

# Creating a Strategic Fundraising Plan



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## You may NOT need a strategic plan, IF...

- ▶ You have plenty of money to accomplish your mission in a manner you feel proud about
- ▶ You always know what initiative to work on first
- ▶ Methods that worked for years continue to yield strong returns
- ▶ You know precisely what it is costing you to raise funds
- ▶ You've already got a plan and everyone in your organization is unified behind it



# Here's how to do it

STEP 1: Set goal

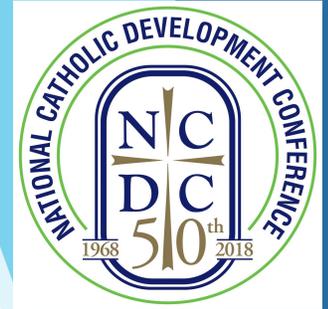
STEP 2: Evaluate the past

STEP 3: Analyze the current environment

STEP 4: Select Strategies

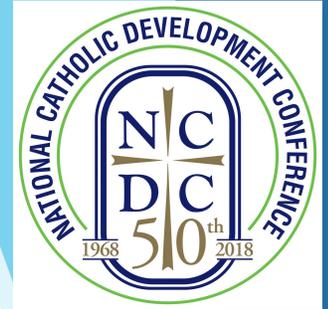
STEP 5: Develop Action Plan

STEP 6: Monitor and Revise



# It is all about Mission

- ▶ Our purpose
- ▶ Our raison d'être
- ▶ The framework of all we do



# The Mission of the Church

- ▶ Witness
- ▶ Proclaim
- ▶ Engage
- ▶ Invite
- ▶ Transform



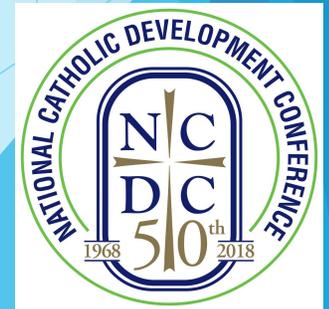
# What is Culture?

- ▶ the quality in a person or society that arises from a concern for what is regarded as excellent in arts, letters, manners, scholarly pursuits, etc.
- ▶ the behaviors and beliefs characteristic of a particular social, ethnic, or age group: the youth culture; the drug culture.
- ▶ the sum total of ways of living built up by a group of human beings and transmitted from one generation to another.
- ▶ the product or growth resulting from cultivation



# What is a culture of Philanthropy?

- ❖ The sum of the attitudes, experiences, beliefs, and values of an organization that understands philanthropy as a tool to expand its mission.
- ❖ A way of defining how things are done in an organization and how individuals within it interact with one another in terms of inviting and engaging others to partnership in mission.
- ❖ A shared understanding that fundraising is a ministry in which all participate at some level.



**The culture of mission and  
the culture of philanthropy  
converge  
in the Ministry of  
Mission Advancement**



From the perspective of the Gospel, fundraising is not a response to a crisis.

**Fundraising is, first and foremost a form of ministry.**

It is a way of announcing our vision and inviting other people into our mission.

Henri Nouwen



# Mission Budget vs. Maintenance Budget

- ▶ What can be vs. what is wrong
- ▶ Helping people vs. scarcity of resources
- ▶ Investing in lives vs. paying for programs
- ▶ Investments vs. costs
- ▶ Stewards vs. spenders
- ▶ Investment lines vs. cost lines
- ▶ Worship space vs. buildings
- ▶ Mission development vs. fund raising



# STEP 1: Establish your goal

Operating expenses (salaries, fundraising, supplies, purchases, etc.)

MINUS

Committed Income (ongoing grants, fees for services, product sales, investment income, etc.)

= Money for Mission



## STEP 2: Evaluate the past

Determine...

What generates the largest share of revenue?

Which sources are most reliable?

Where is the most potential for growth?

Which areas are not producing?

Where can you increase cost-efficiency (outsource or use more volunteers/board?)



# Looking back...

Were we able to do what we needed to?  
If not, why not?

What could have been done with:

- ▶ additional financial resources?
- ▶ additional staff?
- ▶ additional external resources?



## Step 3: Analyze the current environment

What internal and external factors will help you achieve your goals...and what factors will stand in your way?



# WHAT IS YOUR MISSION EQUITY?

- Your unique core truth or value proposition
- Your promise
- Your global identity
- The psychological association people make with you and what you stand for

-Susan Raymond, PH.D  
2016 NCDC Leadership Summit



# Your Mission Equity

- It is not your LOGO.
- It is more than a brand.
- It is not neuromarketing
- It is not something you have, it is something you build.

**It is the totality of the impression you give about who you are and what you promise those who support you.**



# YOU ARE IN TROUBLE WHEN...

- ▶ No one can explain what you do.
- ▶ People refer to you by your product or function not your name.
- ▶ Loyalty is tied to individuals, not the experience with the organization/institute.“
- ▶ You have to explain what you do.
- ▶ You don't know how to explain what you do.
- ▶ Your constituents don't know how to explain what you do.

