



ASSOCIATES

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Creating a Fund Development Plan That Produces Ownership and Results

P.S. Make sure this is a plan for today's realities and tomorrow's probabilities

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SESSION DESCRIPTION

How you create your plan is as important as the resulting plan. An effective process builds ownership and accountability among staff and board.

Your fund development plan also needs to square with today's realities, and anticipate tomorrow's. Things like donor centrism, relationship building and loyalty; marketplace congestion and realistic goals; research, the body of knowledge (and darn little personal opinion unless it's actually professional opinion based on expertise and experience).

This seminar is designed to help you re-think *how* you create your fund development plan and *what* should be included in the plan.

AGENDA SUMMARY

1. Defining fund development planning
2. Key components of a good planning process
3. Essential steps in creating the plan
4. Information that is useful for creating the best fund development plan
5. Major challenges to this planning process

See the following pages for a detailed outline – with notes – and references to specific handouts in your packet. The detailed outline with notes is provided because all topics will not receive attention during the presentation.

You have permission to photocopy and use these resources in your own work.

ADDITIONAL RESOURCES (See more at www.cfre.org, www.simonejoyaux.com, www.afpnet.org)

- *Keep Your Donors: The Guide to Better Communications and Stronger Relationships, Keep Your Donors: The Guide to Better Communications and Stronger Relationships*, Tom Ahern & Simone Joyaux
- Tom Ahern's Emerson and Church books on newsletters, writing better – and coming soon, case statements.
- Ted Hart's books on e-philanthropy | Mal Warwick's books on direct mail | Kay Sprinkel Grace's books on philanthropy and boards
- *Fund-Raising Cost Effectiveness* by James M. Greenfield
 - Information about evaluating effectiveness and measuring return on investment for fund development activities.
- *Strategic Fund Development: Building Profitable Relationships That Last* by Simone P. Joyaux
 - More information about creating the fund development plan, including sample plans.
 - Other topics covered: institutional strategic planning, building donor relationships, enabling volunteers, creating a strong organization
- Make sure you've read Jay and Sargeant's *Building Donor Loyalty* and Burk's *Donor-Centered Fundraising*. The research presented in these books is very useful for your fund development program. And stay on top of research by reading *The Chronicle of Philanthropy*.
- Read *Nonprofit Quarterly* regularly. It's great.

Simone P. Joyaux, ACFRE is recognized internationally as one of the nonprofit sector's most inspirational and thoughtful leaders. She's an expert in fund development, board and organizational development, and strategic planning.

Both her books receive rave reviews – *Strategic Fund Development: Building Profitable Relationships That Last* and *Keep Your Donors: The Guide to Better Communications and Stronger Relationships*. Simone presents all over the world and serves on faculty for the Masters Program in Philanthropy and Development at Saint Mary's University of Minnesota. She serves regularly on boards, founded the Women's Fund of Rhode Island, and is a former chair of CFRE International, the baseline certification for fundraisers worldwide.

She and her life partner donate at least 10% of their income to charity each year, and have bequeathed their entire estate to charitable organizations.



