

YOUR TIME IS NOW!

The tools you need.
The relationships
you build. The
change you make.

Track supported by

fr&c Fundraising
Research &
Consulting

Crisis Fundraising

Using relationships to secure major gifts under the most difficult fundraising circumstances

Dan Kneipp (*ken-ipe*)

What to expect today

- Four strategies for crisis fundraising
- Examples
- Learnings to help you (hopefully)

*Disclaimers

Trigger warning

A low-angle, upward-looking photograph of a dense forest. The image is dominated by the vertical trunks of tall, slender trees, likely redwoods or sequoias, which converge towards the top of the frame. The canopy is thick with vibrant green needles, and patches of bright blue sky are visible through the branches. The lighting is bright, suggesting a sunny day, with some light rays filtering through the leaves. In the bottom left corner, the text "In the shadow of giants ..." is overlaid in a white, sans-serif font.

In the shadow of giants ...





Don't quote Essendon anecdotes

Key Strategies

1. Using strengths and weaknesses
2. Relationship road blocks
3. Implementing a culture of fundraising
4. Failure is crucial

What is your crisis & what relationships can help?



The National Centre of Excellence
in Youth Mental Health





Who is Essendon Football Club?

- Est 1872
- Average 50,000 per game (home & away)
 - State of Origin averages 48,700
 - English Premier League 38,495
- Most successful team ever



What was the challenge?

- Essendon needed over \$5million for a new building

Essendon Crisis: ASADA Drug Scandal

1. CEO resigned while I interviewed
2. Chairman resigned in week 1
3. Coach banned in 3rd month
4. Interim CEO resigned in 4th month
5. Eventually 34 players were banned
6. Queenslander



Drygen

The National Centre of Excellence
in Youth Mental Health

Who is Orygen

- World's best youth mental health organisation
- 400+ staff, 80 research projects
- Created headspace
- CEO is 2010 Australian of the year

What was the challenge?

- Annual fundraising \$360,000 p/a
- Needed \$8million for a new building
- **18 month deadline**

Crisis

- Zero fundraising staff
- No CRM
- No donors
- No public awareness
- Research staff that didn't understand philanthropy
- A governance board
- Dan no MH experience



The National Centre of Excellence
in Youth Mental Health

Strengths & weaknesses



The combination of your strengths and weaknesses and your organisation's strengths and weaknesses will determine the success.

How does your strengths and weaknesses help your relationships?

Essendon

Weakness

Worst crisis ever

Under-delivered

Angry donors

Kept getting worse

Relationship Strength

Donors desperate for info

Very eager for quality stewardship

Helped identify prospects

Breakfasts. 4/145 years

Dan at Essendon

Weakness

No EFC history

No Melbourne networks

No football fundraising

Strength

Current team knowledge

Ask for donor networking help

Asked donor advice

Learnt from other clubs

Essendon strategy

- Prioritise relationship stewardship over fundraising (9:1)
- Attract new HNW through word of mouth
- Target low hanging fruit - naming rights / lockers
- Hard decisions (member opt-out donations)

Essendon fundraising outcome

- #1 fundraising team in AFL during the heart of the scandal
- Major donors never felt more connected to the club
- Groundwork for a new campaign (\$11m+ in stage 2)
- Donor thank you lunch

Orygen

Weakness

Urgent need for millions

No public awareness

No CRM, bad backend finance

No culture of philanthropy

Failed HNW function

Strength

Less relationship challenges

Helps determine best campaign

Focus on fundraising

Listen to fundraising expert

Don't try again (yet)

Dan at Orygen

Weakness

No MH experience

All relationships from EFC

Limited fundraising experience

Strength

Fresh perspective

Proactive finding donors

No! No! No!

