



Wohllebengasse 12-14
1040 Vienna ■ Austria
Tel: +43 1 3197949-0 ■ Fax -15
office@trialog.or.at
Skype: trialog.office
www.trialog.or.at

*This project is funded
by the European Union*



TRIALOG Central Training “Financial Sustainability of National Platforms” Vienna - Austria, 24-26 February 2009

Minutes of the presentation given by

Hans Zomer, Dóchas Director **Fundraising in a cold climate**

Funding is going down. The Irish ODA programme has been cut by 10%. Dóchas, the Irish Development NGO platform may also see a cut in its funding. There is also a platform in Northern Ireland, but it has no paid staff and no income from members.

Even if the climate for fundraising is bad, it is not as bad as it looks like. Often, there is **no direct relation between an economic decline and fundraising**. Different types of fundraising work differently in times of an economic crisis – for example the method of “cold mailing” (buying addresses, sending letters) does not work in times of crisis. The good news is that long-standing donors can stay with an organisation through the crisis, even if the amounts they are giving are going down.

Dóchas has talked with members how the crisis is affecting them. The government has cut funds, private companies have cut funds. Collections (of money/addresses) on the street seem not to be affected so far. Regular monthly contributions from supporters have not been cancelled on a grand scale - the number of people who cancelled their commitments because they lost jobs is not enormous. Health groups and agencies even tend to see an increase of donations in times of crisis. Small NGOs - due to less staff and less diverse income - are more affected by an economic downturn than big NGOs.

Although the overall picture is not positive and funding goes down, there still ARE organisations that do well – it’s organisations with a good public profile and which are perceived by the public as “effective organisations”.

Therefore I would like to highlight:

- the **need for a profile** which is understood and seen as relevant.
- The **importance of relationship** with donors: Make sure to continue the relationship with donors and companies in times of crisis. Ask them to donate 50 EUR instead of 500, but keep the security flame burning - even if the donation may amount only to 1% of what it has been before.

- Communicate the **perceived impact**: give arguments to donors why they should fund your organisation. Don't write proposals for yourself, but make clear who you are, what you do, what values you stand for, what it will bring to the donor. Communicate and make the donor feel part of the work!

The same points relate to sustainability. **Sustainability** is not just about money, the **key ingredient** is **relevance and relationship**:

- What is it what we do?
- Why is it important?
- Why should anybody else care about what we do?
- Why should our members care?

In times of crisis prioritise! There is an opportunity in a crisis as well.

Further reading:

- Fundraising in a Cold Climate. An Analysis by 2into3, October 2008:
<http://www.2into3.com/news/Fundraising%20in%20a%20Cold%20Climate.pdf>
- For more links to related documents visit:
<http://www.trialog.or.at/start.asp?ID=195>

Questions and discussion:

How can a platform – not a single NGO - do fundraising?

The Irish platform does not raise funds so far, this will be a new activity. Platform work tends not to make people excited, but it is important work. NGOs often are a bit too nice and feel the need to offer all services and events for free. There are some creative ways of getting funding from activities:

- Dóchas has a database of consultants on its website, the consultants' CVs are advertised online. Dóchas charges 250 EUR/year for companies, 150 EUR/year for individual consultants. The income pays for a person who is updating the website.
- Charge for the use of meeting rooms
- Research results are sold to members (e.g. a recent survey on salary levels in development NGOs)
- Conference fees: NGO platforms could charge participants for conferences.
- Charge giving knowledge/information to lawyers – it's a question of valuing the own expertise.

Sustainability is not only a question of income, also think of potential ways of saving costs. E.g. if you work with companies, try not only to get them as sponsors of activities, but do things together with them in a cheaper way, out-source, use their facilities etc.

Fundraising possibilities will always be limited for platforms and networks, they will always rely on grant funding and in the best case on the income of their members.

- Make sure your members are as healthy as possible.
- Lobby governments that a share of funding goes to national networking.

Does Dóchas charge members for trainings? Is paying for services accepted by members? What kind of trainings would members pay for?

Dóchas rarely hosts trainings. That is done by another organisation, Dtalk, which does charge for trainings. Dóchas hosts seminars, and it is difficult to charge members for such events, because the members already pay a lot in membership fees. We could charge non-members for their participation, either for each event, or through an associated membership with a certain fee. On the other hand, additional activities like e.g. the Irish contribution to the CONCORD Aid Watch report cannot be done by the platform, it was paid by a member organisation.

