

Designs for Fund Raising: Principles, Patterns and Techniques

The following excerpts are provided for those staff and volunteers wanting an overview of the information in **Designs for Fund Raising: Principles, Patterns and Techniques**® by Harold J. (Sy) Seymour (New York: McGraw-Hill, 1966). Audience: primarily staff. Book is available through Association of Fundraising Professionals (www.afp.org) or Amazon.com.

About the Author

Sy Seymour might well be called the “granddaddy of development.” For many years, he led the Harvard Endowment Fund Campaign and is the most quoted man in the field of development. He served as Executive Vice President of the John Price Jones Corporation, a fundraising company, and, for three years during World War II, headed the National War Fund. He founded the American Association of Fundraising Council and, during 50 years as a development officer, provided consultation to numerous colleges, universities, national health and welfare organizations.

Current Patterns for Gifts and Givers

- Giving begets giving. Giving primarily is responsive.
- *People seldom give serious sums without being asked to do so directly. This principle holds even for trustees and all others at the very heart of the cause.*
- *People give because people at their own or a higher level ask them to give*, usually more thoughtfully when asked with good reasons, more proportionately when the giving requirements are explained—and the solicitor himself has helped set the standards—and more regularly and dependably when the contact is personal and influential.

People tend to be responsible to the dollar amount

sought from them and seldom register any concern about being given a high evaluation. For example, being told they are thought by their peers to be among the top 10% of the entire prospect list, *givers often will give more than they had intended to give*. The lesson to be learned here is the thoughtful solicitor always should *aim high*.

- Giving is prompted *emotionally* and then *rationaly*.
- Giving tends to favor round numbers.
- Givers tend to follow old habits and patterns.
- “Tax talk” may facilitate giving, but seldom is a prime mover. Don’t depend on it.
- Giving needs an atmosphere of optimism and hope.
- There is plenty of room for improvement in the sums given today.
- The key to organized fundraising is thoughtful and proportionate giving.
- The best way to raise money is to ask for it directly with boldness and confidence.

Campaign Procedures: Before, During and After

What you do *ahead of time* is what counts the most. The goals sought in a pre-campaign investigation are to

- *Identify the power structure*, the very top men and women who must make things happen.
- *Locate desirable leadership*, as opposed to

easily available people who can sing and cheer but have neither the right status nor the right relationships.

- *Spot dependable workers* and committee members for recommended choice and appointment.
- *Learn as much as possible about probable levels of support and sources of big money.*

All these findings should be put in writing—visit by visit—cross-indexed and dated.

Six things belong in every fundraising plan:

1. *Develop a case statement* for fundraising in the form of a summary. The case should explain the program and fundraising goals, and constitute an official base for all further comments.
2. The plan should *indicate the basic structure of the campaign* in terms of identification, lines of authority and committee organization.
3. It should *state the requirements* in terms of volunteer and paid personnel, card and list systems, office headquarters, campaign literature and necessary equipment.
4. It should *lay out standards for giving* in the form of tables indicating needed numbers of gifts of varying amounts and specify the workings of a practical quota system by which the job of solicitation can be broken into manageable units.
5. The plan must have a *timetable*.
6. The plan should have an approved *expense budget*.

Once guidelines are developed, the next pre-campaign move is involvement. *The major point to be stressed here is people seldom are motivated by information alone. They are motivated best by involvement.*

Determination of the Case

The basic document for the purpose of the campaign has come to be known as the “*case statement*.”

This is the one definitive piece of the campaign which *tells the story, answers the important questions, reviews the arguments* for support and *explains the plan* for raising money.

It shows how gifts may be made and who the people are who vouch for the project and will give it leadership and direction.

The case for fundraising should take into account what has been said about people, causes and giving. It should aim high, provide perspective, arouse a sense of history and continuity, convey a feeling of importance, relevance and urgency and have whatever is needed to warm the heart and stir the mind.

The Crucial Role of Leadership

For sheer importance, leadership belongs in first place, but the case for fundraising usually wins that spot simply because you need the best possible case in order to enlist the best possible leadership. If there is any one thing you have to have in a successful campaign, it is *exciting leadership*.

