



## **Developing a fundraising strategy**

### **Introductory guidance**

October 2017

## **1.0 Overview**

This guidance derives from a 'cohort' project run by SHARED Enterprise with a small group of museums between March and September 2017. This particular cohort project comprised a series of three workshops and 1:1 visits to each museum by the training lead. At the end of the process, each museum taking part had part-prepared a fundraising strategy that they could continue to refine beyond the end of the workshops.

Drawing on the workshops, this guidance gives some basic ideas and approaches on how to develop a fundraising strategy. Although aimed at smaller museums, the guidance might be of interest to larger organisations with multiple functions and staff.

There are many approaches to working up a fundraising strategy – they can be as simple or as complexed as required and this guide is aimed at providing a starting point; it is not exhaustive.

## **2.0 What is a fundraising strategy and why have one?**

A Fundraising Strategy is a plan that sets out your organisation's funding needs over a given period. It provides an overview of the actions, timescales and possible funding resources/approaches to funding to achieve the plan. It should link to priorities highlighted in your forward, strategic or business plan.

To be a useful document, your fundraising strategy needs to be as long or as short as is appropriate for your organisation. If you create a plan that is too unwieldy, it is unlikely you will use it.

Once all the thinking is done, it is likely the most useful element of your plan will be the Action Plan that sits at the end. This will have all the information you need 'boiled down'.

A good fundraising strategy, with a clear action plan that can be implemented, should help you become a more resilient organisation.

## **3.0 What are the key ingredients of a fundraising strategy?**

A good place to start with any strategic document or substantial piece of work is to refresh yourself about your organisation's Vision. All the work your museum does should be helping to deliver your Vision (see the SHARE introductory Guide on '*Developing new projects and writing grant funding bids*' for examples of Vision statements, and mission statements). Understanding your Vision will help you develop key messages that support your fundraising.

As with most strategic documents, a simple fundraising strategy will fall into three main sections:

- Where are we now?
- Where do we want to get to?
- How do we want to get there?

Each one these sections plays a key role in understanding your fundraising needs, and planning a programme of activity to reach them.

### 3.1 Where are we now?

This section of your plan will provide an overview of where you are now both in terms of your current funding streams and the resources you have available to support fundraising. To start planning for fundraising from a position of knowledge, it is important to consider the following:

- Current income streams
  - how secure are they?
  - what do they pay for?
  - are they time limited/restricted?
- Your fundraising resources and experience
  - are there members of your team who have skills and experience in raising funds?
  - do you have a spread of skills, such as people who can run a communications programme, or people who can develop and write grant applications?

### 3.2 Where do we want to get to?

This is central to your fundraising strategy. This section outlines your funding priorities aligned against your Vision. Your strategy may be developed to deliver over a period time, probably in line with your forward, business or strategic plan. You may have some short terms funding goals, and some longer term.

Your goals may mean your fundraising activity splits into different types. You might have ongoing day-to-day fundraising goals that are essential to the running of your museum. For these, you might explore donations/donations boxes, gift giving or commercial activities as methods of raising funds.

You may have a specific goal, such as a major redevelopment project, or a collections based piece of work that needs funding. These kinds of projects might require external income from grant giving bodies and will need a different approach to fundraising. This could include looking at a matrix of approaches to raising funds such as developing an HLF bid and looking at match funding from other grant giving organisations, businesses and donors.

### 3.3 How are we going to get there?

A good way of understanding how you are going to achieve your goals is through creating an Action Plan. A very simple action plan could include the following headings:

<b>Fundraising Priority*</b> In order of urgency	<b>Cost</b> Funding target	<b>Activity(ies)</b> Trust/Foundation/Grant Giving Body/Friends/ Event/Series of Events/Donation Box/	<b>Timeframe</b>	<b>Resource Available</b> Staff/infras tructure	<b>Monitoring comments</b> Where have you got to?

Through creating an Action Plan you will be able to clearly see your various funding priorities, what needs doing when, and by whom. You can create an overarching Action Plan, and then individual action plans for each specific fundraising priority that provide detail on how the funds will be achieved.

These plans will make it easier to manage and monitor the success of your fundraising activities.

## **4.0 Know your audience and making the case**

### 4.1 Knowing audience: individuals

Key to any successful fundraising is knowing your audience and making the case.

Your target audience for fundraising may be visitors to your museum or a particular interest/age group. You may have another audience in the shape of a grant giving organisation. Each of these groups might wish to give in different ways and may need to be approached differently, necessitating different strands to your fundraising activity.

