Four keys to fundraising
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Four keys to fundraising are relevant to Local forestry Boards. They may sound simple, but do not be fooled. While Fundraising is not Rocket science its deceptively simple in many ways but very challenging in others. You already know some of the steps but it’s clear some folks are much more successful than others, so what is the difference? Is it them or you? Do you create barriers for yourself and our organization? Let’s think out loud about the Keys to success as I’ve worked to raise funding for the Foundation and many other Programs (Note This is an outline of Ideas not complete text for a talk)

Key#1 begin with and Idea  What do you want to do? why is significant in your community, to you and your Board? You need a clear concise statement!

Key #2: Find the right person.
This is the most frequently overlooked part of fundraising and perhaps the most important one to get right locally. Here are the steps to hone in on the right people:

• **Come up with an ideal profile.** What does your dream funder look like? What are their characteristics? Write them down and ask people in your network if they know anyone who fits your description.
• For example, if you were running a venture providing employment to people with disabilities in India you might look for someone who:
• Has a loved one with a disability.
• Believes in dignified solutions, like job training or livelihood creation, that allow people with disabilities to move out of poverty, rather than charity.
• Is someone who you would enjoy having coffee with every week.
• Is someone you’d want as a mentor.
• Is of Indian descent or has traveled to India several times - each of these has environmental and forestry parallels.

• **Come up with at least 5/10 prospects in your county who match your ideal profile.** Put them in a “prospective funder tracker list. Keep this funder tracker regularly updated with all the conversations you have with potential funders.

• **Prioritize your prospects based on the 3 Cs.** The funders who are most likely to give you money are those who meet the three Cs. They **care** about what you’re doing. They have the **capacity** to support you (which you can assess by looking at other funding they’ve done, looking up their personal background on Google for a sense of their affluence, or simply having an honest conversation with them). They have a personal **connection** to you or another member of your Board. Do your homework and explain why you believe you have a unique connection with the funder.

**Key #3: Predispose prospects in your favor.**

If someone cares about your mission, has the capacity to fund you, and is positively inclined in your direction before you ask them for money, odds are in your favor that they’ll agree to fund you. Predisposition, or the process of getting someone to feel like they want to support you before you even ask, is an incredibly important part of fundraising. Here are the most powerful ways to predispose someone.

• **Get introduced by someone they trust.** If you don’t know this prospect, but someone they trust can connect you, ask for that introduction!

• **Write a thoughtful email explaining your intentions upfront.** Funders know why organizations approach them. Yet, so many of these organizations mask their intentions by saying, “I just want to chat and get to know you.” That sort of line annoys funders. It makes them feel like they can’t trust entrepreneurs who approach them, who carry a secret agenda (that’s actually obvious to everyone). Be upfront with them and start off on the right foot. Seek permission to have a conversation with them about funding, rather than tricking them into having the conversation with you.

• **Tell them why you chose them.** Sure, funders have money. That’s why everyone wants to talk to them. But why do you want to talk to this particular funder? Make them feel special. Show them you’ve done your homework and explain why you believe there’s a unique connection here. Tell them you’re aware of their funding criteria and patterns (if they have any) and that you fall in those criteria.

• **Show, don’t tell.** The single best way to predispose a funder to saying yes to you is to let them experience your work first hand.

• **Be of service to your prospect.** Funders are always looking for connections to people they can co-invest/co-fund with, well-aligned deals, lawyers to help them disperse cash well, chances to learn about new funding models, etc. In your initial conversations with a prospect, get to know what you could do to help them. Then make sure that you do it.

• **De-risk the idea of funding your program by showing “social proof.”** So they rely heavily on the opinions of other people who have investigated your venture. When you share what you’re doing with a funder, give them some insight into who else is supporting you.
• Key #4: Just ask.
If you have connected with the right person and effectively predisposed them toward you, all you have to do is ask. This is where a lot of people struggle. But, if you’ve predisposed properly and declared your intentions form the start, all you have to do now is be direct. Here’s how to do it:

• Show them the levels they can come in at. You may not know what capacity a funder has. So present various levels if appropriate they could come in to fund your wok - your project.

• Show them what they get for their money: return or impact. Explain to a funder exactly what she’s going to get for giving you her capital. If that’s financial return, walk her through your projects and your strategy for how you’ll provide liquidity for investors. If that’s impact, show a funder what their dollars will do. Funding is not a one-way relationship; they want benefit from the funding they provide.

• Give them a 2-pager. Funders get tons of requests for money, so respect their time and start by sending them a two-pager. They’ll ask for more detail if they want it. We have raised the bulk of our funds to date nothing more than having funders visit, providing a 2-pager, a budget, and a few phone calls and in-person meetings.

  It should include the following elements:
  • Your mission and program description in 1-3 sentences.
  • Amount of funding you’re raising and deadline for raising it.
  • A visual of what you do.
  • Your traction to date.
  • The strategy you need to funding to make happen (ideally visually).
  • Use of funds and high level budget (ideally visually).
  • Timeline for implementation.

• Follow up with them regularly. They are going to take time to get back to you—they get a lot of requests, and it takes time to due diligence. Make sure that you stay in touch regularly. Typically, funders move more quickly if you impose a deadline and create a sense of urgency.

• Know your budget cold. Be able to justify your amounts. One of the first questions that funders asked me is, “Why do you need this much? How do you know it costs this much?”

• Give them an easy out so you can get clarity. You want clarity so you can focus your time on the prospects most likely to fund you.

  After about 3 months of chatting with her about it

Make sure you commit to getting them what they want out of the relationship.
Funding is not a one-way relationship. Funders want benefit from the funding they provide. It’s imperative you ask them why they’d consider funding you and what they want out of the relationship, whether that’s return, recognition, learning, a chance to be on your board, or a chance to be associated with your inspiring work. Discuss this early with the funder and devise a plan to fulfill their expectations.
A few other considerations:

The reality

- Fundraising is really, really hard. To an entrepreneur, funders are erratic, random, and slow to move. You will experience rejection! It’s important for Boards to understand that their job is to predict the success of ventures without hard evidence. Funders are sometimes skeptical, and when they’re gambling their corporate or personal funds or funds from others, they have a tough job. So expect that specific individuals will be erratic, random, and slow to move.

- Fundraising is at about half of my time. That’s 2.5 days out of every week focused on only fundraising. It’s important for Boards to understand that a funder’s job is to predict the success of a venture without evidence.

- You can’t do it alone. Fundraising is emotionally grinding. It takes a long time, you don’t usually know where you stand, you put in a lot of effort for a delayed payoff, and it’s harder than you expect—much harder. Therefore, you are unlikely to progress without support from a “fundraising committee” or a “fundraising mentor” checking in with you once every week. In summary, as you prepare set forth and raise the funds you require, remember:
  1. Start with an idea
  2. Find the right person.
  3. Predispose them in your favor.
  4. Just ask and follow up-----

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