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# WHAT'S THE MONEY FOR?

**BUILDING YOUR CASE FOR SUPPORT**



Money Talks is OCIC's take on innovative solutions for common funding challenges faced by international cooperation organizations.

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# WHAT'S THE MONEY FOR?



by Ken Wyman,

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ABOUT KEN

Every donor, whether a foundation, individual, corporation, or government funder, asks one deceptively simple question: “What’s the money for?” How you answer that question makes all the difference in your success at fundraising. Based on charitable tax credits claimed by 5.5 million people (or 21% of those who filed income tax) [Canadians donated \\$9.1 Billion to charity in 2015](#), up from \$8.8 Billion in 2014 and \$8.6 Billion in 2013.

The real number is certainly bigger, and one reliable source pegs 2013 donations as high as [\\$12.8 billion](#). In 2015, Canada's international assistance spending totaled [\\$5.8 billion](#). That’s a big pie. How do you get your slice, or better yet how do you make your own? First, assemble the items you need to prepare a powerful case for support.

## CASE FOR SUPPORT CHECKLIST



**Human interest story.** Stories about the people you help are the most important because most donors give from the heart. Few donors support any charity because the organization *itself* deserves to flourish. Even though you may be working to address systemic injustice, it is best to focus on one person you can help when building your case for support. Psychological studies prove that [donations are cut in half](#) when charities mention two people instead of one, and plummet when “many” people are mentioned.



Focus on one person you can



**Solutions to problems.** Many people know about global challenges but are not convinced that they have the power to do anything to solve them. Problems seem impossibly big and international cooperation organizations have talked about the same problems for so long, that it may seem hopeless and overwhelming. Offer bite-size answers, the right size for the donor’s capability.



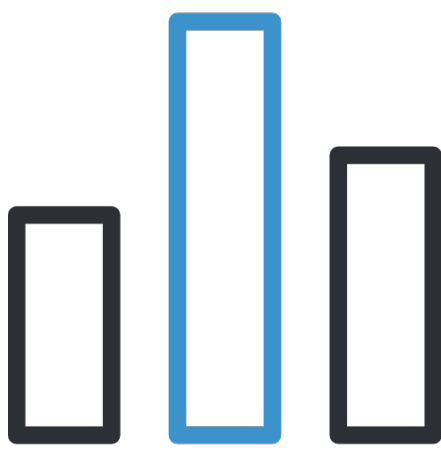
**A compelling, competitive narrative.** Donors you approach may also be considering donations to hospitalized children in Canada, diseases they may personally face, any one of 85,000 other charities and 80,000 non-profit groups that are not charities. Your stories must be both compelling and competitive, and this does not require a large budget to achieve. Innovative ideas win over old methods, so what fresh approaches do you offer? Scalable projects excite people with the idea that the projects they fund could grow across regions or be shared with other charities. Include any of these elements in your narrative.



**A participatory project.** Donors have heard stories of paternalistic western charities imposing impractical projects on a village that ultimately ignores or rejects the external ideas because they don’t fit local values. Demonstrate that your project has been developed with the full collaboration of all stakeholders, especially local participants.



**Statistics about your work.** Empirical information is valued by those who make rational decisions based on established criteria. Draw from your budgets and data to create compelling data visualizations, making sure to demonstrate the need for your project and how many people are affected. Show the costs of taking action by itemizing your inputs, such as staff and volunteer time, supplies, travel, and administration. How will you measure the results? Have you or others tried this method before? Make sure you include past outcomes and how they inform your future projections. For example, include details on sick patients cured, not just treated.



Create compelling data visualizations



**Successful accomplishments.** Listing your accomplishments helps donors believe you can be trusted with their money. Catalogue achievements as you would for your resume. Prove you have handled funds well in the past by providing audited statements or expert third-party evaluations and include testimonials from program participants, donors, volunteers and supporters. Highlight any awards your organization has received, and nominate board members, volunteers, and staff for honours wherever possible to lend credibility to your efforts. For example, every year [NGOAdvisor](#) ranks the Top 500 NGOs in Canada, and donors use this list to decide where to give.



**Lists of supporters.** Learning who supports your organization reassures potential donors that your work has met others’ standards of approvals.



Donor recognition installation at The Stop Community Food Centre in Toronto. The donors recognized in this installation are those that contributed to The Stop Community Food Centre’s capital campaign to open The Stop’s Green Barn at Artscape Wychwood Barns, which includes 3,000-square-foot state-of-the-art greenhouse, classroom, commercial kitchen, courtyard and outdoor gardens. Recognizing donors in this manner is an effective way of instilling confidence in your work. *Photo credit:* [The Stop Community Food Centre](#)

• **Donors:** List past funders, including governments, foundations, corporations, individuals, and other groups, unless they have requested anonymity. Dividing them into categories by the amount given allows other funders to compare themselves and consider an upgrade.