Detailed Outline – with notes and references to resources

Topic	Resources
1. What is fund development planning?	
a) Designing, evaluating, and updating your comprehensive fund development <u>program</u> .	Handout: <i>Basic Principles of Fund Development</i> , pg. 5.
b) Respecting the body of knowledge, using best practice, and anticipating next practice. Only qualified opinions, please!	Read research, good blogs, professional publications, books. Attend workshops and conferences.
c) Monitoring internal and external trends. Using research – your own and that in the marketplace.	
d) Building the adaptive capacity of your organization.	See Carl Sussman, “Making Change: Building Your Adaptive Capacity,” Winter 2003 <i>Nonprofit Quarterly</i> .
2. What are the key components of a good planning process?	
a) Recognize that fund development is part of the organizational system. <ul style="list-style-type: none"> • Most fundraising problems are actually organizational issues. • Your organization either facilitates or hinders fund development. What’s your corporate culture? What’s your organization’s understanding of systems thinking and learning organizations? 	Joyaux monograph, <i>Choosing Your Road</i> Chapter 2, <i>Strategic Fund Development</i> , Joyaux Chapter 3, <i>Keep Your Donors</i> , Ahern/Joyaux
b) Understand what process means and use process effectively.	
c) Staff’s ability to engage people in planning and implementation. (And staff’s ability to enable directly impacts the effectiveness of fund development in general, and governance, too.)	Handout: <i>Enabling</i> , pg. 7
d) Share a clear vision of what should be in the written plan. (See sample plans in <i>Strategic Fund Development: Building Profitable Relationships That Last</i> . Collect examples from your colleagues. And contact the AFP Resource Center, too.	Handout: <i>Components of Development Plan</i> , pg. 8
e) Think (and talk) strategically. <ul style="list-style-type: none"> • Secure the proper information for ongoing dialogue, evaluation of current plan / activities, and strategic decision-making. • Conversation is a core business practice. How effective are dialogue and questioning within your organization? What are your cage-rattling questions? 	Handout: <i>Key issues in the fund development planning process</i> , pgs. 9 – 10
f) Involve the Development Committee, Board, and staff in the fund development planning process – primary role of staff leadership and the Fund Development Committee.	Handout: <i>Interrelationships</i> , pg. 12
g) Ensure that each individual Board member will implement a portion of the plan prior to approval of the plan.	
h) Set realistic goals for organizational development, relationship building, communications, and solicitation.	What are your performance measures? See handout, pg.11.
i) Define performance measures and set benchmarks annually.	
j) Monitor process and results. Discuss trends and issues. Define interventions.	

Topic	Resources
3. What are the essential steps in creating the plan?	
a) Planning and implementing concurrently. That's reality. <ul style="list-style-type: none"> • Evaluate each activity at its conclusion, and project (and secure commitment) for the new fiscal year. Then pull it all together into a plan for the new fiscal year. 	
b) All the money stuff <ul style="list-style-type: none"> • Interfacing with budgeting process: setting charitable contributions budget (by source) using various variables; and, using fundraising planning to test budget before acting on budget. • Selecting solicitation strategies, establishing financial goals and justifying those. 	
c) Designing each component of the optimum fund development plan.	Handout: <i>Components of Development Plan</i> , pg. 8
d) Writing and approving the plan.	
e) Implementing and monitoring progress.	
f) And beginning again.	
4. What information is useful for creating the best fund development plan?	
a) Organizational development issues	Joyaux <i>Strategic Fund Development</i> : Chapter 2 re: internal relations and sample Development Audit Greenfield book Handout: <i>Gathering your thoughts</i> , pgs. 13 – 15
b) Community trends, opportunities and threats	
c) Return on investment for current fund development activities (cost/productivity analysis and non-financial return) – and all the variables in 3b.	
d) Segmenting the audience by solicitation strategy.	
e) Using the donor-centric pledge: How does your performance compare? What will you put in the plan to improve your DCP?	
5. What are the major challenges to this planning process?	
a) Volunteers and staff do not value process.	
b) Staff does not enable volunteers well.	Handout: <i>Enabling</i> , pg. 7
c) Staff does not want volunteers involved in questioning and decision-making.	
d) Staff perceives they do not have time.	
e) Board is not good at discussion; would rather hear information and react to recommendations. Reluctance to ask the cage-rattling questions. Fear of questioning assumptions. Dysfunctional politeness. It just goes on and on!	

Basic Principles of Fund Development

Philanthropy means voluntary action for the common good¹. Fund development is the essential partner of philanthropy. Fund development makes philanthropy possible by bringing together a particular cause and the prospects and donors who are willing to invest in the cause. The goal is to acquire donors of time and money who stay with the charity. This is done through the process of relationship building. With the donor at the center, fund development nurtures loyalty and lifetime value, thus facilitating philanthropy. You know if your relationship building works because your retention rates rise and the lifetime value of your donors and volunteers increases. (From *Keep Your Donors: The Guide to Better Communications and Stronger Relationships*.)

