

Six things you can do to improve your fundraising in today's economy.

Are you concerned about the impact of the economy on your fund raising plans for 2008? Are your donors telling you that the economy is impacting their ability to make a gift to you right now?

If you are concerned that the wide swings in the stock market, the loss of retirement fund or investment asset values, the home mortgage crisis, and the government rescue of the credit markets may adversely impact your fund raising plans for this year, read on for 6 things that you can do in the current economy.

Many middle class families are having a difficult time right now. However, if unemployment rates are 6, 7 or 8% that still means that more than 90% of those who want to work are working. Even if giving does not increase this year, over \$300 Billion will be given away. So focus on the positive, not the negative. If donors won't make multiple year commitments at least get this year's gift, and plan to contact them again next year. Smaller gifts are usually made from income, not assets. So if donors are employed they will likely still give.

Major donors may be stretched if they are relying on investment income or assets to make gifts. They are probably feeling increased pressure from those organizations they normally give to, to give more this year. But every week we are working with our clients to close major gifts of tens of thousands, hundreds of thousands or millions of dollars. Many businesses are still profitable enabling major donors to continue their giving. Major gifts are still being given. You need to be out asking for them not cowering in your office.

Capital campaigns are starting and continuing. Some are even increasing their goals. Sure some are taking longer than originally planned, but it would be a mistake to postpone a capital campaign until the time is right. That would be like trying to time purchasing stocks in the market. There will never be a perfect time. In a better economy there may be more competitors for the charitable dollar.

The annual Giving USA surveys report that Christians tend to give more (6 times more likely) than non-Christians. Barna Research found that while one third of all adults give \$1,000 or more per year, 83% of evangelicals gave that much or more in 2007. In past economic downturns some Christian ministries even received more gifts than at other times. Those who are working and able to give continue to give out of a stewardship frame of reference regardless of the state of the overall economy. Some re-orient their giving to causes that are most important to them. Do they know enough about your work to make it a top priority?

Here are six things that you can do to maximize your fund raising results this year:

1. **Work your plan.** Presumably you have a plan for this year that indicates your strategies and expected outcomes from them. Measure how outcomes have compared to the plan. If they are close, continue to carry out the plan for the rest of the year. When charitable organizations need more money in the face of increasing needs, and some donors need to cut back on their giving, competition becomes stronger. If you do not have a plan, prepare one for 2009 if not for the balance of 2008. Otherwise you may miss opportunities.

2. **Remember the 80/20 rule.** If 80% of your gifts come from 20% of your donors, or something close to that proportion, pay increased attention to the 20%. Since 85% of gifts come from individuals spend proportionate time with them compared to corporations and foundations.
3. **Research your top donors.** If you have not recently researched your mailing list to identify your top donor prospects now is the time to do it. The Timothy Group uses Target America where for the cost of \$1 per name researched you can research a sample of 500 or more names to identify those with top potential. (5,000 names is the minimum number Target America will research for a single organization. The Timothy Group has purchased the service and can break it down to smaller numbers for you.) A college client recently found a Fortune 500 Company Vice President it its research. Already that relationship has moved from the VP for Advancement to the College President.
4. **Build relationships with major donors.** If you have just discovered a major donor prospect in your constituency, start the process of gathering information and becoming acquainted. You may not get to the request this year, but if other activities are slowing down now is the time to romance prospective donors for the future. Ask them what they are thinking, how their business is doing, who they can refer to you. The Timothy Group is constantly advising its clients on major donor relationship building.
5. **Increase the amount of personal contacts** over mail, telephone or events. The most effective and efficient fund raising is done face to face. Request more time of the CEO. Put off other projects that keep you in the office. Be out there with the top 25 donors. Call people rather than send them a mail appeal. If 90% of your mail appeal recipients don't respond to your appeal, stop sending non-donors appeals and switch the money to a more productive strategy.
6. **Ask 5 of your Board members to make 5 personal contacts** within their existing relationships before the end of the year. Be sure Board members have given their own gift before soliciting others. You might have asked Board members to do this already but if you have not asked recently, do it now. The Timothy Group trains and accompanies Board members on personal contacts all the time.

One **don't** . In your appeals and conversations, don't threaten to go out of existence if donors don't give. Don't say you will have to reduce or cut out whole services unless a certain amount of money comes in by a certain date. Unless this possibility is real, donors will discount this and future cries.

Contact us at The Timothy Group to help you write a plan, to help you train and carry out major donor calls, or to help your fund raising program through the current economy.

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