Quality mentor

Strategic outcome

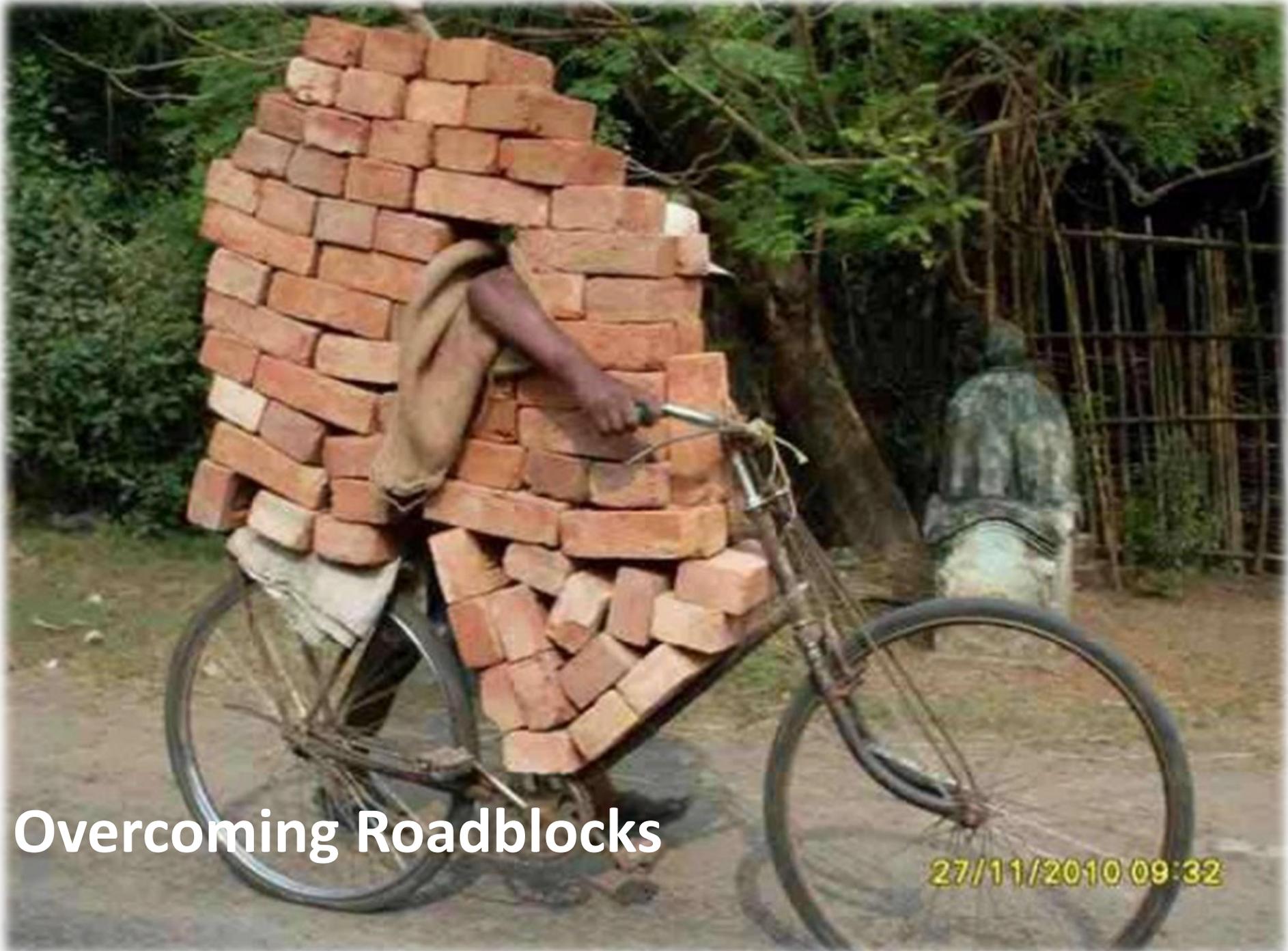
- Aim for low hanging fruit
- Foundations, foundations, foundations (including education on MH)
- Say NO:
 - no events
 - no EOFY campaign
 - no direct mail
 - no revision of backend support
 - no bequest
 - no volunteers
 - no small grants

Fundraising outcome

- \$8m secured for new building
- \$7m+ for other projects

Learnings

- Use your strengths & weaknesses
- Find the low hanging fruit
- Say no
- Don't reinvent the wheel (learn from experts)

A photograph showing a person from behind, riding a bicycle. The person's back is completely covered by a large, tall stack of red bricks, which is secured to the bicycle frame. The person is wearing a light-colored, sleeveless garment. The bicycle is a standard two-wheeled model with a dark frame. The background consists of green foliage and a wooden fence made of vertical posts. The ground is a dirt or gravel path. In the bottom left corner, the text "Overcoming Roadblocks" is written in white. In the bottom right corner, a yellow timestamp reads "27/11/2010 09:32".

