

## **In 2021, Do Not Fall Into The Trap of Not Diversifying Your Non-Profit Fundraising Streams**

Both an art and a science, fundraising is a tricky field. There is not “one size fits all” nor is there a development plan that will work for every organization. Focusing on one main category, such as foundation giving, can be risky and limiting especially in a 2021 COVID climate. Therefore, it is more important than ever to be entrepreneurial, creative, and well-versed in every component and dynamic of fundraising.

As the pandemic recedes, and we slowly return to normalcy, it is imperative to learn some intrinsic lessons from the past 18 months. All too often, a nonprofit organization places itself in an extremely vulnerable position if it is reliant solely on a limited funding stream (i.e. foundation grants). Gyration in financial markets and other crises can impact your fundraising initiatives greatly -- however, the best protection to protecting the viability of your organization against forces beyond your control is by developing a multi-faceted development plan to tap into various, novel and potential fundraising streams inclusive of individual giving, major donors, foundation support, corporate partnerships, special events, peer-to-peer funding, legacy giving, and more.

### **One Nonprofit’s Success Story:**

A well-established national educational nonprofit in NYC was dying both in terms of membership and also their fundraising. Although they were a 100 year organization, their brand had become flat. Moreover, their development operations were solely focused on soliciting grants from large private foundations while relying on two large grants that were quickly drying up.

In tandem with a rebranding initiative, the organization launched into recalibrating their fundraising plan in conjunction with my development strategy. Over the course of a year, the organization shifted away from a unipolar plan just on foundations, and into a multifaceted plan inclusive of several various, nuanced, and novel pools of prospective funding.

While they were long abandoned prospects, several programmatic endowments were built by cultivating alumni and members more effectively. Corporations signed on through volunteer opportunities, and faith based organizations were engaged to provide seed grants. A legacy giving program was established, special events were reenforced, and major donors were actively engaged and solicited. By the end of the year, my new strategies had raised an additional 25% from the previous year and poised to raise even more the next year too.

### **Recalibrating Your Strategy**

Many nonprofits are frequently far too reactive in many of their fundraising pursuits and lack a clear strategy and fundraising directive moving forward. By thinking outside the box, and reconfiguring your organization's fundraising "puzzle", you will not only be able to garner much greater funds from existing supporters, but you will be well poised to tap into additional new sources of fundraising support that you may not have even considered previously.

### ***How to Raise More Money Creatively and Effectively:***

#### **Creating A Solid and Successful Development Plan**

Far too often, development professionals launch forward in a myriad of different ways to reconfigure or restructure their efforts only to find themselves caught in the weeds.

Alternatively, having a concrete strategy in hand will allow you to move forward in a grounded, multi-faceted capacity to focus on tapping into several potential funding streams – while also allowing you to break from the plan and repivot if necessary.

#### **Individual Giving and Major Donors**

Although hardly a monolithic entity, individual and major donor fundraising go hand in hand. For many nonprofit organizations, fundraising from individuals is their life blood while some need to ramp up their major gifts programs. Nevertheless, whatever the size of your organization, individual giving should be a core component of your fundraising efforts. In many

ways, individual and major giving can be more creative to exact and more fun relative to other more cumbersome and lengthy fundraising areas.

While individual giving can often be the lifeblood of nonprofit fundraising, without the proper cultivation or “touches”, an organization can be severely limited in its capacity to upgrade donors. By understanding and executing a comprehensive ‘moves management’ approach, your organization will be well poised to greatly expand your individual giving to its fullest potential.

### **Corporate and Foundation Giving**

Gone are the days when sponsorships could be easily secured from corporations. However, by thinking outside the box, nonprofit organizations can establish dynamic, comprehensive, and creative ways to engage corporations and their employees as supporters too. Although corporate sponsorships were much easier to acquire in the past, it has become a much more challenging environment in recent years. Corporate sponsorships have often been procured to support nonprofit galas and other events in return for certain accoutrements such as publicity and positive exposure. Keep in mind that while corporations do want to make an impact, it is more likely also a marketing calculus that while suggest where and to what cause they decide to fund. Understanding their goals will help you achieve successful corporate fundraising campaigns and initiatives in this regard.

On a similar note, private foundation support has become extremely competitive and limited in scope especially for unsolicited support. During COVID-19, foundations often dedicated funds solely for pandemic related activities or to help maintain their nonprofit partners through challenging times. Many nonprofits rely on existing foundations to sustain them, and yet often these grants will dry up without any new prospects on the horizon. Frequently, foundation support can be earmarked for specific program without the flexibility for general operating support. Nevertheless, by combining a proactive and strategic research approach with solid grant writing skills, you will see the fruits of your labor pay off in ways that seemed well beyond your reach previously.

## **Legacy Giving**

Planned giving can often be one of the last aspects of fundraising on the radar of a nonprofit, and yet, this realm can often have an incredible payoff and an unimaginable impact. By understanding the basic components of a planned giving program, your organization will be able to successfully implement a program that fit your bandwidth as well as your needs.

Moreover, legacy giving has the capacity to provide organizations with a much-needed boost during a challenging year – often with “fall from the sky” funds. However, legacy giving requires a level of strategy and promotion that should not be ignored regarding of your development capacity.

## **Fundraising Outside of the Box**

In 2021, it is imperative for nonprofit organizations to be entrepreneurial and creative in their fundraising initiatives. Through implementing new strategies like peer to peer & social media fundraising, your organization will be well poised to fully engage younger donors in an interactive, compelling capacity. By successfully pivoting your special events to a hybrid capacity, you will reach constituents from all over the US and globally to raise greater awareness of your work and procure much-needed additional funds.

Faith-based giving is often considered a platform for faith-based organizations to concentrate on; however, if positioned correctly, this will be an area of extreme fundraising growth in several novel and different capacities.

As nonprofits are increasingly seeking to tap into younger philanthropists and donors, peer to peer fundraising provides a more interactive approach that appeals to this demographic. Every nonprofit organization should be considering adapting and offering options for all to raise money as ambassadors of the organization. There are several proactive steps that you can take to launch a peer to peer initiative either composed of crowdsourcing and/or sports related events.

Social media fundraising presents a challenge for many nonprofits. As so many staff members are wearing several hats, this can frequently be an area done in an ad hoc capacity. Moreover, many donors or even board members do not follow the specific social media pages created for the nonprofits they support. Lastly, while nonprofits do utilize social media for communication purposes, it will not organically translate into dollars unless an effective strategy is implemented.

### **Finding Your Solution**

Bill Edelstein is both an experienced nonprofit fundraiser of over 20 years and an established educator in various topical areas including fundraising, international relations, and human rights. He also has advanced degrees in political science and education. Entrepreneurial, strategic, and proactive, Bill will walk you step by step through a process of re-envisioning your fundraising efforts and positioning yourself for greater success in raising new funds across the donor spectrum.

### **Webinar Classes and Certification:**

Bill also offers a series of webinars focused specifically on topical issues pertaining to all areas of fundraising including a 5 week interactive grant writing course to both learn and practice grant writing and prospect research. This will include the ability to become certified in this area too. Moreover, he will run talks on major giving, planned giving, peer-to-peer fundraising, a grant writing 101 course, corporate giving, and more. Please see [www.grantnewswatch.com](http://www.grantnewswatch.com) for more information.



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