Getting your Fundraising Strategy into Gear

There's no 'right way' or 'wrong way' to create a fundraising strategy as every organisation has its own unique circumstances and opportunities to generate income. Each charity will have its own areas where it has successfully secured income and your fundraising strategy should build on these successes as well as investing in those areas that hold the greatest opportunity for income in the future.

At the FSI, we meet hundreds of charities that are looking to develop robust, effective fundraising strategies through the free training we deliver across the UK. Here are my top tips:

1. It all starts with a plan. A clear forward strategy and an annual business plan, that is. Without knowing what your charity's strategic objectives are, what services and activities will be delivered in the year ahead, and how much that costs then it is very difficult to develop any meaningful fundraising strategy. There is a risk of mission drift if you allow fundraising to drive strategy which can have a negative impact on the services you deliver for your beneficiaries.

Your strategy and business plan shouldn't be a 50-page book that gathers dust in the bottom of the filing cabinet – it should provide a clear strategic direction and a plan for how you will get there over the next 12 months.

2. No growth for growth's sake. Very much linked to the above, we often hear charities saying 'My trustees want…/my CEO wants…/I want to treble our income for next year…how do I do that? Take a step back and ask two very important questions:

a) is there an unmet need within our beneficiary group, for which additional income would allow us to meet that need?

and

b) if so, are we confident that there is sufficient 'untapped' income that we could access, and where would this come from?

Only when you can answer both questions in the affirmative should you consider increasing your capacity to raise more funds.

3. Ensure a mixed income economy. Your fundraising strategy should ensure a good balance between low risk, low return on investment activities such as events and community fundraising. More moderate risk/return on investment areas such as Trusts & Foundations, Corporates, and potentially some high risk/high return on investment such as legacies and (if relevant to you) statutory contracts.

You also need to understand how your different methodologies relate to one another and the different points that a donor might enter your organisation. For example if you have a strong community and events programme with lots of engaged supporters, what are you going to do to move some of these into individual giving?

4. Build on what works – and learn from what hasn't. The best fundraising strategies will build on the existing strengths, skills and resources within your charity. It will also take account of what hasn't worked for you before. Think about transferable skills as well – could someone who writes effective Trust and Foundation applications provide support in other areas that require strong written communication skills? Or do you have a bubbly and motivating volunteer coordinator who might help you recruit some volunteer fundraisers?

5. Consider using a 'mean Return on Investment' approach. Very much linked to the point above, in a small charity you do not often have dedicated teams focussed on specific fundraising methodologies like you might find in a larger charity. One person may be tasked with corporate sponsorship, trusts and foundations and running your annual gala dinner. Therefore it can be difficult to accurately measure the return on investment of individual funding streams. One approach might be to agree a 'Mean Return on Investment' for your fundraising efforts overall. If you are falling short of this target your strategy should consider investing in methods that will yield a higher return on investment. If you are exceeding this target – well done! How do you further build on and expand this success?

5. Understand there are no quick wins. Or at least, don't plan on it! If you are starting a new programme such as legacies, corporate or major donors from scratch, it will take time to build – anywhere from 18-24 months, or even 5-10 years in the case of legacies. That's why it's vital to see fundraising as an investment.

7. Fundraising is a team effort. Fundraising is not limited to the person with 'fundraiser' in their job title – everyone in the organisation has a role to play, from the volunteers who are fundraising for you from their own communities, to those delivering your services who are providing you with meaningful outcomes statistics and stories, right through to the CEO and Trustees who will be providing contacts, influence and expertise to support your fundraising plans.

8. Don't let your current skills gaps hold you back. In addition to the FSI's free one-day training course in Developing Your Fundraising Strategy, we offer training days in a range of fundraising methodologies including Trusts & Foundations, Corporates, Legacies, Major Donors, Events & Community and Statutory Commissioning.

If you've identified a fundraising stream that has potential for your charity but aren't sure where to start with it, check out what is available near you at http://www.thefsi.org/services/training/

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