Overcoming Roadblocks

27/11/2010 09:32

**My job is to create success
in an impossible environment.
*There's a reason they're failing.***

- * What relationships are helpful and harmful?**
- * When do you battle?**
- * Who are your allies?**
- * What is your unique approach?**

CEO/CHAIR not asking for money

- One of the highest wealth corporate execs
- CEO/Chair too busy to do it
- Had to do it myself: not peer-to-peer
- Left \$\$\$ on the table. Let everyone know

CEO – won't practice fundraising pitch

- It'll be fine on the day / too busy
- Don't tell me how to do my job

- Relationships = learnings

Learnings

1. If it was easy it would already be done.
2. This is your job – getting past roadblocks
3. Pick your battles ... but battle
4. Horse-trade

Creating a culture of philanthropy



A culture of philanthropy

Relationships where they:

- Respect you
- Respect your job
- Make your work easier

Examples

Essendon opt-out donations

- Changing the culture on membership vs donations
- 4% opt-in. Over 40% opt-out
- \$1.1m over two years
- Extensively advertised
- 100 complaint letters. <1%

Orygen - you can't use graphic images

- Smiley images
- Hope
- Happiness

About Orygen





.....

Help us stop our children dying

A youth mental health
clinical revolution

Sensational vs Representative

Dan to CEO: “I know we can’t put a photo of young people on drugs on the street”.

CEO: “Why not? That’s what we have to deal with.”

Fundraising is so icky

- Please don't ask him for money
- I know he has agreed to be on our Fundraising Committee, but can he do it without giving money. It'd be crass to ask him.

Research jargon

- Academics spent a lot of time showing off to each other how clever their writing is
- It's not clever, it's annoying

Actual grant text

The CHARMS approach aims to extend the UHR approach by enriching the identified subsyndromal population for a range of ‘Stage 2’ disorders, not just psychosis, providing an operational definition of a broad-spectrum ultra-high risk or pluripotential state.

Actual grant text

The [REDACTED] approach aims to extend the [REDACTED] approach by [REDACTED] [REDACTED] for a range of [REDACTED] not just [REDACTED] providing an operational definition of a [REDACTED] ultra-high risk or [REDACTED] state.

Actual grant text

CHARMS+ group will display a significantly higher transition rate to Stage 2 disorder than a CHARMS- group (20% vs. 3%) from 260 help-seeking participants (100 in CHARMS+ group, 160 in CHARMS- group) aged 12-25 referred to OYH or headspace

Actual grant text

group will display a significantly higher

group (2% vs. 3%) from 260 help-seeking

participants (100 in group, 160 in

group) aged 12-25

headspace

Learnings

- Change is hard: baby steps
- Success speeds up change
- Find your voice
- Get help

Failure



Failure

“Dan talks a big talk, but no results”

– Orygen exec member

“Why are we wasting time paying this fundraising guy when we could be doing more clinical research” – Orygen Professor

**“These fundraising chocolates have
brought in more money than you have”**

– Essendon CFO

**I've never worked somewhere
that I haven't failed. Badly.**

Examples



Everyone unhappy

Failure: everyone VERY unhappy

- CEO
- EA
- Senior exec member
- Fundraising supporter / donor

Failure: grant applications

- Too polished / not polished enough
- Too specialised / too generic
- Not collaborative enough / too many partners
- Too regional / too national

Failure: Essendon opt-out program

- Failed to remember the most important decision maker
- Relationship failure
- Prioritised statistics over 'gut feel'
- Terrible work:reward loss

Merry Christmas

19

This belongs

to:

23 Dec

12

13 Dec

12 Dec

13

17

24

17 Dec

2 Dec

23

10 Dec

15

8

10

7

18 Dec

24 Dec

1

18

7 Dec

20 Dec

5

200g

Do children go to school No, they're off to school

Who rides in the bakery at Christmas? A mince

What are the ingredients for mince pies?

Santa's on his way!

Are you wishing for a sunny Christmas?

What do you do when you have an apple with a Christmas tree? Peel it

What is the name of the red ribbon on the green box?

2

3

22 Dec



What do you ask Santa when he's on the roof? Merry Christmas

Time to get up, it's Christmas!

What color is the camel's hump? Brown

Have you decorated your tree?



6th of December



19 Merry Christmas

This belongs to:

23 Dec

12

22 Dec

17

24

2 Dec

23

10 Dec

15

17 Dec

8

24 Dec

1

Do children go to school No, they're off to school

Who rides in the bakery at Christmas? A mince

Santa's on his way!

What do you ask Santa when he's on his way? Merry Christmas

Are you wishing for a sunny Christmas?

What do you wish for when you're a child? A Christmas tree

Time to get up, it's Christmas!

Have you decorated your tree?

