

April 20, 2015

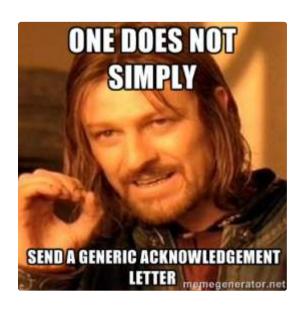
Winter is coming, and the donor-centric fundraising model must evolve











Hi everyone, this post is one of the toughest I have written. Mainly because I just watched the latest episode of Game of Thrones and now am feeling depressed and anxious about which character I like is next to die. Just kidding—kind of. This post is difficult to write because individual donor cultivation is complex, and I have been so focused on other areas of our sector that this seems like new territory for NWB. Today's post, then, is more an invitation for discussion, and I hope fundraisers, and donors, will weigh in with thoughts and counterpoints.

Over the last few years, we have been sharpening our

fundraising knives on the whetting stone of donor-centrism in order to carve into the gluten-free loaf of equity and social justice. (This may just be the worst metaphor I've written since the Vitamix of summits blending the margaritas of community engagement). Because of the constancy and complexity of fundraising, the brilliant development professionals in our field— <u>Pamela Grow</u> and <u>Mary Cahalane</u> being two that I learn from—have created a model where the donor is at the center. It is not about us and our organizations and programs, but about the

donors and their relationships with our missions. I've been making sure donors are thanked quickly and in personalized ways and are constantly kept in the loop, for example. And I've been learning to say "you" way more often in all my communications, both at work, and even at home—e.g., "YOU do the dishes!"

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This week, I attended an annual gala of a nonprofit that I love, and it was obvious that they needed to be more donor-focused. The whole evening became a celebration of the organization, and less than 5% of the time was dedicated to recognizing existing donors and inviting new ones to be involved. Without a clear connection to the role they played, guests became disinterested and kept talking over the speakers. The organization still raised money, thanks to a compelling mission, but if it had focused more on donors—and told better stories—I'm sure it would have raised even more.

All this is to say that I agree with many of the tenets of donor-centrism. Some of them are just common sense stuff that we should all be putting into practice: Acknowledge donors quickly, communicate frequently, don't treat people like ATMs, build relationship, appreciate every gift no matter the size, personalize, discuss impact and how donors play a role, solicit feedback, be transparent, etc.

When Donor-Centrism goes too far

What has been concerning me a bit lately, however, is the philosophy proposed by fundraisers that nonprofits "put donors at the center of their universe," that we should make donors the protagonists/heroes of every story of impact. "Donors want to feel warm and fuzzy when they give," I read, "so find some other sources of funding to cover your overhead so you can tell your donors that 100% of their donations go to programming." At another workshop, I was told to "find out what your donors like. If they care about early learning, don't bother to ask them for your employment program. If they love science, why would you ask them to donate to your art project?" This makes sense, and it works, and yet, it is also kind of sad.

When donor-centric fundraising is done right, it's cool; when it's done wrong, we sound like the used car salesmen of justice. Overall, there are several challenges I see with too much catering to donors' preferences:

First, we risk dividing the nonprofit sector into a strip-mall-like entity, where donors can walk around and choose the causes and organizations that do the best job appealing to them. All of us, then, end up continuing to compete with one another for "customers." But this is dangerous, since all the problems are related. If donors care about kids, they need to understand and care about employment programs. If they care about employment, they have to understanding and care about housing. If they care about housing, they have to understand and care about advocacy, etc.

Second, we perpetuate inefficient nonprofit dynamics. For example, despite our sector's push to get foundations to provide general operating support, when it comes to individual donors, we are still very much transactional. We tell people that their \$500 gift will provide 50 seniors with hot meals, \$1,000 will keep 10 families warm for the winter, etc. This makes people feel good about where their money is going. The problem with this is that an organization does an entire body of work, and to separate individual donors' contributions out of the whole is to perpetuate an illusion and further obscure the reality of nonprofit work, which makes it more difficult for all of us to do our work.