So what does this mean in practical terms? Here are some basics:

1. First, understand some **basic distinctions**:
 - a. **Predisposed**: An individual, business, or some other entity whose interests and actions suggest a possible inclination or susceptibility towards your organization's cause / mission. ("Suspect" is more common terminology. But who wants to hear anyone referred to in such a pejorative manner?)
 - b. **Prospect**: An individual, business, or some other entity that has demonstrated an interest in your cause / organization. The individual has raised his / her hand by buying your services or asking to join the mailing list or... In some manner, in some way, the individual, business or entity has raised its hand signaling interest in your cause and your organization.
 - c. **Donor**: An individual, business, or some other entity that has given a gift of time or money or service.
2. Nurture a **culture of philanthropy** in your organization. It's the right attitude that matters as much as anything. Culture refers to the personality / attitude of your organization. A culture of philanthropy means that everyone accepts and celebrates the beauty of philanthropy and donors, no matter the type or size of gift.
3. Build a **donor-centered**² organization. Focus on the donor or prospective donor. "It's not what your organization is selling, it's what I'm buying that counts. I'm interested in my interests, my motivations and my aspirations. Match those and then I'll give to you. Otherwise, leave me alone!"
 - Don't universalize your own passion. Not everyone is interested in your cause, no matter your eloquence. Don't try to convince them! That's offensive. Instead, find those who share your passion.
4. Giving is an **emotional act**, not a financial transaction. Your organization is the means by which donors live out their own interests and aspirations.
 - a. Neuroscience and psychological research document that all human decisions are triggered emotions³. Then rationale steps in. "Emotion is multi-dimensional: it focuses on a person's core goals, directs attention and interest, arouses the body for action, and integrates social group and cultural factors. It is thus a central component of meaning making." (Carol Saunders, PhD, Brookfield Zoo)
 - b. Research from the direct mail industry says that people give in response to one or more of 7 emotions: greed, guilt, anger, fear, flattery, exclusivity, and salvation. Just take a look at Simone's bracelet. People move from one emotion – e.g., anger – to hope, by using your agency as the means to make change. Tom Ahern refers to this partnering of emotions as "twin sets."

¹ Phrase coined by Robert L. Payton, first professor of philanthropics in U.S. and former head of the Center on Philanthropy, IUPUI.

² See Donor Centric Pledge in *Keep Your Donors* and at www.simonejoyaux.com. (Resources / Free Library / Fund Development / Relationship Building.)

³ See research of Drs. Antoine Bechara and Antonio Damasio, described in Tom Ahern's donor communications books. www.aherncomm.com. Psychologist W. Gerrod Parrott identifies 133 emotions! Read all about emotions in *Keep Your Donors: The Guide to Better Communications and Stronger Relationships*, by Joyaux and Ahern.

5. Engage **volunteers**, including board members and others. Make sure your staff effectively enables volunteers to participate in this meaningful work of identifying, cultivating, and soliciting.
6. **Don't trespass** on personal and professional relationships. Instead, use connections to identify those who might be predisposed to your cause. If you cannot qualify them as prospects (and it's their choice!), then leave them alone. Nurture relationships between prospects and your organization, getting them ready to be asked and asked again.
7. Effective fund development is like **permission marketing**⁴; people opt in or opt out. "Permission marketing is the privilege (not the right) of delivering anticipated, personal and relevant messages to people who actually want to get them...treating people with respect is the best way to earn their attention. Permission doesn't have to be formal but it has to be obvious." (From Seth Godin's book and blog)
8. More **visibility** does not produce more contributions. Everyone focuses on his / her own interests. Your agency can be more and more visible – but if I'm not interested, I'm not paying attention. And I sure won't send money. Just ask me about the NCAA basketball championship and World Cup!
 - a. It's okay if someone doesn't know who your agency is or what it does. Tell them, if they're interested. That's identifying the predisposed.
 - b. Do not solicit someone unless you know for sure that the person knows about your agency.
 - c. Where do you need to be visible? Among your current donors, because you want to build their loyalty. Absence does not make the heart grow fonder –it's out of sight and out of mind! Nurture these donor relationships.
9. You have to **give first**. (*You*, each board member, CEO, development officers, and fundraising volunteers.) Why? Because you cannot represent an agency or cause without demonstrating your own investment.
10. **Why do most people give?** Because they are asked. It's really that simple. But only ask those who are interested. Ask the right prospect for the right amount at the right time for the right project in the right way with the right solicitor.
11. Build an **individual giving program**. Each year, individuals give the largest portion of gifts in North America. What about elsewhere? And individuals are more loyal donors than foundations or corporations.
12. Fund development is a **process and a profession**. The profession is founded on ethical principles and standards⁵, based on a well-researched body of knowledge⁶, and protects the public through voluntary certification of professionals. Personal opinion – without the body of knowledge – doesn't and shouldn't count for much.
13. Most **fund development problems** are actually not fund development problems. Most problems relate to other areas of operation. Fix the real problem! (See www.simonejoyaux.com and click on Resources / Free Library / Fund development / *Choosing your road.*)
14. A **balanced funding mix** of solicitation strategies and donor sources ensures stability and credibility. Whenever possible, the best way to solicit a gift is through face-to-face solicitation.

