



**The Link between Organizational Excellence and Fundraising Success:
Building Fundraising Capacity
Melarbit Partners, Inc.
April, 2011**

The Opportunity

Successful fundraising is developed over time. Preparing and positioning an organization for fundraising success is an essential role of any organizational leader. This article discusses ways you can begin to build your fundraising capacity and raise more money - by assessing fundraising potential; identifying organizational assets; and leveraging unique strengths.

Building Fundraising Capacity: Nurture vs. Nature

1. The first step in fundraising should be to help an organization reflect on its 'fundraisability.' In other words, how well positioned is your organization to receive philanthropic support?

Philanthropic giving is a vote of confidence in the work you are doing. While it is often based on very personal considerations, results and impact are increasingly used as part of the determination of where and how much to give.

According to nonprofit leader, [The Bridgespan Group](#) there are a few essential questions that every organization must be willing to address. These questions include:

- Which results are we willing to hold ourselves accountable for?
- How will we achieve them?
- What will the results cost and how will we fund them?
- How do we build the organization we need to deliver results?

The specific tools that help an organization answer these questions is beyond the scope of this article, however, the following are some common things to consider as your organization seeks to address these issues:

- Do you have a vision and a strategy for growth? Growth plans (or strategic plans) help to articulate the organization's vision and outline the essential steps that will need to be taken in order to realize that vision. A strong plan for growth also will identify the resources required to implement the plan and achieve the vision. Keep in mind that the plan itself is less important than the process to develop the plan.
- Consider developing an *Intended Impact Statement* which according to [Bridgespan](#) is about identifying both the beneficiaries of an organization's

The Link Between Organizational Excellence and Fundraising Success: Building Fundraising Capacity

Page 2

- activities and the benefits the organization will provide. It goes beyond the mission statement in providing direction. Defining organizational values is a key component of this process.
- Define your organization's *Theory of Change*. Theories of Change explain how the organization – alone or with others - will achieve its results.

The answer to these questions will help begin to define/shape your plans for fund development.

2. Assess your current fundraising capacity. In other words, how prepared is your organization to undertake/expand its fundraising and income generating activities?

An important first step in preparing for any major fundraising endeavor is to establish how well positioned the organization is institutionally to undertake more expansive fundraising activities.

This process begins by identifying what organizational and/or fundraising assets are in place that can be leveraged to jumpstart the fundraising program and to assure success. It includes a review of all current programs, staffing, materials and organizational infrastructure as well as an examination of “existing” conditions with respect to the current marketplace and your case for support; strength of your voluntary and executive leadership; and review of the existing pool of prospects. Specifically, fundraising benchmarks include:

- Executive/Board Leadership that recognizes its fund development role and is proactively engaged in fundraising
- Established relationships with donors and a variety of diverse stakeholders
- Vision and Mission Clarity
- Financial health including diverse forms of funding that meet current and future needs of the organization
- A strategy for growth expressed in a Strategic or Business Plan
- A track record of Results/Impact

The outcome of this process should be part of a comprehensive plan for fund development and broader income generation.

**The Link Between Organizational Excellence and Fundraising Success:
Building Fundraising Capacity
Page 3**

3. Maximize your fundraising potential and strengthen your organization's long-term sustainability

A few things to keep in mind as you move forward with your fundraising:

- **Leverage Organizational Strengths/Assets.** Leveraging your organizational strengths is the most immediate way to achieve fundraising success. If you are an established organization this could mean capitalizing on current relationships as a way to generate early support for a new initiative. If you are starting an organization you could generate momentum by engaging others to serve on a newly created advisory group comprised of influential leaders. Other successful strategies look to leverage strategic partnerships and/or industry relationships; geographical location to create a sense of place, etc. You are only limited by the extent of your willingness to be creative.
- **Focus on both Short and Long - Term Goals.** Fundraising is often dictated by short-term needs. While this is a reality we also encourage organizational leaders to extend their thinking beyond the usual 'techniques' and 'tactics' to some of the longer – term strategic opportunities. This not only serves the interests of your organization it also provides the kind of information donors and other key stakeholders expect when entering into lasting, productive relationships with an organization.
- **Invest in Your Internal Fundraising Capacity.** Guided by sound strategy, fundraising capacity is the infrastructure needed to sustain fundraising for the long-term. This includes decisions/investments related to staffing and support needs; training; volunteer leadership; choices of specific annual and major fundraising activities; as well as the range of technological resources needed to strengthen, evaluate and ultimately maximize fund development for the long-term.

For additional resources on this topic and related concepts please visit our [Valuable Resources](#) page on our website.