Top campaign leadership should be found in the “family.” In fact, one fair and good way to measure any organization is to see whether it has

on its board of directors—close to the heart of the organization—a man or woman who has what leadership takes. If not, some real institutional shuffling should be in order. Every cause should hope to enlist campaign leadership of the highest distinction.

It should be noted here, *retired* individuals usually are bad risks for effective leadership. Perhaps because their influence tends to wane with retirement and loss of leverage. But more likely because older men also are apt to have lost their zeal for the long hour and hard swing of the fundraising campaign.

The courtship of high leadership seldom is easy. These individuals always are “too busy.” But finding and nurturing such leadership—and being content with nothing less—constitutes fundraising’s greatest art of all.

Setting Standards of Giving

First, all organized fundraising must have an analysis of the total potential in terms of careful rating for the best of individual prospects and then, based on the planning study, a system of quotas. Otherwise, you cannot establish the proper goal, you can’t break down the total goal into local targets and no solicitor or giver will know what the gift requirements are.

All campaign goals need a cushion. Prudence indicates the campaign goal should total something more than the publicly stated goal—preferably as much as 120% more—or as much as the traffic will bear.

Within the limits of practical operation, people should be told not how much they *should* give, but how much they will *want* to give or what *others at their level are giving* presently.

Among habitual givers, half tend to come up with the same amount they gave the previous year, around 15% tend to give less, there usually is a dependable 10% of new givers or those who have lapsed and come home again, plus about 25% who give more than they gave the previous year.

Another test of an organization’s campaign goal is to determine how much the governing board will give. This is coming to be known as the “trustee nucleus fund.” Generally, the trustees should assume 10% to 15% of the goal and, in smaller campaigns, much more than that.

Just as important as the percentage of the goal to be assumed by the governing board, the really vital consideration is the members’ unanimity of response at an obviously sacrificial level of giving. *Board members must be willing to solicit as well as give.*

The major problems in a fundraising campaign usually can be identified under three major categories—case, leadership and procedure. Another area of concern is campaign staff. The most effective investment for any campaign is to set a high enough salary scale to get first class help. *One top staff person* is worth at least three bumbler and costs a lot less in more ways than one.

Developing Organization

The most important element in an organization is *influence*. The other major element is *action*. The best way to get influence in any kind of campaign organization is to seek out the power structure of the community. Everywhere, in all communities, the power structure comprises four separate groups:

1. Those who have inherited both wealth and tradition of public service,
2. the newly rich and newly powerful,
3. the top executives of key corporations and
4. what may be referred to as the men/women of “social significance.”

These individuals are present in every community. They conform to similar standards, follow and respect patterns of habitual success, patronize the same resorts and very likely know one another. They have the influence, and their actions—and *good management by the organization's staff*—can produce the desired action and results.

Organizations would do well to have one person on staff who specializes in the genealogy of the geographic area's power structure. Inasmuch as there is a considerable amount of intermarriage at upper socioeconomic levels, it can be vital to the organization to know these interrelationships. The power structure leads to quality and influence and in neither of these respects is sheer numbers of volunteers of significant importance.

Lenin's advice, “reduce the membership and strengthen the party” is directly applicable to the executive side of organized fundraising and development. So is the dictum “*the ways of effective voluntary organization seldom are the ways of democracy.*” *You don't elect people for this kind of work, you choose them.*

Solicitation

When soliciting funds for a particular cause, it's best *not* to ask for money. It is better to ask for a new laboratory, better dormitory, new piece of equipment, etc. My own way of putting it is no one ever buys a Buick just because General Motors needs the money.

What it all boils down to is this—never ask for money until you have sold the program, and never tell the prospective donor *what* to do or *how much* to give. Always content yourself with the expression of hope that he/she might give at such a level.

In suggesting such a gift level, aim high. When your prospect makes a commitment, regardless of the level, the next immediate question is “for three years?”

Solicitation should proceed from the inside out, starting with the board of directors and the institution's “family,” then spreading outward, always starting locally with the top group, always remembering fundraising is subject to the law of diminishing returns—the wider the periphery, the less the effect, the smaller the gift, the higher the cost.