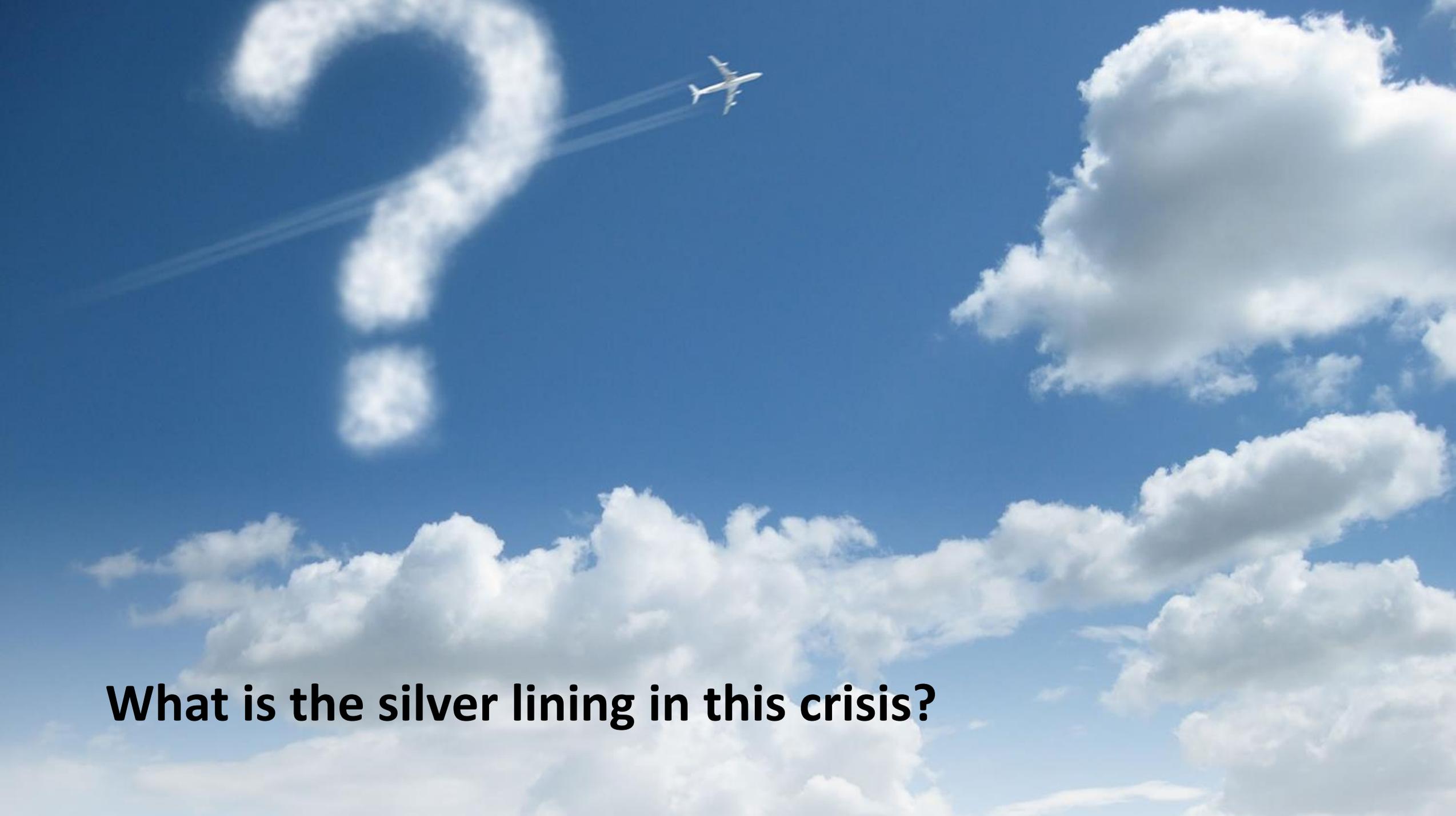
What color is the reindeer's nose? Red

200g

If you don't have lots of little failures that you learn from, you'll have one big failure that will force you to learn.

Learnings

1. Failure = learning
2. Failure is not trying
3. Don't waste a good crisis



What is the silver lining in this crisis?

Fundraisers' mental health

- Lots of rejection
- Long time between success
- Hard for an organisation to celebrate success
- Lots of internal conflicts / battling
- Giving your energy: at what expense

** Look after yourself and your team!*



Lots of hurdles – no magic answer

**THANK
YOU!**