



Fundraising in Times of Economic Uncertainty

by Josh Birkholz and Sari Hoffman-Dachelet

During the 2020 disruption in the philanthropic sector because of COVID-19 and its related responses, I had the opportunity to present several response-based webinars. The most attended and requested information was about fundraising when times are uncertain. Many clients and friends requested this content also be available in written form. With great help from my colleague Sari Hoffman-Dachelet, we are pleased to provide these spoken thoughts to you in print. We hope you find guidance and even inspiration from these collective concepts.

Seeing this beloved community of generosity thrive fuels our efforts. We believe philanthropy is essential. It is our great privilege to serve your profound purpose.

Josh Birkholz

During Peak Disruption

Our first major focus as relational fundraisers in response to crisis is to ensure communications continuity. We have a number of tools available to us and now is the time to establish strong remote communications practices. The most obvious of these is video, but there are also more creative ways to engage remotely. Virtual meetups, Zoom social engagements, and other online events are gaining traction as teams start looking to new creative ways to move events and engagements online.

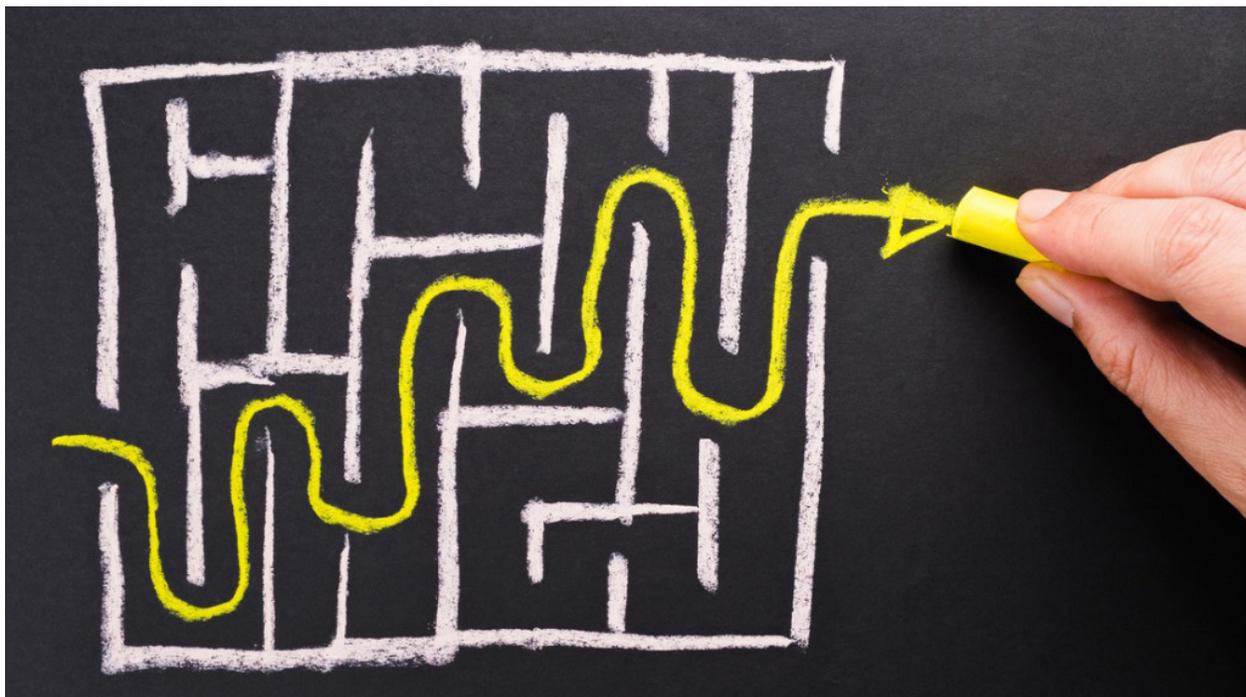
Don't just focus on your constituents, however; take this opportunity to increase communications with your team and continue to foster strong internal avenues of support. This is a difficult time and we need to be able to support our staff and give them the tools they need to continue to be successful. It is also possible to use remote communications with internal teams as a way to test drive those channels before reaching out to donors.

Now is the time to work to maintain relationships; new forms of communication can help in this endeavor. Given the economic situation, it might be beneficial to reach out less with an intention to solicit gifts but more to reaffirm gratitude. Gift priorities echo Maslow's hierarchy of needs, with opportunities to help, to provide benefits to recipients, and to create situational solutions that echo the steps of the pyramid. Try providing opportunities for top volunteers to help even if that can't be a financial gift, or if it is, perhaps now is the time to highlight COVID-specific funds or opportunities to support your community. Try seeking advice from

volunteers and top donors and highlight their past generosity.

Some of our donors might not be able to give currently, but they should still be included in outreach. We also need to have patience with donors who might be distracted. In this uncertain time, it's possible that some of our volunteers are dealing with challenges facing their own businesses, our retired volunteers are facing health concerns and might not have the same remote capabilities, our donors with families are dealing with challenges of children who aren't in school, and everyone is facing a new normal and settling into new routine.