When you are looking to raise funds from individuals, it is important to try and understand how and why people give. If you cannot afford to undertake your own audience development work, there are a number of good resources available that map the kinds of audiences that are engaging with the culture sector. These resources might give you some food for thought on how to think about your visitors and turn them into potential donors.

You could look at the work undertaken by the Arts Council on '*Making the case to different audiences*'. This is available on the Arts Council website at:

<http://www.artscouncil.org.uk/why-culture-matters/making-case/making-case-different-audiences>

You might also want to look at recent work undertaken by the Institute of Fundraising on '*Insights into charity fundraising*'. In this piece of research the IoF provides some interesting information on why people give and how it makes them feel. For example, 81% of people who took part in the survey only donate if asked to do so, they do not donate spontaneously. It might be then, that you need to develop a dialogue or relationship with your donors. This could, for example, be through social media or your website, or it could be through effective signage at your donation boxes.

Information on the Institute of Fundraising's insights survey can be found at:

[www.institute-of-fundraising.org.uk/guidance/research/insights-into-charity-fundraising/](http://www.institute-of-fundraising.org.uk/guidance/research/insights-into-charity-fundraising/)

#### 4.2 Knowing your audience: grant giving organisations

A proportion of your funding is likely to come from grant giving organisations such as Heritage Lottery Fund or Arts Council England. There are a couple of key things to remember when approaching a grant giving organisation, these are:

- always understand the grant giving organisations objectives – what do they fund, what don't they fund – are you eligible?
- make sure your project helps them achieve their objectives – your relationship should be mutually beneficial.

#### 4.3 Making the case

To be successful, any fundraising activity, whether aimed at grant giving organisations or individuals, needs to 'make the case'. You need to be clear as to why someone or an organisation should give you money.

Making a good case does not mean making a 'moral case', i.e. you must fund us because we are saving the nation's heritage. What you need to do is grab your funder/donors imagination.

A good way to grab people's imagination is to 'tell a story' or create a narrative. For example, you might wish to have funding to create a new collections store and undertake a collections review. This is great work, but for the average visitor, they may not see any of this work or apparently benefit from it. To raise funds, you need to engage your visitor/donor/grant giving organisation in the story of your project.

You could shape your story through thinking of the following things:

- What is the 'star' of your story – is it a particular object / the museum / a gallery?
- What is the 'conflict' in your story – how did the object get there / what issue is the museum facing / what does the gallery need and why?
- How can the museum save the day?
- How can you help?

You could also tell you potential donors what your fundraising target is and how you will use their money.

Creating a strong narrative and making the case is also essential when drawing together a fundraising bid.

## 5.0 Conclusion

Successful fundraising is about good planning. It is about knowing what your targets are and how you might reach them, and how they further the Vision of your museum. Through developing a fundraising strategy you will have to map out your overarching needs and approaches to achieving these needs.

For each priority you can then develop further detailed activities for individual fundraising campaigns.

Good planning for fundraising will ensure your organisation is more sustainable in the longer term.

## 5.0 Useful links for further information

There is a great deal of information on how to develop a fundraising strategy online; there is also a great deal of online information on different approaches to successful fundraising. Some of these resources are aimed specifically at museums.

AIM Success Guide: Successful Fundraising at Museums

- [www.aim-museums.co.uk/wp-content/uploads/2017/03/Successful-Fundraising-at-Museums-2017.pdf](http://www.aim-museums.co.uk/wp-content/uploads/2017/03/Successful-Fundraising-at-Museums-2017.pdf)

There are some useful pages on fundraising on the Museums Association website

- [www.museumsassociation.org/museum-practice/fundraising/16527](http://www.museumsassociation.org/museum-practice/fundraising/16527)

If you are a museum trustee, there is useful information available on the legal frameworks that pertain to fundraising. These include:

Charity Commission: Charity Fundraising: a guide to trustee duties

- [www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/604684/CC20.pdf](http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/604684/CC20.pdf)

HMRC webpages on Fundraising legally and responsibly

- [www.gov.uk/guidance/fundraising-legally-and-responsibly](http://www.gov.uk/guidance/fundraising-legally-and-responsibly)

It is also worth looking at the Institute of Fundraising website for information and guidance on fundraising.

- [www.institute-of-fundraising.org.uk/home/](http://www.institute-of-fundraising.org.uk/home/)