There are different types of trainings members are interested in:

- Topics which help the members to know from each other.
E.g. Dóchas organised a meeting on how members are affected by the economic crisis.
- Get the right person for a training. Someone from abroad always works.
It is the platform, not a single NGO which can get a “guru” from abroad to come to talk to the whole sector. E.g. Dóchas recently invited a fundraising specialist from Britain.
- Who do you meet in the training – is a question.
A training is also about getting people together.
- Limit the number of participants.
This is psychology. If space is limited to e.g. 15 people, the interest is higher.
- Chose a relevant topic for members.

Member NGOs are experienced, but no-one can be experienced in all fields. Every NGO might know how to write a project proposal, but not for each field – it depends for which budget line, for which country etc. E.g. in Finland, trainings about how to apply for the Non-State-Actors/Local Authorities (NSA/LA) budget line are sold out, despite fee.

In NMS, the situation is very different than it seems in Ireland or Finland. Even in the most flourishing times, the situation faced by NGOs in NMS was more difficult. E.g. to fill 15 places for a training in Slovenia, would be a lot. Probably to promote 3 places would be the equivalent number in Slovenia. Members already pay membership fees, they would not understand to pay additional fees for events, but ask if the platform “supports” them? The platform needs to show that it is needed for development NGOs to be successful. Smaller NGOs see the urgent need to get connected to be able to compete with the big organisations. They understand that they would not benefit from a collapsing platform, but if the platform competes for funds, members see it as competition. The currently most effective way for the platform to support members is to help them to write project proposals.

Even in NMS a certain fee level for trainings could be realistic. E.g. TRIALOG remembers a training in Malta where there is hardly any paid NGO staff, but everybody paid with private money for copies and room rent. The training fee should always depend on the national level. No-one will come for a 500 EUR training, but

e.g. 10 EUR might be ok. With an interesting trainer from abroad, you might get even 15 people in NMS.

The main question is what do members want. When members say they want the platform to support them, do they mean support for their immediate, or their strategic needs? The real question is – what is the real value of the network? How do they make use of the provided information, not just get the information. The key function of the platform is the lobby function!

Tip: Never waste a good crisis – it raises awareness of members. It is a marketing opportunity for platforms to remind governments of the promised ODA levels.

What is the benefit for an organisation to be member of Dóchas?

Members should be able to answer this. The product is difficult to sell, but it is key for each network to answer this question! As mentioned above, the key function of the platform is the lobby function. Benefits:

- Access to politicians and decision makers. The platform has access to host events with politicians, members in most cases have not.
- Access to information – make sure your newsletters don't look cheap!
- Members should understand that they have to invest in networking to be effective development NGOs.
- Make sure not to appear just as expenditure - show members that you are not just costs for them.
- Always demonstrate what you do – make things visible! Show your influence.
- Start to use numbers. Work on indicators.

E.g. we have 40 members, 850.000 supporters – which is every 7th person in Ireland; Say how many people read your newsletter, visit your website. Have a statistics, how many times you are mentioned in parliament, what is your media coverage – even if it is not impressive, show that it is more than it was a year ago.

It was mentioned that in NMS, platforms need to sell the benefits better to their members but also to governments. The question was raised whether platforms should be flexible regarding the payment of fees for members and accept in kind contributions instead of fees.

Example: Finnish platform

The Finnish platform is in a unique situation, 75% of funding comes from the MFA. And the platform is still a watch dog. The government wants to support civil society. 5% of the budget is membership fees. The fee is not high, but members are paying for trainings. There are 3 categories: members pay a fix price, non members a higher price, the 3rd price category are universities, consultants etc.

In Finland, the financial strategy for the platform was developed a few years ago. It is a fundamental and very important thing to really think about where the money for planned future activities will come from.

The Finnish platform tried different things/ideas:

- Staff gives lectures at universities and gets paid. This works quite well.
- The platform does a lot of consultations, quite regularly. Would like to do that more, but it is a question of resources of staff.
- The platform has a new office facility incl. a well located meeting room which can be hired.
- Search for extra funding for small projects, for some small activities. It is quite easy to negotiate when you talk just about one concrete small product, e.g. a training book.
- Different EC budget lines. Development NGOs apply to the NSA-LA budget line but there is a lot of money in the EC budget which NGOs are not using - for different sectors: e.g. youth programme, citizenship projects.
- Search for other opportunities, e.g. around European elections, there are funds on national level from different ministries and sources. Or another example: in Finland, there is a Swedish speaking minority – in cooperation with them and with their financial support, the platform produced Swedish language material.
- Use possibilities for in-kind support, e.g. the European representation in Helsinki has conference rooms, refreshments; the European parliament representation is always looking for civil society partners; the platform works a lot with the national parliament, organises seminars in the parliament etc.