⁴ See Seth Godin's 1999 book *Permission Marketing*. Godin contrasts permission marketing to interruption marketing, traditional advertising / marketing approach. You know, the billboards and glitzy ads - and sending me a newsletter that I didn't ask for.

So you identify the predisposed – those you suspect might have interests similar to your cause / organization – and introduce yourself (personally is usually best, e.g., through a cultivation gathering or one-on-one). Then, if the person (or corporation or foundation) expresses interest, that gives you permission.

Godin observes: "Rather than simply interrupting a television show with a commercial or barging into the consumer's life with an unaccounted phone call or letter [or in fundraising, the newsletter or a solicitation], tomorrow's marketer [and top notch fundraiser] will first try to gain the consumer's consent to participate in the selling process." [Bracketed comments are mine, not implied by Godin.]

⁵ See *Donor Bill of Rights* and the *AFP Code of Ethical Principles and Standards of Professional Practice* at www.afpnet.org. Or visit www.simonejoyaux.com, click on Resources, then visit the Education / Certification link.

⁶ Visit CFRE International (www.cfre.org), the baseline certification for fundraisers worldwide. Click on the Test Content Outline, which describes the required knowledge for a fundraiser with 5 years of experience.

Joyaux' Enabling Functions: A Critical Staff Responsibility

Enabling functions: You are accountable for these functions!

1. Transmit the organization's values.
2. Engage volunteers in the meaning of your organization.
3. Respect and use the skills, expertise, experience and insights of volunteers.
4. Provide direction and resources, remove barriers and help develop skills.
5. Articulate expectations and clarify roles and relationships.
6. Communicate (which includes helping people transform information into knowledge and learning).
7. Encourage people to question organizational assumptions and ask strategic questions.
8. Ensure quality decision-making.
9. Anticipate conflicts and facilitate resolution.
10. Engage volunteers in process as well as tasks.
11. Encourage volunteers to use their power, practice their authority, and accept their responsibility.
12. Model behavior.
13. Coach people to succeed.
14. Manage.
15. Enhance attrition.
16. Monitor, evaluate, and enhance enabling.
17. Create opportunities / strategies to buy more time to think things through. (Proposed by members of Cohort 14 of the Masters in Philanthropy and Development Program, Saint Mary's University, MN)

Enablers have the right attitude. Enablers:

- respect and trust others;
- are trustworthy themselves;
- are comfortable with diversity and complexity;
- welcome divergent opinions;
- are flexible and comfortable with change;
- commit to process as well as outcome;
- appreciate conversation and disagreement;
- share responsibility for success;
- acknowledge responsibility for failure;
- balance personal ego with egos of others ;
- persevere; and,
- are patient.

Enablers possess essential skills. Enablers are:

- organizational development specialists
- proficient teachers and learners
- effective communicators (listening, informing and helping to transform information into knowledge);
- critical thinkers (anticipating problems, identifying solutions, and redirecting volunteer energies);
- strategists (analyzing situations, identifying barriers and opportunities, capitalizing on strengths, and ensuring action and results);
- comfortable with conflict and resolve conflict through shared power with as many individuals as possible; and
- effective motivators and can focus and manage people well.