This is also difficult on staff who are facing similar challenges as donors. They are all trying to figure out how to do their jobs under new circumstances. There is a general air of uncertainty and anxiety around this entire situation, including fears of job uncertainty. It is important to maintain a caring and understating work environment.



Early Recovery

This is an unprecedented situation; we don't have a true modern analogue with which to compare outcomes and recovery. Our closest analogues are 9/11 and the Great Recession. We can't know what this will look like, but we can prepare for contingencies and continue to be agile in our response.

One thing we have been able to see is that this crisis isn't impacting everyone equally. Some of our constituents are doing well despite everything. There are also examples of generous corporate giving now. There is historical evidence that we should expect top-down recovery and that base development is likely to have a long-term disruption. Foundations also often lag, but there have been examples of unrestricted grants growing. Donor Advised Funds are also another source of giving that will recover at different rates than both foundations and individual donors. It will be important to diversify revenue streams and continue to be flexible through early recovery stages.

It is important to find your champions. Look for those donors who will be the first to jump back in and take up your cause. They will lead recovery gifts, volunteer outreach, and help create matching funds to encourage donors to reengage.

Take this time to focus on prospecting, conducting resilient sector analysis, conducting research on top philanthropic priority donors, and looking at who gave the most generously in the wake of 9/11 and the Great Recession.

Through early recovery it will be important to highlight stories of donors stepping up, even outside of giving. We should also continue to

encourage stewardship and share messages of gratitude. Thank donors for past giving, even if they have not resumed. Consider what creative options you have to reach out to donors and thank them, keeping your organization top of mind.

Finally, we should all be focusing on creating plans by constituent types. Plans for corporate constituents should be sector-based with an eye towards economic resiliency. Plans for foundations should include conversations with top prospects, keeping their strategies in mind. Plans for high-net-worth individuals should include increasing contact expectations and developing individualized strategies based on each unique circumstance. Plans for base-level individuals should focus around communications that are positive and patient and avoid undue neediness.

Long-Term Recovery

As we move into long-term recovery, we should slowly work to expand our reach. Continue to enable communication using remote environments, work to prepare video content, and utilize digital communications and social media. Use this time as a way to move into utilizing new technologies and increasing the reach of your gift officers.

We should also work to establish rainy day funds. We should focus on establishing business continuity plans for future black swan events based on our learnings from the pandemic. Start to consider specific continuity-based funds and reframe the importance of the endowment and unrestricted commitments for future scenarios.

It will be important to review technology, systems, and operational plans that might have fallen behind. This is also an opportunity to reevaluate and perhaps revert metrics and reporting. The crisis also allows for an opportunity to evaluate the physical space needs of your organization and make a plan for moving forward.

It will be important to work thoughtfully with your staff when the time comes to move away from a remote workplace. Take the time to have a workplace re-acclimation plan in place, consider purposeful employee gratitude efforts, and work to resume thoughtful growth.

This event will have a lasting effect on all of us. Education institutions will have a class of alumni with a vastly different nostalgia experience. Healthcare institutions will have an influx of grateful patients. The human services sector will face lasting needs. Global poverty efforts might diminish as the global community focuses on recovery from the pandemic. Arts and religious organizations might see consolidation. No matter what, the work of philanthropy will continue to be vital through long-term recovery.



But we must also find ways to celebrate recovery. We will need to close the chapter on this crisis, and work to resume operations as normal. Even though there may be long-term impacts on our organizations, this crisis has the potential to leave a lasting mark on individuals. We will need to continue to work to bring our employees and donors back into the fold and work through lingering impacts of a deadly global pandemic. Through every stage of the COVID-19 pandemic it will be important to carry lessons forward and to hold our communities tight. Take the opportunity to center gratitude and the human experience, and when the time comes, to celebrate community and togetherness. ■

About BWF

BWF is an international fundraising consulting and services company headquartered in North America. As both experts in complex philanthropy and the leading innovator in the field, we bring both a global perspective and local know-how, providing deep cross-sector strategic and tactical solutions to advance our clients fundraising abilities. It's why clients turn to us as their trusted partner, expanding their knowledge and abilities through our panoramic view of philanthropy. Not only do we stimulate the industry through thought leadership, but we are an incubator of multidisciplinary "next practices," always testing new ideas and exploring innovative ways of doing things.

For nearly 40 years, nonprofits throughout the United States and across the globe have turned to BWF to empower philanthropy for their organizations. We're ready to do the same for you. Contact us today at info@bwf.com or visit bwf.com/currentresources.

Authors

Josh Birkholz, chief executive officer of BWF, is a leader in big philanthropy and an innovator for the business of fundraising. In his 17 years of consulting with leading nonprofits, universities, and healthcare centers around the globe, Josh has redefined how we look at modern program design, fundraising in a smart economy, and branding in the high-net-worth marketplace.

Sari Hoffman-Dachelet is a project associate at BWF. As a member of BWF's project management team, Sari provides overall project support to all areas of client engagements, including analysis of philanthropic and economic trends, peer comparisons and benchmarking, survey development and administration, prospect research, and study support. Prior to joining BWF, Sari worked as a project associate in communications consulting.