



Tracks to Success - A Weekly Primer on Grants Development

Re-Igniting the Passion for Your Mission

by Terry Axelrod, CEO Raising More Money

Part One - The Inherent Generosity in the World

Have you ever worried that your nonprofit may be competing with—and possibly losing out to—other organizations?

Many people think of fundraising in the old reality—too many needy groups competing for limited donors. They feel that when one group receives a large contribution, other groups lose out. In the old reality of fundraising, scarcity and limited resources were a given.

Let's take a closer look at the fundraising world's most common myth—that there's never enough money to go around—and see how shifting your thinking can bust this myth and re-ignite the passion for your cause.

In the new reality, resources are abundant. Americans gave over \$250 billion last year, of which over 80 percent came from individuals, according to Giving USA. And this represents average individual giving of only 2 percent of net income. In contrast, corporations and foundations combined made up just over 15 percent. As Americans get older, they will be giving from their assets, not just from their income. Americans could easily double their contributions with no major lifestyle changes, according to a report by the NewTithing group, a foundation founded by money manager and philanthropist Claude Rosenberg with a new twist on tithing to charity.

Think about times of recent disasters. People become "extra generous." They seem to find an extra pocket from which to give for these situations—often while continuing to give generously to the local causes they are passionate about.

Last year was a great example. The year started with money going to tsunami relief and ended with an outpouring for hurricane victims, and many nonprofits believed no one would have extra money for their causes.

But they did.

Some charities not connected to disaster-relief efforts told The Washington Post in a January 9 article ("Despite Predictions, Charitable Donors Just Keep Giving") that last year's catastrophes, particularly Hurricane Katrina, actually helped fundraising efforts because they heightened awareness of nonprofit groups that aid people in need.

"I think it's going to be a banner year," Stacy Palmer, editor of the Chronicle of Philanthropy said of 2005 to The Washington Post. In a recent survey, the Chronicle found that many of the nation's biggest charities are raising as much or more than they did in the late 1990s, when the strong economy and booming stock market boosted charitable donations 50 percent from 1996 to 2000. Eugene Tempel, executive director of the Center on Philanthropy at Indiana University noted to the Post, "It's so logical to think that there would be this donor fatigue, but there's not much evidence of it."

For the groups Raising More Money (RMM) Inc. trained and coached in 2005, the buzzword was donor compassion.

Collectively, these groups raised more than \$50 million in gifts and pledges—a record amount in RMM’s history. On average, these groups raised more than \$200,000 per fundraising Ask Event, compared to \$150,000 in past years.

The disasters proved that people are inherently generous and want to give if they feel passionate about a cause. Nonprofits from arts groups to food banks found that if they knew how to powerfully connect people to their mission, the money flowed.

Young & Healthy, a group in Pasadena that helps children without health insurance, told potential donors that the hurricanes showcased a lot of heroes in the disaster, and said what we need in our community are heroes too. Many of our alumni groups received million-dollar donations after the hurricanes, and most of those weren’t for hurricane relief. Groups which received these huge gifts last fall include the Regional Food Bank of Oklahoma in Oklahoma City, OK; Sojourner Center, a domestic violence shelter in Phoenix, AZ; and the Children’s Institute for Learning Differences, a group in Mercer Island, WA, which works with children from ages 3-18 with special needs.

Volunteers of America in Shreveport, LA, meanwhile, was one of the many nonprofits that went into overdrive helping hurricane evacuees. They kept donors aware of what they were doing with frequent e-mail updates, telling supporters about the people who received dental care, which churches were providing hot meals and what items they needed. In a state with so much need, this Volunteers of America affiliate not only saw an \$81,000 increase in their annual holiday campaign compared to 2004, but they raised an additional \$400,000 to help serve Katrina and Rita evacuees.

The tsunami likewise brought a huge increase in donations.

Normally, the American Refugee Committee International in Minneapolis would get five or ten donations on their website daily; but after the tsunami they were getting about one hundred, said Jon Guy, the major gifts officer.

"Every day is amazing," he said of the generosity. "It just blows you away."

He said the money was not taking away from other charities but rather increasing the number of those who give. When a group of high school kids came in with a handful of money, he said, that was new money raised.

Guy also said the crisis brought to light other desperate needs in the country for refugees.

Soon after the tsunami, he said, "Some people say tsunami donors are knee-jerk donors, but I spoke at a Baptist church last Sunday and half of the conversations were not about the tsunami," he said. "People asked me, 'What about Darfur [Sudan]? Have we forgotten them?'"

This is the first in a six-part series on "Re-igniting the Passion for Your Mission" by Terry Axelrod, founder and CEO of Raising More Money Inc., a Seattle-based organization that has trained and coached more than 2,000 nonprofits in a system for building sustainable funding from individual donors. Visit [Raising More Money](#) for more information.