• **Board, volunteers, and honorary leaders:** There is an old saying in fundraising “People give to people.” One interpretation of this is that they make decisions based on who they know. To help donors gain trust in your team provide credentials, job titles and short bios. Donors may not be impressed that Jane Doe is on your board, but they might become excited if they see that it is Dr. Jane Doe, MD FRCP, Chair of AIDS Research at the University of Utopia.

• **Endorsements:** Like movie reviews, include short quotes from trusted sources in Canada or internationally. This could include journalists, teachers, medical personal, emergency responders, personnel working for other international cooperation organizations (ICOs), government staff and politicians (wait until they retire to avoid appearing partisan). If you don’t currently have good quotes, ask for feedback or ghost-write phrases for approval.

Who do Canadians trust? Firefighters and other First Responders are at the top of the list. Politicians are among the least trusted, but still above car salespeople. This article on [Huffington Post](#) can help you find out who you might ask to endorse your work by occupation. Unfortunately, [trust in NGOs is dropping](#), along with business, media and government.



**Superlatives:** What is your Unique Selling Proposition (USP)? Borrowed from business, this concept requires you to differentiate yourself from the many other ICOs. What makes your organization better than (or at least different from) other similar groups? Are you the first/oldest or the newest? Are you the biggest or is your virtue that you are the smallest? Are you the only one doing what you do where you do it and how you do it? Benchmark yourself by collecting data from three to five comparison groups.



**Structures of success:** Gather information on your governance, existing resources, strategic planning, and history to reassure donors their funds are in good hands

These are your key components, and your job is to gather them together. In many organizations they are scattered in multiple documents or in the heads of staff who may leave or forget. Some questions may require additional effort to answer. Gathering these components will make it much easier for you to adjust your case for support depending on the donor you are asking (see Donor Types below).



## 7 DONOR TYPES

There are seven different types of donors with different reasons for giving, and each requires a different approach. (See [The Seven Faces of Philanthropy and Partnerships](#) for more.)

Customize your appeals to fit the unique preferences of each of the seven types:

1. **Altruist:** Doing Good Feels Right
2. **Devout:** Doing Good is God’s Will
3. **Investor:** Doing Good is Good Business
4. **Communitarian:** Doing Good Where I Live or Work
5. **Repayer:** Doing Good in Return
6. **Dynast:** Doing Good is a Family Tradition
7. **Socialite:** Doing Good is Fun



# THE ART OF PERSUASION

Now that you have your components it's time to employ the art of persuasion. Words and images have power that you can harness for your case for support. There are six rules for persuasion, according to Professor Robert Cialdini (video below).



## THE SIX RULES OF PERSUASION

Explore how these apply to you:

**Reciprocity:** People repay what others have previously given. The people of Ethiopia [donated](#) after an earthquake in Mexico, because they remembered the support they had received from Mexico years before. You can describe the chocolate, coffee, or bauxite Canadians receive to encourage reciprocal giving.

**Scarcity:** Opportunities seem more valuable when they are less available. Businesses often tell customers there is a limited time to buy. One of the most effective ways charities do the same is to tell donors their gifts will be matched, but only if they give before the deadline.

**Authority:** People tend to defer to credible experts. Tell the donor that important people who really know say your project is worth funding.

**Consistency:** Once people make a choice or take a stand, they encounter personal and interpersonal pressures to behave consistently with that commitment. Get people to agree to universal truths first, such as no child deserves to suffer, before asking them to donate. Ask them to do something simple like sign a petition or re-tweet a message before asking for more commitment.

**Social Proof:** People do what they see others do. Let donors know that others like them give. Donor lists prove they are in good company. Personalize messages to say that others in [town] or others who belong to a [union, service club, or religious group] have given already.

**Liking:** People copy what people they like do. Peer-to-peer fundraising is effective because people want to please their family or friends. This is particularly useful to get support for walks, runs, and rides, Celebrity endorsements help when donors want to emulate their heroes.



## USE THE RIGHT WORDS

Minimize the use of your organization's name and self-focused, first-person words such as I, me or we.. The donor is the hero of the story so mention them by name and be sure to use words like you and yours. Make sure as well to prominently name the person the donor can help, as he or she is the reason for giving.