Solicitation also should be conducted at the same or higher level. *The solicitor should be a giver whose own giving standards and place in the community are commensurate with the goals he/she seeks and the people he/she sees.*

Communication and Publicity

Information alone yields little or no action. Publicity does *set the stage*. It does state the message and lets everyone know from time to time our cause still is there.

Publicity has four chief roles in fundraising—announcement, general explanation, reporting of events and progress, and providing conversation pieces for organization advocates.

Most people “skim” more than they actually read. The written message should be kept straight and simple. It should be easy to read with short sentences and short paragraphs.

Direct Mail

The key here is *personalization*.

Letters should be personalized in every possible way and *never* considered as something preferable to eyeball-to-eyeball contact. Copies should look and read like a personal letter.

The right sequence still is the classic order of *attention, interest, confidence, desire* and *action*. Hopefully, the “P.S.” is reserved for the best medicine of all—emphasizing what the letter-writer him/herself has done and what he/she hopes the friend will do to help.

If possible, direct mail timing should tie in with current publicity. And whatever else, the letter should contain a last paragraph asking for something *specific*, preferably in terms of program and services.

Campaign Costs

You can not raise money without spending money. Annual campaigns running for less than 10% to 15% have all the cost responsibility anyone has a right to expect.

People seldom ask about costs and it is a poor practice to raise the issue by bragging about how low costs are. More often than not, organizations do not spend adequate money on fundraising.

Every campaign should have a budget. The budget should be a reflection of plans and goals.

No ethical or reputable fundraising organization, development officer or fundraising counsel ever does business on a commission percentage basis. All fundraising schemes designed on a “remit or return basis” for unsolicited merchandise either are illegal and/or unethical.

Special Events

Special events are like raisins in rice pudding—many people like them. However, they take the time and talent of many fine people, though they may give your cause some newspaper publicity. Perhaps some people may even become interested in your program. But grant all this and more, the fact remains special events do little or nothing for *thoughtful or proportionate giving* and almost always are carried out at shockingly high costs—both in terms of dollars spent and staff and volunteer time used.

Fifty percent costs are more usual than rare, and many special events have costs running higher than that. It is the cost of these events which trouble the more thoughtful fundraisers.

Memorial campaigns hardly ever obtain gifts which would do any more than buy flowers.

Programs always should be promoted ahead

of fundraising. You must sell your opportunities and *not* your deficiencies, never forgetting the *public gives money to promising programs* and *not* to needy institutions. A strong case leads to strong fundraising.

Never fear pressure; seek it out and use it in full and cheerful measure. Without leverage, nothing will move—and your campaign will languish and die.

National Health Agencies

Most have three functions—research, education and some sort of service to patients and their families. Both for effective programs and fundraising, national health agencies need substantial power and influential representation. Few, indeed, have this.

Herein lies their common dilemma in raising money. They either must try to raise their own funds or gain inclusion in federated appeals. Foundations generally are not interested in these annual and supposedly popular causes. The large corporations learn to give almost exclusively through local influence.

Special events and telethons can get publicity but *don't* raise much money on a net return basis. Turning to federated fundraising, the national health agencies can obtain a welcome degree of financial security but rarely any rapid growth in programs, because of the general lack of power and influence within the national health agencies.

Real fundraising campaigns among health agencies have been replaced by collections largely depending on a mass response, with all that means in terms of personal significance to the individual, dramatization by symbols, slo-

gans and poster pictures.

Health agency appeals seem to do best when they stress the universal danger, but at the same time show proof progress is being made and hope is getting brighter. In essence, they observe an ancient rule of human persuasion—giving people something to look forward to.

The common problems of health agencies such as over-reliance on publicity, lack of influential leadership, etc., tend to promote low standards of giving and higher fundraising costs.

Leadership

A final word on leadership. Every good fundraising operation needs two kinds of leadership—the *dynamic influential layman* who leads and the *competent staff person* who manages and serves.

Let it never be forgotten, leadership in itself always is the key factor in successful fundraising—whatever the cause—whatever the scope of the campaign.

Just as it is crucial to recruit the most influential and dynamic lay leadership, so too it is important to remember *cheap help is the most expensive help* and the *best investment any organization can make at almost any price is an investment in top staff*—people with integrity, stability, loyalty, competency and common sense. ✧