Third, we reinforce power dynamics and widen the dichotomy between donors and nonprofits, further distancing one from the other. "Donors want to do to meaningful stuff," we are told, "and we nonprofits are just the means for that." I think that's the wrong approach to have. If we are going to solve society's entrenched problems, nonprofits, donors, funders, volunteers, must all work together as equals with different roles to play, and one cannot be elevated above the rest. Many of us rail against the foundation/grantee power imbalance, advocating for more of an equal partnership. The donor/nonprofit relationship, while different, has similar dynamics. Donors alone cannot be "the heroes," just like foundations alone can't be the heroes, and we nonprofits alone can't be the heroes. None of us are heroes without all of us.

The Community-Centric Fundraising Model



For too long, we nonprofits have been siloed from one another. While all of us do different things and play different roles, there is one thing that binds all of us together: Community. We have different missions, but every single one links back to this one, the Prime Mission: To build a stronger, safer, happier community that we all can live in, where we want our kids to grow up in, where we can all grow old and die peacefully in. Donors, funders, volunteers, staff, board, businesses, we all belong to this community and

have a stake in it and a responsibility to it. Which is why, even though my current work focuses on building leadership among communities of color, I am deeply thankful for the work that my colleagues do in areas of homelessness, art, food justice, employment, senior care, environmental justice, culture, LGBTQ, racism, disability, child protection, domestic violence, human trafficking, transportation access, animal rescue, etc. We cannot have a strong community unless ALL of

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these things are addressed.

Honestly, I feel that in our quest to make our donors feel good so that they will keep giving, we often underestimate them. We separate them out from the community that they are in, and we reinforce the dichotomy of donors as the benefactors helping "other" people, and we make them feel "warm and fuzzy" for doing it. I don't think we focus enough on getting them to see the bigger vision, a vision that extends beyond our own organization. And by not getting other people to see this bigger vision, we simultaneously prevent ourselves from seeing it. To tackle the increasing challenges in our society, we nonprofits must think beyond our own individual org's survival, and think of the entire community, and get everyone else to do the same.

With that in mind, I think we should take the best elements of the donor-centric model, and evolve it into the community-centric model. I think donors want to be neither ATMs nor royalty to be catered to. I think that most would like to be equal partners in the work toward creating an awesome community that they are a part of. If the donor-centric model puts donors in the center, the Community-Centric model focuses on the community as the most important element of our work. Here are some recommendations:

Adopt the great stuff from donor-centric fundraising as a default: Again, that includes: Acknowledge donors quickly, communicate frequently, don't treat people like ATMs, build relationship, appreciate every gift no matter the size, personalize, discuss impact and how donors play a role, solicit feedback, be transparent, etc.

Challenge and educate your donors: In trying constantly to make donors feel comfortable, we forget that we should sometimes make them feel uncomfortable. An ED friend of mine recalled an incidence where he basically, in a one-on-one, called out a major donor for what he perceived was unintended racism. He was pretty sure that that donor would withdraw support; the donor actually appreciated the feedback and increased his gift. Another donor invited me to lunch and asked me to give him "trenchant, cynical, and brutal advice on my nebulous plans to get involved in the non-profit world." This is a brilliant person from the business sector who is now trying to get involved in nonprofit work and wants the occasionally painful truth, including about his role as a white ally in the work; we've had a great time. Our community cannot grow stronger if some of the most influential members do not get their views challenged from time to time.

Be knowledgeable about issues other than just the ones your nonprofit is working on: You don't have to be an expert, but so many issues are interrelated, and we need to break out of our silos. By doing so, we can better inform our donors of the complex issues in our communities and

provide a more compelling case for their involvement and support. We can also support one another better and more effectively collaborate.

