

Certainties of Fundraising in Uncertain Times

by Betsy Rigby, MEd., Associate Vice President

While, as a colleague stated, “Fundraising for COVID is over,” COVID itself is far from over. Although the crisis we felt in March is already long behind us, much uncertainty remains. And there is surely more ahead. Political rhetoric is heating up in advance of the election whose outcome is far from certain. Every presidential election, no matter the winning party, impacts the stock market, at least temporarily. The economy is enjoying a strong stock market now but also high unemployment and sometimes conflicting indicators. There are important national conversations about racial equality amidst great social unrest. Regionally, we are witnessing the impact of extreme weather, from wildfires to hurricanes. Even the roll-out of publicity around Blackbaud’s security breach continues to impact donors, many of whom have been notified by some of their charities but perhaps not all, adding to their uncertainty. We are very much not back to normal.

So what does fundraising look like now? Through a random and very unscientific sampling of nonprofit institutions—healthcare, higher ed, secondary education, international NGOs—we see that, while there is still great uncertainty, there are some distinct certainties.

As one client noted, “Everything is different. And everything is the same.”



Certainty: Donors continue to give as long as organizations continue to ask.

One of the most common immediate responses by fundraising programs to the pandemic was to raise money to meet immediate needs. Suddenly, many nonprofits became experts in emergency fundraising, creating “Heroes Funds” and “Rapid Response Funds.” Monies raised supported front-line workers or students needing to get home. In addition, masks, PPE, meals, and caregiver support were collected in sometimes overwhelming quantities. As is so often true of America’s philanthropic sector, donors rose to meet the need, from \$700,000 at a New England boarding school to \$17M at a safety net hospital to \$40M for an international NGO. We asked and donors gave.

So that’s what we do in a crisis. But what do we do when the inflection point of the crisis peaks and there’s no end in sight? Our attention span is much more conditioned to meet a need and move on. Now what?

The solicitations, as the saying goes, must go on. Following the last economic downturn, those programs that paused solicitations took the longest time to recover back to a baseline level of support. Solicitations must go on and we must acknowledge the realities of our context.

At the outset, most programs made a concerted effort to reach out to their donors, checking on them to make sure they were okay and confirming that the programs and institutions they had supported would make it through. Thus began our collective Zoom odyssey.



Now, as we listen to our donors, more closely than ever, they will indicate whether this is a good time for them to continue gift conversations, whether they are doing better or worse in the pandemic, and how much more they appreciate our missions. Giving Days are moving ahead and some are breaking records.

A survey as recent as last month found that, despite the ongoing pandemic, most donors say their giving plans remain unaffected. More than half (58%) of donors said they plan to give the same amount this year as last, while 23 percent said they plan to give less, and 13 percent plan to give more.

And while we are sensitive to the impact of the economy on many, not all are experiencing the same impact; some donors are doing very well. A recent BWF analysis of one institution's database overlaid the employment data on file with an industry sector analysis, segmenting those in fields that are doing better (construction, transportation) than others (hospitality, entertainment) to prioritize prospects and donors for cultivation and solicitation. Geography also becomes a key consideration as some in the West are buffeted by wildfires and the Southeast has experienced an intense hurricane season. For those who are likely impacted, stewardship is the priority; for others, the long-planned solicitation can proceed. Doing your best to take into account the many possible influencers on your top donors will stand you well. There is still great wealth, there is still great support, and there is still great need.



Certainty: Now more than ever, it's important to communicate the impact of your organization.

Many COVID donations were received from first-time donors who should receive special attention to convert them to institutional donors. Make sure you segment these new donors and specifically welcome them to your organization and reinforce the impact of their donation to your efforts and to your mission. The truism remains, donor acquisition is the most expensive fundraising activity relative to the number of donors acquired and average gift value, and donor attrition is most severe between the first gift and second ask. Make sure your new donors know how their support of your COVID efforts was used. Introduce them to your other programs and services. Demonstrate your expertise. Share your vision for the future. If converted, these new donors could be a windfall.

And don't forget to welcome back old friends. One large healthcare system reported that 3,000 LYBUNTs and SYBUNTs remerged during its COVID fundraising. Make sure you welcome them back and reinforce that you continue to execute on the mission that led them to being a donor pre-COVID.



Certainty: Online and digital fundraising are here to stay, and that's a good thing.

Digital is no longer an exciting new channel to explore for donor engagement; it is our connection to our donors. And now that we are online, some of our donors will want to stay online. Fidelity reports that 85% of millionaires use social media. An international NGO gift officer is negotiating a \$10M gift with his 90-year-old donor over FaceTime because the donor loves FaceTime. In the future, it will be our role to ask how a prospect and donor prefer to continue the conversation. More and more organizations are now counting videocalls, zooms, and texts as part of gift officers' metrics. Even when traditional in-person visits resume, these other metrics should continue. Digital and video will absolutely be channels to complement our traditional methods of reaching donors through visits.