Notice that the indicator of a problem is **NOT** just financial trouble. It is **RELATIONSHIP** trouble.



**It is about combining your mission - your core reason for being - with those who you are trying to reach.**

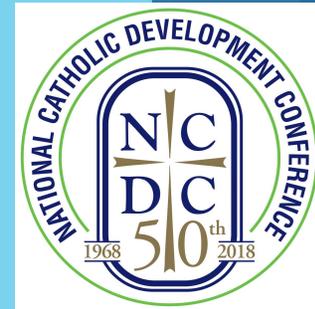
**It is about bringing who you are to where you want to be.**



# SWOT in action...

	POSITIVE	NEGATIVE
INTERNAL	<p><b>Strength</b></p> <p>Feed/clothe/shelter XXX people. Religious/Spiritual services. Established donor base.</p>	<p><b>Weakness</b></p> <p>Financial resources. Time/staff/volunteers. Name awareness. Inability to report outcomes.</p>
EXTERNAL	<p><b>Opportunities</b></p> <p>Increased need for services. Untapped programs (mid-level donors, planned giving, etc.) Increased media coverage</p>	<p><b>Threats</b></p> <p>National scandals. Economic conditions. Increased government oversight. Quindling government funding</p>

**Nonprofit Example  
SWOT Analysis**



# Preparing to SWOT

- ▶ Develop information on internal strengths and weaknesses...
- ▶ Survey staff, Board, vendors, clients, donors
- ▶ Pay attention to internal channels of communication
- ▶ Brainstorm!
- ▶ Know your Mission equity



# Preparing for SWOT

Are other groups like yours doing something you should try?

Or, have you identified a fundraising opportunity that is innovative?



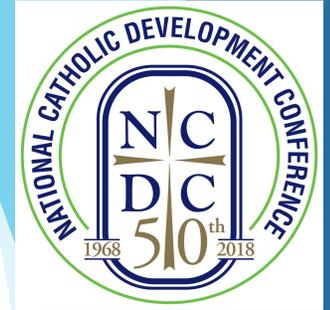
# Preparing to SWOT

- ▶ General and specific market conditions can be researched via:
  - ▶ Fundraising trade publications and websites
  - ▶ Publications and websites specific to your program area
  - ▶ NCDC, AFP, DMA and other trade associations
  - ▶ Giving USA
  - ▶ National Center for Charitable Statistics
  - ▶ Blackbaud and other database vendors
  - ▶ And through independent, proprietary research



# Need Help?

- ▶ To stimulate strategic thinking among staff, volunteers, Board, etc.:
  - ✓ Search online for free strategic planning exercises
  - ✓ Hire a strategic planning facilitator
- ▶ For donor base analysis & modeling:
  - ✓ Check the capabilities of your existing database software and/or external data service bureau
  - ✓ Analytics vendors offer a wide variety of 1-time audit and other analysis services
- ▶ For a full development audit, or comprehensive direction of your strategic planning:
  - ✓ Hire a fundraising consultant



## STEP 4: Select your strategies

- Decide which activities will work best toward your goal, while also aligning with your mission, your values - and your cash flow needs.
- Translate your general goals to SMART ones



# Strategy Checklist

1. Does it fulfill the mission of our organization?
2. Will it provide sustainable source of income?
3. Will it grow or strengthen our organization?
4. Will it increase our operating budget?
5. Is it cost effective and productive? In the short-term or long-term?
6. Do we have the resources to see it through?
7. Are the goals measurable?



# Measuring Success...

In business, money is both an input (resource for achieving greatness) and an output (a measure of greatness).

In our sector, Collins says, “money is only an input, and not a measure of greatness.”

A great organization is one “that delivers superior performance and makes a distinctive impact over a long period of time.”

--Jim Collins, *Good to Great for the Social Sector*.



# A Critical Question

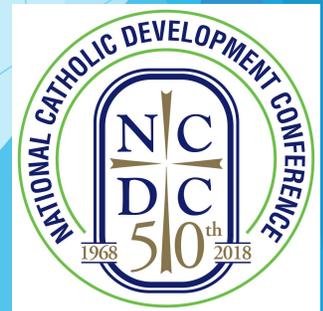
## Business asks:

“How much money do we make per dollar of invested capital?”

## For us the critical question is:

“How effectively do we deliver on our mission and make a distinctive impact, relative to our resources?”

--Jim Collins, *Good to Great for the Social Sector*.