Sensory language helps the donor virtually experience problems and solutions. Use descriptive words for all five senses. Let the donor see, hear, touch, smell, and taste daily life before and after their gift makes a difference.

## ASK DONORS TO GIVE FOR THE RIGHT REASONS

Appeal to one of these four categories: Head, Heart, Wallet and Soul. Donors may be one type or a combination.



**Head (Rational Intellect):** Answer the donor's pressing questions, even before they think to ask them. Eliminate all doubts by writing convincingly.

- *What is the problem?*
- *What is the unique opportunity?*
- *Why is it important?*
- *What is the solution?*
- *Why should I trust your group's ability?*



**Heart (Emotions):** Donors must care about the people you help. Emotional motivations almost always triumph over the rational.

- *Why should I care about this?*
- *Will my donation change someone's life for the better?*
- *Is the problem/opportunity so big that my gift will be lost, or so small that my investment will get better results elsewhere?*
- *Why should I give right now? What's urgent?*
- *Will giving fill me with optimism when I feel despair?*
- *Does this situation make me feel sad or mad, fearful or safe, hopeful or nostalgic?*



**Wallet (Self-interest):** Allow that the donor may have selfish reasons to give. Explain "What's in it for me?" (WIIFM).

- *Is this a bargain that helps lots of people for little money?*
- *Can you reward me with premiums, incentives, or swag? Does your gift encourage me to reciprocate?*
- *Will it provide me with exclusive information others don't have?*
- *Will it fix problems in places I'm connected to?*
- *As a taxpayer, will it save money and reduce waste?*
- *Will it make my world safer?*
- *Will you publicly recognize me or someone I love for this contribution?*
- *What is my Return on Investment?*
- *Will it advance my career?*
- *Will it help my business?*



**Soul (Spiritual and Religious):** Most of the biggest donations come from individuals who are religious. See if you can tap into this motivation even if you are secular or non-sectarian, recognizing that shared values can transcend differences.



DEMONSTRATING IMPACT

Have you ever encountered a statement like this: “\$44 provides Vitamin A protection against blindness for 1,200 babies?” Using outcome and impact statements like this UNICEF example is a powerful way to demonstrate what the donor’s money will do. Here is what you need to build an effective statement.

USEFUL DEFINITIONS

When developing outcome and impact statements, you must differentiate between similar terms.



**OBJECTIVES (GOALS)** are the areas of activity or overall practical steps that a project or organisation plans to accomplish its aims. For example, your goal may be to feed hungry children.



**INPUTS (COSTS)** are what it takes to do the work, measurable in dollars, volunteer or staff time, infrastructure (use of buildings, equipment, vehicles, outdoor spaces, community facilities), in-kind and other resources. If your goal is to address child food insecurity, your inputs would be the ingredients and equipment you need to make the food for them.



**ACTIVITIES (METHODS)** are the actions, tasks and work a project or organisation carries out to create its outputs and outcomes as well as achieve its aims. To extend the cooking metaphor, this would be mixing the ingredients and cooking them.



**OUTPUTS (DELIVERABLES)** are the products, services or facilities that result from a project’s activities. This is what you do, or what the organization puts out. For example, your output or deliverable would be shipments of cases of PlumpyNut. However no hungry child has eaten yet.



**OUTCOMES (IMMEDIATE RESULTS)** are the changes, benefits, learning or other effects that result from what the project or organisation makes, offers or provides. The previous step was what you do, and this step is what they (the people you helped) do. This difference “comes out” of the things the project “puts out.” You can now measure the number of kids you’ve fed, and more importantly, how this affects infant mortality, their weight, and growth.



**IMPACTS (CHANGES)** are what really matters in the end. These are the broader or longer-term effects of a project’s outputs,outcomes and activities in the life of one person the donor helps. (Even specialists don’t agree on the meaning of ‘impact”. We mean “wider and broader effects”, but some simply mean “outcome”. Broad effects are often harder to measure, require long-term follow-up, and may be the result of complex factors beyond one organization’s work.) For example, one of the children you fed, Abebe, went from starvation to vigour, and is now studying to become a doctor who will help thousands of others in this community.

USE TRUE COST ACCOUNTING TO COVER FULL PROJECT COSTS

You may worry about the essential but not exciting daily operating expenses that are not directly associated with projects. Decades of dealing with funders who refuse to fund administrative costs have left charities in a tight squeeze. How do you get funders to support administrative costs? The answer is to stop using words like "core cost" or "overhead." In reality, every dollar you spend is about projects that help people. Here’s how to show this is so.