In fact, some who couldn't beat the zoom, joined the zoom. When one institution moved its new student orientation online, it invited donors to participate and even break into small groups to chat with the incoming students. When Grand Rounds went online, donors were invited to listen. When Dr. Fauci spoke to leadership, 3,500 donors were included. Unable to be on campus, the institution brought the work of the campus to donors' laptops.

Videos reign supreme. Google states that 57% of those who watch a donor's video go on to make a donation to it at some point in the future. Explore how to create virtual tours of your hospital, campus, or Rwandan water project with existing footage. Experiment with using your phone or laptop to create brief

introductory videos for your donors to bookend your institution's existing resources. Consider: "Don, I thought you would enjoy this quick video of the orchestra's last rehearsal." "Sally, I hope you enjoyed hearing the latest lecture from your favorite professor." Ask leadership of your institution to record quick messages to thank donors. "Dennis, I wanted to give you a quick update on the impact of your last gift to my research." "Nora, thank you again for your ongoing leadership support; especially in times like these, it means the world to me and the rest of our executive team." This level of personalization is quick, easy, and impactful.



Certainty: We have new opportunities to engage new partners.

Not only are we working in new channels, we have the opportunity to engage new voices. Students can speak directly to donors from their perspective with appreciation for how their school is trying to meet their needs. Leadership volunteers may have more time to write personalized thank-you notes or make thank-you calls to donors. As Penelope Burke noted, pre-pandemic:

"Board members are especially influential with donors, inspiring them to give again and give more generously. In our now very well-known initial controlled test where 10% of new donors were called by a board member within 48 hours of receipt of their gifts, the test group gave 39% more than did the control group in the next appeal and went on to stay loyal after two years, at a rate of 70% versus less than 20% long-term loyalty among the control group. Calling donors within 48 hours of receipt of gifts produces the best results, but within 30 days is also effective."

Not all, but some of your board members and leadership volunteers may have time available to make thank-you calls and videos. These are low-threshold ways to include them in your fundraising program and provide them with a positive experience.

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Certainty: Fundraising events are different now and will likely remain somewhat different in the future.

Events have been hardest hit, and some have pivoted to find their online equivalents. With a few exceptions like golf tournaments, most events in 2020 have been cancelled and many went virtual. One medical college will hold all of its 2020 reunions with its 2021 reunions. An academic medical center has already stated that it will hold no fundraising events through calendar year 2021.

Where in-person events were theatrical, online events become cinematic. Some have found success by moving on-line, creating the double win of reducing the high overhead costs of events and eliminating the geographic limitations of in-person events. One institution used part of the funds it would have otherwise spent on appetizers, plated dinners, desserts, and an open bar to send participants a box with a half bottle of wine, a few truffles, branded note pads, and a few other special gifts in advance of the event. Night of, many were seen online enjoying their goodies. During the event, small groups were created on Zoom to connect key prospects and donors with leadership who delivered strategic messages that would otherwise have been delivered in person. And many appreciated the time saved from driving into town, parking, and driving home again late at night. What had been a four- or five-hour commitment was condensed into an hour and equally enjoyed. With that, the organization successfully met its pre-pandemic goal for the event.



Campaigns will still need their public launches, even when some institutions are facing budget cuts and furloughs. While previous campaign events may have focused on the dollar target for the wow factor, now launches should focus on the impact the campaign will have on the institution in the future. For some missions, there is more understanding of and sensitivity to institutional needs. Under the mantle, “now more than ever,” healthcare is speaking to the need to keep healthcare workers, as well as their patients, healthy. Universities are sharing the increased need for an educated, skilled, and trained workforce ready to adapt to a changing economy. A housing organization is finding greater appreciation for the importance of a stable home. A wildlife organization is speaking to its role in helping to prevent the next pandemic. While we have always focused on our missions in fundraising, campaign launches now give us a refocused platform to do so more than ever before.

And a few institutions have used the opportunity to eliminate an event or two that they had always wanted to but were considered too sacred to touch. It is most likely that events will return, albeit slowly. We may very likely be expected going forward to continue to offer live-streaming access even when others are gathering back in the hotel ballroom or on campus.



Certainty: Budgeting and forecasting require extra attention.

Many institutions are hoping to be able to minimize the ground they lost and are setting goals to match last year's achievement. Some are making only annual financial forecasts, while planning strategically for multiple years. Some are acknowledging the uncertainty and, though not changing their goals, are sending the message to staff that not hitting the mark will serve as a learning opportunity. Others have initiated best-case, worst-case, and most-likely-case targets instead of a single target. Some are planning for the current state to remain at least through calendar 2021. As challenged as budgets are, remember the important impact to staff morale of setting and exceeding targets.

