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September–October 2009

Donor Communication Starts Here...

By Priscilla Hung

AMID ALL THE TIPS AND STRATEGIES for nonprofits to weather the economic downturn, I've seen this one on several lists (including ours): Increase communication with donors. We understand what this means, but how to do it? The idea of squeezing in one more donor visit or one more newsletter or other contact can feel overwhelming.

This issue on donor communication should help. It includes articles not only about how to increase communication with donors but how to make those contacts more strategic. We want our communications with our donors to demonstrate our organization's impact, provide ways for donors to engage with us beyond giving money, keep up with current technologies, and of course, raise more money. Zach Hochstadt and Jennie Winton tell us how to make annual reports do all these things rather than being expensive publications no one reads.

Another way to get donors more invested in your organization is to ask them to help you raise money. Your donors make good fundraisers because they believe in your work and have shown that with their gifts. But be sure to read the real-life lessons from Sue Merrilees about her experience being recruited to join a fundraising campaign—it's filled with mistakes that are easy to make, but also easy to avoid.

Nzinga Koné-Miller's tech tips column covers some things to consider before jumping on the social networking bandwagon (Twitter, anyone?). And we round out this issue by looking at simple but important ways to improve that enduring form of donor contact: the fundraising letter.

Speaking of communication, you have probably seen an increase in communication from GIFT in the past few months. We're in the midst of several changes, and who better to turn to for help than our wonderful *Journal* subscribers? One exciting change is that, beginning in January, subscribers will gain free online access to the *Journal* archives. Your paid subscription will allow you to download more than 250 articles of the best fundraising tips from past *Journal* issues. Judging by the response to our fundraising appeal, many of you are also excited by this move toward greater convenience and accessibility. We look forward to updating you on our progress at the end of the year.

You also brought us 250 new subscribers. Thanks for spreading the word! Subscribers are what make the *Journal* possible—thanks for being one and encouraging others to do the same.

The other big change is that our longtime Editor-in-Chief, Stephanie Roth, will be stepping down at the end of the year. We are sad to see Stephanie go, and we'll be holding an event on September 25th in San Francisco to honor her. We hope to see you there! For information on tickets and placing tribute ads to Stephanie, please visit our website: www.grassrootsfundraising.org.

To help guide the *Journal*, especially during these transitions, we are happy to announce our new editorial board: Will Cordery, Rona Fernandez, Dolores Garay, Khahn Pham, Andy Robinson, and Manish Vaidya. Their insight and expertise will help the *Journal* continue to be relevant and responsive to your fundraising needs.

Thanks for continuing to make the *Journal* your fundraising resource through tough times and big changes. Together, we'll all come out stronger.

Creating Effective Annual Reports

By Zach Hochstadt & Jennie Winton

HAS YOUR ORGANIZATION AVOIDED producing an annual report because you thought it was too expensive or too much work? Or have you produced one in the past but are considering scrapping it this year as budgets are shrinking? Well, don't be too quick to ax it. Your annual report delivers a lot more value to your fundraising efforts than you may realize, and there are many ways to produce a good annual report without a lot of expense.

Why Write an Annual Report

There are four primary reasons an organization creates an annual report:

- Organizations are required by law to make financial information available to the public
- The organization wants to let donors and partners know the importance and impact of their gifts
- The organization wants to lay the groundwork for donors to give again
- The organization want to acquire new donors, partners, volunteers, and staff

The first reason is, of course, the least important reason to publish an annual report. The legal requirements around financial data are easily fulfilled without spending the time and money to design and write a report. But by not producing an annual report you miss out on a key opportunity to fulfill the other reasons to do so, all of which revolve around building stronger relationships with your various constituents.

Most important, your annual report is an opportunity to tell your story. For a few short moments you get to re-engage with your donors, volunteers and other supporters and remind them why they care about your work. An annual report gives you the chance to reconnect with those closest to your organization, show them the impact of their past support, and lay the groundwork for a continued relationship.

An annual report is also an important tool for engaging new donors. Done right, your annual report will be one of the primary documents you use throughout the year to introduce your organization to new supporters. Think of a well-conceived annual report as a donor cultivation tool that works for you 12 months a year—not just the month you publish it.

This article details the steps to creating an annual report that helps you raise funds year round.