For more information about enabling, see Joyaux' book *Strategic Fund Development: Building Profitable Relationships That Last*, ISBN #0-8342-1898-4.

Components of the Fund Development Plan

The fund development plan is the institution's plan. This plan does not belong to the development department or the development committee.

The Board's Fund Development Committee conceptualizes the plan, in a process facilitated by the chief fundraising professional. This process engages the full board in strategic dialogue – at various points in the planning process – to assure board ownership. The fundraising professional then drafts the plan for review and discussion by the agency's chief executive and the Committee. The development committee adjusts, adopts, and recommends the plan to the board of directors. Once accepted, the staff translates the plan into its staff work plans.

Regularly, the staff, development committee and board review the status of the plan's implementation and devise intervention strategies as necessary. At the end of the year, the staff, development committee and board review actual performance against the plan. Recommendations are made for the subsequent year.

The annual development plan for the fiscal year should be adopted at the same time as the budget. The fundraising plan shows how the budgeted goals will be met.

Format of the plan: Format is easy to read and understand. Document is used regularly at committee, board and staff meetings. Both strategic and financial goals should be proposed.

Elements of the plan: In summary, the annual development plan should include the following critical elements: strategic and financial goals, identification of target markets, cultivation strategies, solicitation strategies, roles and responsibilities of staff and volunteers, measurable benchmarks and a timetable, and the process for monitoring progress and evaluating performance.

Consider including the agency's mission statement – reminding everyone why fund development is so important. And how about including a mission statement for fund development?

The plan may also include a case statement or "themes" for particular fundraising activities as well as recognition policies and activities. The depth of the plan depends upon the experience and sophistication of the organization.

In general, all plans should include the following:

1. Financial review and financial goals
 - Comparison, by donor source and solicitation strategy, of previous year's actual contributed income to current year's budget by source and solicitation.
 - Development office operating budget.
2. Strategic goals (which result from an analysis of any strategic and operational issues that may impact fund development and their proposed resolution.)
3. Relationship-building program (including communications and cultivation)
4. Solicitation strategies targeted to appropriate market segment, based on market's gift potential and return on investment
5. Outline necessary human resources; describe general roles/assignments for staff and volunteers.
6. Description of cultivation and communications activities.
7. Criteria for evaluating effectiveness of fundraising including cost productivity analysis; and, process for monitoring progress and evaluating performance.
8. Timetable.

A more comprehensive plan might also include the following:

- Outline of programs and services directed at each target market and themes for different solicitations.
- Summary of acquisition, renewal and upgrading strategies; summary of strategies directed at core donors (the most committed, the depth of your donor base) and the periphery (the breadth, increasing visibility) and strategies to upgrade from periphery to core.

Key Issues in the Fund Development Planning Process

- 1. Fostering a culture of philanthropy within the organization**
 - a) Assure that everyone in the organization values philanthropy and donors.
 - b) Use systems thinking.
 - c) Understand that most fund development problems are not fund development programs but actually are organizational development challenges.
- 2. Staying current in the body of knowledge / best practice, and research – and applying it**
 - a) Keep current in the body of knowledge/best practice through reading, training, conferences, etc.
 - b) Monitor sector research.
 - c) Do research within your own organization.
 - d) Monitor the external environment beyond the nonprofit sector.
- 3. Creating a donor-centered organization**
 - a) Assure that the organization puts the donor in the center and understands his / her interests, emotions, and aspirations. (See #5, relationship building)
 - b) Ensure that communications focus on the donor.
 - c) Use the Donor-Centric Pledge⁷.
- 4. Identifying potential funding sources**
 - a) Examine the charitable contributions marketplace in order to address such issues as:
 - level of congestion in fund development
 - issues and organizations receiving donor focus
 - strategies that have been effective reaching donors
 - opportunities for networking with other philanthropic organizations and donors
 - b) Identify constituents (e.g., audience members, volunteers, etc.), invite them to become donors.
 - c) Identify those who might be predisposed to your cause (some angle) and get to know them well enough to qualify them as prospects, or not.
- 5. Developing the relationship with potential funders/donors**
 - a) Develop an ongoing process to get to know qualified prospects better.
 - b) Identify interests, disinterests, motivations and aspirations of prospective donors and determine if there is a value match with your organization.
 - c) Develop donor-centered communications and cultivation strategies to build the relationship.
 - d) Build donor-centered relationships to foster loyalty and increase donor retention.
 - e) Provide adequate and appropriate acknowledgment and recognition for donors.
- 6. Positioning your organization within the philanthropic marketplace**
 - Regularly evaluate your image and reputation amongst your diverse constituents, e.g. audience, donors, volunteers, community leaders.
- 7. Organizing to do the fund development work**