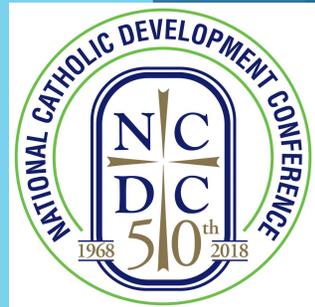




## STEP 5: Develop plan

Finalize your strategic plan into a written, comprehensive document spelling out your activities for the coming year

Planning helps you  
fundraise with **IMPACT**



# Plan document should include...

- ▶ **Executive Summary:** Brief synopsis of the detail
  
- ▶ **Plan Overview:**
  - ✓ state the purpose of the document
  - ✓ describe the organization's mission
  - ✓ include SWOT analysis results
  - ✓ other factors and/or assumptions impacting the plan



# Plan document should include...

## ▶ Funding Details:

- ✓ Review of how organization has raised funds in the past
- ✓ Current funding needs
- ✓ Specific goals
- ✓ Overview of strategies for achieving these goals



# Plan document should include...

- ▶ **Plan of action and implementation detailing each strategy:**
  - ✓ Description
  - ✓ Target Audience
  - ✓ \$ Goal
  - ✓ Other Goals
  - ✓ Cost
  - ✓ Who will do what?
  - ✓ By when?



# Plan document should include...

## ▶ **Management Review:**

- ✓ Identify funding sources
- ✓ Responsibility assignments
- ✓ Reporting structure
- ✓ Other relevant details describing the management of progress toward your fundraising goals

- ## ▶ **Conclusion:** narrative overview of what has been decided in the plan and what accomplishing the stated goals will mean for the organization





## STEP 6: Monitor & revise your plan

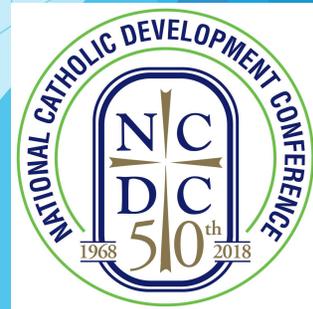
It's not over yet. In fact, it's never over!

# Assess progress monthly

- ▶ Compare number of gifts & revenues from each source for Month X of this year to Month X of last year
- ▶ Provide a status report on each activity/strategy

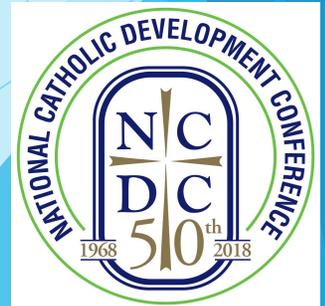
How are we doing?

Is there anything we need to adjust to stay on goal?



Don't be afraid to change course!

Make sure your strategic plan lives & breathes rather than gathering dust on a shelf.





# Donor-Centered Fundraising

Fundraising needs to be shaped to  
deliver  
what donors need  
instead of what decision-makers  
think they need.

--Penelope Burk, *Donor-Centered Leadership*



# Questions to Jumpstart your Strategic Planning Process

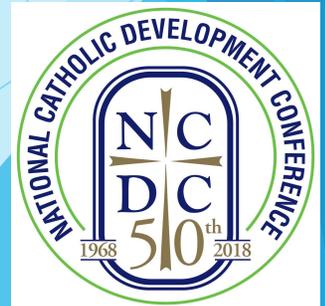
- ▶ What is the one thing your organization\* was worst at this year? What single thing most needs to happen to fix it?
- ▶ What is the one thing your organization did best this year? What do you need to do to turn that success into a repeatable process?

\* Your institution, division, department, project, group or team.



## Questions to Jumpstart your Strategic Planning Process

- ▶ What is the single metric or measurement you least liked hearing about this year? What will you do to prevent the same thing happening next year?
- ▶ What is the single metric you will measure your success by (not how anyone else will measure your success-- how you will measure your own success). What are you doing about it?

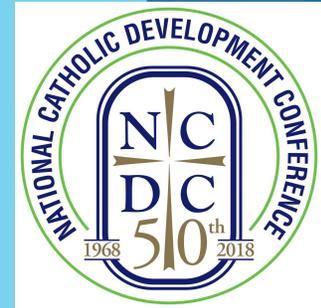


## Questions to Jumpstart your Strategic Planning Process

- ▶ If you fired yourself today, and came back tomorrow as a new boss with a clean sheet, what would you do?



# Brainstorming and Consensus



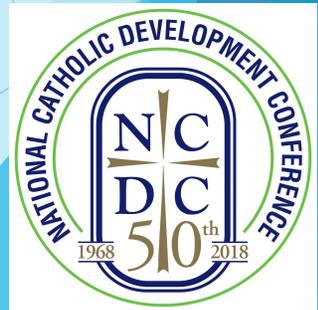
## Brainstorming

- ▶ What fundraising effort will add the most money for mission?
- ▶ What other fundraising effort should be expanded?
- ▶ What new program should we build to expand our mission?
- ▶ What should be scaled back on eliminated?

# Brainstorming and Consensus

## Consensus Seeking

- ▶ Rank by priority
- ▶ Rank by timeframe



# Imagine

God's Kingdom is the place of abundance where every generous act overflows its original bounds and becomes part of the unbounded grace of God at work in the world.

--Henri Nouwen