Introduce donors to other nonprofits: Depending on the fundraising professional, this may be perceived as blasphemy. But I really believe that it will help us strengthen the sector, and thus the community, if we nonprofits are more supportive of and generous with one another. I try to introduce donors that I know to nonprofits that I think would be a good match for them. The nonprofits are extremely grateful, are likelier to reciprocate and collaborate, and the donors get a better grounding on the interconnections between issues. I find donors tend to be very appreciative of this. Yes, giving does occasionally transfer to the other nonprofits, but it comes back double in other ways, and the community is stronger.

Change the "you" to the "we." No, not the "we" referring to your organization—"This year, we served 300 families"— but the "We" that includes BOTH the donor and your organization working together, and the "We" that signifies all of us belonging to the same community. This one is tricky, because fundraising has either focused on the organization's impact, or the donor's contributions that made the impact possible: "Because of you, we were able to serve 300 families this year." That still separates the nonprofit and donor into two separate categories and does not effectively build community. The most compelling letters/emails I've read are the ones where they say "we" a lot—"Vu, we did it! We got legislation passed to get hummus into every school!"—but each time I see it, I feel like I am included, like I belong on an awesome team. I think, "Yeah! We totally did it! I was a part of that!"

Winter is coming



In Game of Thrones—whether you watch it or not, and you should—people are jostling to sit on the Iron Throne and rule the vast land of Westeros. One of the show's themes is "winter is coming," and in this land, winter lasts whole generations, and scary ice zombies rise out of the snow and kill everyone indiscriminately, kings and peasants. Winter, then, is a terrifying thing. While the different families fight over power, the

smartest and noblest people—who do tend to die quickly and in grisly ways in this show— know that everyone has to unite in order to fight off the much greater common threat.

We don't have ice zombies to contend with in our world, but we do have injustice, inequity, and oppression, and they manifest in various horrible ways. I am not sure if the nonprofit sector, in its current state of siloed work, poor recognition in society, and restricted funding dynamics, will be able to tackle our current challenges, much less future ones. We have to do things differently; we can no longer afford to just focus on our own nonprofit's mission and survival. All of us have to band together, support one another, and work as equal partners, and no one—not nonprofits, not donors, not even our own clients—should be center of the universe. The community, the one thing we are all fighting for, must be the center.

Again, these are just some of my thoughts. Please let me know what you think. Whether you agree or disagree, this is an important conversation for us to have. Because winter is coming, and for many of our community members, it is already here.

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Marie · 2 days ago

I agree, Vu, and our current challenge is to help our Board understand, too. For example: We recently did collaborative fundraising with another nonprofit, and it was a huge success; yet our Board has mandated that we not discuss that partnership in public because it takes the focus off our work. Sigh. Change takes time, changing minds takes even longer.



Pauline Urbano Hechler · a day ago

Thanks, Vu. Provocative. But two things to consider: 1) Donors are not vegetables; we don't "cultivate" them. We get to know them as we would a friend. 2) No two donors are alike, and yet we constantly lump them all together. I have found, though, that there are motivational similarities among donors to certain types of causes, e.g., people who give to hospitals are often either grateful or investing, should they need the hospital's services; people who give to independent schools often give reluctantly, feeling that their tuition already covers them; people who give to human service organizations often want nothing in return, except the assurance that their gift will help people; those who give to the arts often appreciate the recognition. But to say that "Donors..." is futile. They're all different.



Jorge Rivera · 2 days ago

Hello Vu and thank you for the thoughtful and amusing analysis of fundraising!

I am currently an organizer with the prospects of stepping into an ED role, which then means fundraising for our very small organization.

As an organizer, I wish more of our allied and partner organizations would also see the connection within the work we do. All the social justice work we do is interwoven and intertwined.

I would imagine donors would like to also see their is an overarching value in the donations they make. They are not solely helping one organization. They are helping the overall community. Their donations have permeating effects to the allied/partnered organizations we are on the ground with, challenging and changing the systems which perpetuate the injustices we see everyday.

As an organizer, we learn to work as a team...as a community. A strong and healthy community will rise from the same relationships established among organizations doing this work. Although the basic tenets of a donor centric model should continue, I believe there is a definite need for the evolution into a community centered model.