundraisers make it their mission to get a meeting. There are creative ways of succeeding, such as going to the same events. Funders aren't the Royal Family - if we want to meet them enough it will happen.

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Skills

In a small organisation, fundraising is often left to the leader. Which means they might not have all the right skills. Our experience suggests three skills are needed to successfully fundraise. First, relationship-building skills to influence people to give. Second, communication skills to convey the proposition in a clear and engaging way. Third, persistence so as not to let go of the funding opportunity until it's won. A good fundraiser will still be fundraising even if they've been rejected – they'll not show frustration but instead explore how the funder might be able to help them in other ways. We had two of the three skills – as our leader readily admits, we needed him to be a bulldog but he was more of a cocker spaniel.



Connections

We forgot a basic principle in our first few months of fundraising – that we had significantly more chance of securing a meeting if someone else introduced us, particularly if that person was close to the organisation. It made sense. As a funder, we were always more likely to meet an organisation (that met our criteria) if they were introduced to us by someone, particularly if they were one of The Foundation's friends. We imagine this is because we trust our friends' judgement or perhaps we don't want to say no to them. We liked our partners to be ballsy with us and keep on asking us to connect them to other funders.

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Homework

If we had a dollar for every time a non-profit approached us for funding without reading our criteria then we'd have had a much longer innings. Funders rarely depart from their chosen area, however special the applicant might think they are. So, it's only worth approaching funders with a good fit and it's essential to tailor the application to what's most important to them.

Unfortunately, what's most important to a funder isn't always clear. As an example, many funders say they want to take risks but, on closer inspection, they really don't. As many funders are judged on what they fund, failure doesn't make them look good. Plus, the language that a funder uses is open to interpretation – terms such as 'innovation' mean different things to different people. So it's so important to speak to funders. When we did while fundraising we could always answer the question 'what really excites them?' but, on reflection, we couldn't always answer the question 'what might concern them?' and that came to bite us.

We met with non-profits that didn't appear to have a real understanding of who we were nor want to find out. It meant they gave the impression that they didn't care who they partnered with and didn't tailor their pitch to reflect us. We also liked it on the few occasions when people didn't launch into their standard pre-prepared pitch, but showed interest in our work by first asking us to tell them our story.

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Pitching

We heard some outstanding pitches during our time. The best were clear, engaging and tailored to us. We always wanted to hear three things about the organisation's work, and we're pretty sure most donors are the same. One, what's the problem the organisation is trying to address? Two, how are they going about solving this problem? And three, what will the results be? Technical language and business speak really turned us off. The use of simple language shows someone really knows their stuff and is much more likely to engage. Stories of people who have been helped were always great at pulling at our heartstrings, but to loosen our purse strings we needed numbers to prove impact.



Impact, impact, impact

Impact is the reason non-profits exist. It's the difference that we make. Take us - we see our primary purpose in life to transform the lives of young people. So, impact is pretty darn important. Yet, many applicants for our funding didn't communicate their impact well. Many focused on what they were doing without explaining why they were doing it. We found the best people to explain an organisation's impact are those that feel it - our most memorable moments were spent with young people, sharing their stories of how a non-profit had changed their lives.

We understand it can be difficult for non-profits to measure impact, particularly if it is intangible or difficult to attribute to their work. But we were less convinced about an applicant if they weren't making it a big priority to understand their impact. We came across non-profits



who only measured their impact for their donors. Surely, all of us need to know what's the difference we're making to the world? Otherwise we could just be wasting our time.

Openness

Every organisation has challenges so we didn't really believe them when non-profits told us that everything was rosy. It made us question whether we'd be able to have an open relationship and whether we were even needed. We always asked the question 'what are your big challenges' and weren't impressed when the response was a simple 'lack of funding'. We liked it when organisations used that question to demonstrate that they were smart enough to know what needed to change and driven to always want to do things better. However, at the same time, we found desperation from applicants a turn off. Perhaps because, without knowing their history, you can't help but question why they have ended up in that situation.

Expectations

In the beginning we were hopeless at managing the expectations of non-profits interested in working with us. We got excited when listening to organisations' fabulous ideas. We learnt that this gave people false hope. Although we couldn't temper our enthusiasm, we tried to be crystal clear about their prospects of securing funding from us. While fundraising, we had potential donors raise our hopes only for them to be dashed when a decision has been made. We were also too optimistic, reading too much into what donors said. In our future lives, we'll never again assume it's in the bag until the cheque is written.



WERE OUR EXPERIENCES OF **FUNDRAISING** HELPFUL? THERE'S PLENTY MORE FROM WHERE THAT CAME FROM.

INCLUDING INSIGHTS ON...



BUILDING A VENTURE



LEADERSHIP



PROGRAMMES FOR YOUNG PEOPLE



SUPPORTING NON-PROFITS



THE WORLD OF FUNDERS



COMMUNICATIONS



WORKING WITH COMPANIES