⁷ See *Keep Your Donors: The Guide to Better Communications and Stronger Relationships*, by Simone Joyaux and Tom Ahern. See *Building Donor Loyalty*, by Adrian Sargeant and Elaine Jay.

- a) Outline the values, ethics and standards for fund development.
- b) Define the fund development functions, competencies and skills necessary to carry out fund development, and the appropriate structure for optimum performance
- c) Define fund development roles for staff, the Board as a group, and its individual members and other possible volunteers.
- d) Identify training needs for volunteers and staff and develop appropriate materials
- e) Develop the fund development plan

8. Maximizing the return on investment through the best use of solicitation strategies

- a) Evaluate interest, readiness and capacity of prospects and donors.
- b) Determine the appropriate solicitation process, request, and solicitor for each prospect.
- c) Estimate the dollars that might be generated, the cost to do so, and use this for planning.
- d) Use the skills and contacts of board members and staff without trespassing on relationships.

9. Implementation

- a) Develop solicitation materials, e.g., case statement, gift transmittal mechanism.
- b) Ask for the gift and secure the answer.
- c) Monitor progress, identify challenges and intervene.
- d) Evaluate productivity and return on investment.

10. Assessment of process and results

- a) Establish criteria to measure⁸ return on investment and evaluate results.
- b) Compile participation rates, e.g., acquisition, attrition, retention; calculate gift upgrades and average gift size. Determine cost to raise a \$, cost effectiveness and return on investment.
- c) Determine trends and analyze implications.

Fund development is a profession with a documented body of knowledge, best practice, ongoing research, ethical codes, and certification for its practitioners. The most effective fund development requires professional leadership – on staff or through consulting – supported by excellent administrative and clerical resources.

The most effective professionals use the body of knowledge and best practice, personalizing these to the organization. The most effective professionals are much more than great fund-raising technicians. The best development professionals are, first and foremost, organizational development specialists. These individuals know how to make an organization work and what causes dysfunction. In addition to fund development, these professionals are experts in strategic planning, governance and management, enabling of volunteers, and many other areas within the not-for-profit / nongovernmental sector.

⁸ This is a weak area for the sector. Too many measures focus on financial results. Too many of the metrics are actually outputs rather than results. See *Keep Your Donors*, Chapters 23 and 24 for further exploration of this topic.

Monitoring progress and measuring results: how good is your relationship-building program?

From the prospect / donor / volunteer perspective

1. Satisfaction with your organization's execution of its mission and the progress made on your mission
 2. Satisfaction with your organization's customer service (and not just from the development office!) Just look at Sargeant's research about donor loyalty.
 3. Satisfaction with your thank-you process and your recognition program
 4. Satisfaction with the quality of conversations they have with you
 5. Satisfaction with your organization's communications
 6. Degree to which their personal values align with your organization's values (essential for what a donor considers a large gift)
 7. How often the donor refers others to your organization
- And so many more! Seems to me we fundraisers are especially weak in this area.

What you do to nurture relationships

1. Breadth and depth of information in your files, with an emphasis on interests and disinterests, motivations and aspirations
 2. Diversity, regularity, and frequency of organization contacts with prospects and most especially with donors
 3. Level of personalization in communications and cultivation
 4. Effectiveness of cultivation at fundraising events
 5. Effectiveness of communications strategies and content
- And so many more! Seems to me we fundraisers are pretty weak in this area.