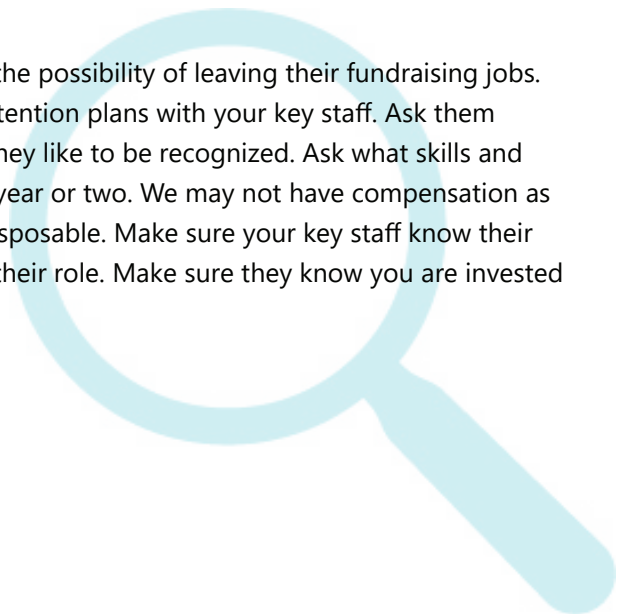


Certainty: How we do our work will see lasting changes.

We ought to think about how we do our work. The pandemic has proven that a lot, though not necessarily everything, can proceed out of the office as well, if not better, than in the office. One Florida healthcare system said his team has been so successful working remotely that he will permanently reduce his office space, thus reducing his overhead costs. One chief development officer said her team has never worked so productively in part because they have no down time for travel. Another organization said they are evaluating staff on their outcomes, not their hours.

And yet, remote work poses its own challenges, especially for working parents, those who care for aging parents, and those who live alone. Basically, all of us in one way or another. Therefore, make sure you connect with your team, ask them, as team members and as individuals, to identify any needs that they may have that you can help address. This is a difficult time and we need to be able to support our staff and give them the tools they need to continue to be successful. As noted in a [previous BWF whitepaper](#), there is a general air of uncertainty and anxiety around this entire situation, including fears of job uncertainty. It is important to maintain a caring and understating work environment.

That uncertainty will encourage many to think about the possibility of leaving their fundraising jobs. If you haven't already, this is a critical time to build retention plans with your key staff. Ask them what keeps them engaged with their work. Ask how they like to be recognized. Ask what skills and competencies they would like to build in the coming year or two. We may not have compensation as a tool, but we often have titles and flexibility at our disposal. Make sure your key staff know their plan for their next promotion or the next iteration of their role. Make sure they know you are invested in their success.



Summary

When the U.S. started shutting down mid-March, many fundraising programs made agile pivots and did what they do so well: raised much needed funding to meet an immediate need. They did this while also juggling their own responses to the crisis: shifting to remote work, changing priorities, cancelling events, and taking care of staff. Much of this was done with a sense of it all being temporary—"until this is over and we get back to normal," many of us said. We are far from normal. As much as we work to embrace the uncertainties of our these times, let's stay grounded in the certainties of these times. ■



About BWF

BWF is an international fundraising consulting and services company headquartered in North America. As both experts in complex philanthropy and the leading innovator in the field, we bring both a global perspective and local know-how, providing deep cross-sector strategic and tactical solutions to advance our clients fundraising abilities. It's why clients turn to us as their trusted partner, expanding their knowledge and abilities through our panoramic view of philanthropy. Not only do we stimulate the industry through thought leadership, but we are an incubator of multidisciplinary "next practices," always testing new ideas and exploring innovative ways of doing things.

For nearly 40 years, nonprofits throughout the United States and across the globe have turned to BWF to empower philanthropy for their organizations. We're ready to do the same for you. Contact us today at info@bwf.com or visit bwf.com.

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Betsy Rigby is an associate vice president at BWF, and has worked exclusively in fundraising for more than 30 years. She has spent half of her career in leadership fundraising roles for a range of Boston-area non-profits including the American Red Cross, the Edward M. Kennedy Institute for the U.S. Senate, the MGH Institute of Health Professions, and others. She spent the other half of her career with the Partners HealthCare system where she created the first hospital-based talent management program and built professional development programs, among other responsibilities. She earned her master's degree from the Harvard Graduate School of Education and holds a bachelor's degree from Tufts University.

Rigby has been active in professional associations throughout her career, serving as both a member of the steering committee and the development chair of the Group on Institutional Advancement of the American Association of Medical Colleges. She has also been a member of the board of directors of the Massachusetts Association of Fundraising Professionals and has served on the board of directors of Women in Development of Greater Boston. She has presented at numerous national and international conferences.