If you have expenses left over after projects are funded, you need a better accounting system. Project Accounting, Activity Based Costing (ABC), or True Cost Accounting are all terms used for a method that is widespread in business and government. It is completely legal, ethical, and legitimate to integrate the costs of overhead as part of the cost of each project rather than separately.

Think of it like ordering a pizza. The waiter does not say“\$4 for the flour, cheese and pepperoni, plus \$11 for overhead. I hope we can get a grant to clean the dishes.” She just tells you the pizza costs \$15. The price on the menu includes everything from food ingredients to wait staff, gas, and insurance. Track the full cost of each project, just like a pizzeria. Build unappealing costs into project costs. If overhead costs are included in projects, and donors fund the projects, there is no problem! Click through the slides below to learn how to do true cost accounting.

Line budgets like this are out of fashion:

Item	Amount
Salary	\$123,456
Rent	12,345
Phone	2,345
Printing	78,910
Etc.	4,567
Total	221,623

You can now honestly tell people what it costs to feed a person, including all the costs, with nothing left over, just like the pizza shop does. Old-fashioned funders may still create havoc if you don’t stick to this new budget system. Imagine the funder says: “We don’t fund administration. Here’s 75% of your budget.” Do not respond: “Our \$10,000 program is 100% funded, but we have \$2,500 in administration costs left over." Instead turn to other potential funders and tell them: "Our \$10,000 program is 75% funded but girls like Adjoa need another \$2,500 to live. Climb on this winning bandwagon."

Once your budget is focused on people and projects and you have eliminated the false concept of overhead, provide target budget figures over a five year plan, with goals at several levels. This helps the donor see the impact of giving larger or smaller amounts in human terms. Make sure you outline the impact of survival at a bare-bones level, continuation as-is, modest growth and stretch (maximum sustainable growth).

# CASE FOR SUPPORT TEMPLATES

Now that you have gathered all your elements and developed your outcome and impact statements, it is now time to write your case for support. This document can be divided into sections.

## FUNCTIONAL MODEL

Adapted from Indiana University Centre on Philanthropy):

1. **Mission** Why do you exist? What proves the recipients need and want this?
2. **Goals** What do you want to achieve?
3. **Objectives** How will you achieve your goals?
4. **Projects** What methods will you use?
5. **Governance** How well are you managed?
6. **Resources** What staff and facilities do you have and need to achieve the goals?
7. **Finances** How much did you and will you need to raise and spend?
8. **Monitoring & Evaluation** How will you measure progress and adjust the path?
9. **History** how does our past shape our future?

## W5 MODEL

1. **Why** Mission and Vision (Why does the organization exist?)
2. **Who** The people served, including numbers, demographics
3. **What** Problem(s) donors can fix.
4. **How** The method(s) you use to solve the problem, and why these are the right methods
5. **Where** The geographic scope, limits, and main focal points, and why these and not others
6. **When** What is the urgent issue for 3-6 months and 1-5 years?

This is the method required to get abundant funding for the people you help. Collect all this information in a binder, file drawer, or computer directory so that you can find all the information you need for your next appeal. Whether it is a fundraising letter, a grant proposal, a speech at an event, or a meeting with a major donor, these are the ingredients necessary to build a solid case for support.

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## ABOUT KEN WYMAN:

Professor Ken Wyman CFRE teaches in the Fundraising Management graduate program and the International Development graduate program at Humber College, and has taught at several other colleges and universities. His fundraising career began with five years as National Coordinator of Fund Raising and Publicity for OXFAM-Canada where he led a campaign that reversed a seven-year decline in income, and tripled public donations. Earlier, as a journalist and photographer, Ken filed news and human-interest stories from across Canada, Europe, South America and the Middle East. He has reported for The Globe and Mail, The Toronto Star, The Financial Post, As It Happens, and CBC National News, among others.

Ken has been a Certified Fundraising Executive (CFRE) for over 25 years. This international professional designation requires passing a rigorous exam and re-certification based on current practice every three years. His research sabbatical in 2012-13 focused on the challenges charities face when they speak out as advocates for social change. A popular trainer and consultant, he has lead conferences and workshops across Canada and the US, and in Cuba, Sweden, Austria, England, and Holland. Ken has been called "one of the world's best fundraisers."

Ken has written or contributed to eight books on fundraising. His most recent was the lead chapter on planning for fundraising for Excellence in Fundraising in Canada, which reached #3 on the Globe and Mail business book list. His other books include:

- Face to Face: How to Get Bigger Donations from Very Generous People (F)
- Fund Raising Ideas That Work for Grass Roots Groups (F)
- The Guide to Special Events Fund Raising (F)
- Everything You Need to Know to Get Started in Direct Mail Fund Raising (F)
- Planning Successful Fund Raising Programs, published by Imagine Canada
- Fundraising for Non-Profit Groups, with Joyce Young and John Swaigen, published by Self Counsel Press (F) Livres disponibles aussi en français.