Charitable giving measure that reflect donor loyalty

1. Donor retention rate
 2. Rate of transition from first-time donor to regular donor
 3. Percent of donors who increase their gift size and / or number of gifts per year
 4. Size of gift compared to your estimation of donor's level of interest and commitment
- And so many more! We do this pretty well as fundraisers.

For more, see *Keep Your Donors: The Guide to Better Communications and Stronger Relationships*.

Interrelationship Among Board, Development Committee and Staff in the Fund Development Process

<i>Activity</i>	<i>Responsibility</i>
Set organizational goals and policies for fund development.	Board
➤	
Develop committee tasks and procedures that relate to development and advance the organizational goals and policies.	Staff, Development Committee
➤	
Develop strategic fund development plan(s) to support institution's mission, vision and programs.	Staff, Development Committee
➤	
Outline action steps to accomplish activities and identify any policy recommendations necessary to accomplish the plans.	Staff, Development Committee
➤	
Review and adopt working plans and activities.	Development Committee
➤	
Review and approve plans, activities, and policy recommendations.	Board
➤	
Carry out activities.	Board and Development Committee members, Staff, other fundraising volunteers.
➤	
Monitor progress.	Staff, Development Committee, Board
➤	
Evaluate progress and performance toward meeting goals.	Staff, Development Committee, Board
➤	
Evaluate the committee's role in helping achieve organizational goals and begin the fund development process again.	Staff, Development Committee, Board

[Developed by S.C. Coviello and S.P. Joyaux]

Gathering your thoughts to prepare the fund development plan

The whole organization affects the fund development program

1. Are you sufficiently relevant to the community to justify raising charitable gifts?
2. Take a look at the internal operations of your organization.
3. What are your internal strengths throughout organization? How will you capitalize on these strengths in order to address organizational weaknesses?
4. What are your internal weaknesses? Which ones have an affect on your fund development program and how will you address these weaknesses in order to move forward?

The external environment affects your organization's capacity to operate

1. Take a look at the external environment in which your organization operates. And don't restrict yourself to the immediate neighborhood or city limits!
2. What are the opportunities that you might take advantage of?
3. What are the threats that you have to manage but cannot control?
4. Which opportunities and threats may affect your fund development operation and how will you address these?
5. How well positioned are you in your community's philanthropic marketplace? What enhancements are necessary and how will you make them?
6. What is the level of congestion in your philanthropic marketplace and what activities are happening therein?

Your current development operation

1. How donor centric is your organization?
2. Based on the development audit, what is the effectiveness of your fund development operation? Which areas need enhancement? Which areas are strong and how will you build on these?
3. How effective are you at enabling volunteers? What specific steps will you take to enhance your capacity to enable and to better utilize the enabling functions?
4. What is the level of volunteer participation in your fund development program?
5. How effective are your volunteers and what kind of changes must be made?
6. How effective is your relationship-building program, including your written communications?
7. Take a look at *Fund-Raising Cost Effectiveness* by James M. Greenfield, FAHP, ACFRE and his thoughts on return on investment. See Ahern / Joyaux *Keep Your Donors* for performance measures related to communications and relationship building.

The change process

1. What are the barriers to making change within your organization and how will you overcome these barriers?
2. What resources are necessary to help the organization make change? How accessible are these resources and what must be done to acquire the necessary resources?

Sample worksheet: analysis of fund development program

This worksheet may help you in your thinking. Create a grid with the columns presented below.

Column definitions

- Sources of Funds: Individuals, corporations, foundations, civic groups, faith groups, special events, etc.
- Solicitation strategies: Face-to-face, direct mail, telephone, proposals, special events
- Results: \$ raised, participation rates (e.g., retention, attrition, acquisition, upgrades)
- Strengths: What worked well.
- Weaknesses: What needs improvement.
- Proposed Changes: Outline the changes necessary to improve.
- Resources Need for Change: Outline the resources necessary to make the desired improvements.

Sources of Funds	Solicitation Strategies	Results	Strengths	Weaknesses	Proposed Changes	Resources Needed for Change