# THE FUNDRAISING TOUR: A STRATEGIC TOOL

Fundraising tours are an effective way to demonstrate impact and boost your case for support.  
by Mena Gainpaulsingh



Dr. Fabiola León-Velarde, Director Peruvian Cayetano Heredia University (UPCH), and Dr. Fernando Salazar Silva, Dean of the Faculty of Stomatology, cutting the ribbon of the new surgical room at UPCH. This ribbon cutting ceremony marked the inauguration of the room and official presentation of the new Comprehensive Care Center created as a result of a new alliance between UPCH, KusiROSTROS and Transforming Faces to strengthen comprehensive multidisciplinary cleft care in Peru. The day's activities included a tour of the facilities. From OCIC's [Transformations, Stories of Partnership, Resilience and Positive Change in Peru](#)

At some point in the course of your fundraising work, it is very likely that you invite donors in to see your organization in action. Whether you hold open days, or show donors around individually, tours can be a great way of having your donors get up close and personal with what your organization does and the impact that it has.

However, when developing your tours, how strategic are you? Do you think about how the tour is constructed, the messaging that you want to get across, the feeling that you want to leave the donor with and most importantly, the action you want the donor to take?

How you plan and develop a tour can make all the difference to the donor experience. In fact, it's not unlike a visual representation of your Case for Support. Like your Case for Support, the tour should take your donor on a journey towards an ask of some kind (even if you are not asking for money at this stage, it should still lead the donor to take action, such as an agreement to meet again).

I love fundraising tours. I've used them throughout my fundraising career. I've conducted tours of schools, hospices, hospitals and even empty office blocks. In every case, they have been an excellent way to engage donors and help them to understand the value of the organization's work. But it's easy to get them wrong.

Here are a few pointers to ensure that your own tours can become wonderful donor experiences that help your donors to become more engaged and supportive of your work.

**Understand your goals.** The tour is not about showing people where you work. It's about demonstrating the need for financial support, so think carefully about your goals from the start. What do you want your donor to find out, understand and most importantly, what do you want them to do as a result of visiting you?

**Take your donor on a journey.** Like your Case for Support, the tour takes people on a journey which leads them to understand the role that they can play. Think about your tour construction, and how you can create that journey that builds up towards a call to action that they are expecting and that they want to answer.

**Bring the rooms to life with powerful stories.** You don't need elaborate premises to make this work. I've even run tours of empty office blocks, but through effective storytelling, where you help to re-create what happens in each room, you can build a picture in donors' minds of what you do, and take them on that journey with you.

**Build in the need into each room.** Use each room to demonstrate what your funding needs are. Then pay attention to where your donors seem to be showing particular interest. These are the clues as to how you can make your approach later on and what donors might be most excited to support.

**Make sure all your staff are on the same page.** It's essential that staff involved in your tours, even in some small way, are fully trained in the Case for Support, and given the right messaging so that they have the right answers to your donors' questions. Ensuring that all your staff fully understand what you are looking to achieve, and what their role is in doing helping you to do this, can make all the difference to their effective engagement with donors.

**Ask!** It's more rare than you might think that donors give without being asked, in some way, to support you. The simple fact is, donors like to be asked. They like to be clear on what the options are for providing support and to know that their support is needed. We all like to feel valued, and being asked to partner in your journey is one way to do this.

Fundraising tours can add to the donor's experience considerably. Think about how you can use them to create a fulfilling donor experience that not only connects them to your cause and need, but also contributes towards building stronger relationships.

## ABOUT MENA GAINPAULSINGH

Mena Gainpaulsingh is a fundraising consultant specializing in fundraising strategy and management, from capital campaigns to grantwriting. She is the CEO of [Purposeful Fundraising](#), a consultancy firm that supports organizations to strengthen their fundraising capacity and to raise more money. Mena also sits on the Board of the Association of Fundraising Professionals, Ottawa Chapter as Vice President of Professional Development.



The Ontario Council for International Cooperation (OCIC) is an expanding community of Ontario-based international development and global education and individual associate members working globally for social justice.

As a Council, OCIC strives to increase the effectiveness and collective impact of all our members' efforts to promote sustainable, people-centred development in a peaceful and healthy environment. OCIC is committed to principles of fair and equitable cooperative international development and promotes public engagement that helps Canadians develop a global perspective and take action for social justice.

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