Determine Your Audience

One of the most important questions to ask yourself at the outset is, "Who is my audience?" The annual report is not a document for the general public, and it's not a document for your staff. The primary audiences for an annual report are your supporters and partners.

The report should especially be targeted to individuals and organizations that have the greatest ability to affect your work and your future vision.

Who are those people? A good question to ask is, what is the general profile of a person who has given to your organization for many years? The people who have supported you over a long period of time are the people most likely to read your report.

Take time to write out a picture of who these people are: What do they care about? What do they need to know about you? And what actions do you want them to take?

For example, imagine that we're creating an annual report for a children's health organization. The people most affected by the work of the organization, children under the age of 18, are not who you're writing the report for. Your audience will likely be parents of children served by your work and people who have indicated an interest in children's health specifically, or health issues more broadly.

So when you think of who your audience is, think of what about your group's work will be most important to them and lead off your report with that information.

Write Your Creative Brief

A creative brief describes the creative approach you intend to take. Whether you create your annual report in-house with just one or two staff members or you outsource the project to professional writers and designers, your creative brief should guide your efforts. Later you can use it as a way to make sure you've stayed true to your vision.

Your creative brief is a short document that answers a few important questions:

- Who's your audience?
- What are the goals for the annual report?
- What's the single most important idea you want to convey?
- What tone, style and "feel" of the report will help reflect your organization's personality and vision?

The Parts of an Annual Report

Once you have the answers that make up your creative brief, you can begin to pull the pieces of your report together. Here is a list of the pieces you can consider including:

- Logo
- Letter from Executive Director or Board Chair
- Brief overview of your organization's work
- Stories that showcase the real impact you made in the past year
- Irresistible photos (close-ups of faces are most engaging)
- Projects coming up in the near future
- Lists of donors
- Financial report
- Contact information
- Remit device to encourage new or additional donations

Establish a Schedule and Budget

Creating an annual report takes planning. You or your staff will need to block out time for writing, reviewing, editing, designing, and revising the report. The more of the report you will be producing in-house, the more time you'll need.

Timeline

To build your timeline, work backward from when you want to have a finished report in hand. Starting from that date, figure two weeks for the printing process, including reviewing proofs and delivery, up to four weeks for the design process, and another month for writing, editing and revising text. So, the timeline for an annual report that will appear on April 1st covering the previous year's work will look like this:

Delivery: April 1
To print: March 15
To design: February 15
Begin writing: January 15
Begin creative brief: January 10

Budget

Only you will know how much money you can budget for your annual report. That budget will determine whether you can hire an experienced writing and design team to create your report or if you will rely on staff and volunteer talent. The cost for a multi-page, four-color annual report for a large nonprofit with national reach that expects to distribute several thousand copies can extend into the tens of thousands of dollars. A grassroots nonprofit that uses volunteer labor and needs fewer copies printed will obviously be able to spend much less, perhaps just a few thousand dollars for printing and mailing. Set your budget first, then choose the approach that best meets your budget. To determine if your budget is realistic, call a couple of designers and printers to get estimates for the report you envision: how many pages, how many colors, how many copies.

Consider Format: Printed or Electronic Only

To answer the question of whether a print or electronic only product is right for your report, consider what is most appropriate for your audience. Are your supporters spending their lives on Facebook, or are they uncomfortable with technology? Do they prefer to hear from you through email, or are they sick of the computer screen? Would a paper report undermine your green image? Don't be seduced by exciting technologies or fancy printing—choose the methods of communication that you know will be most likely to resonate with your supporters.

We've witnessed more and more organizations take their annual reports online. A great example is Mercy Corps (www.mercycorps.org/annual). In the report's online format, readers are able to click on whichever narrative story or stories appeal to them. To see the full breadth of the group's work, they can download a PDF of the whole report.

We prefer a hybrid approach. Posting online is a cost-effective solution, but there's no substitute for the tactile experience of opening up a printed report and leafing through the pages. By engaging the sense of touch, you deepen your interaction with your donors.

Tell Your Story

Begin at the beginning. Many nonprofits fall into the trap of assuming that the people they are addressing, whether in person or in print, have a deeper level of knowledge about their work than they actually do. Even supporters who are really close to your organization—including board members—may not understand your organization's work as deeply as you think they do. This error leads communicators to skip some really important information, such as why your organization is necessary and what it has done so far.

Remember that donors want to help solve problems. So don't speak only of your programs; write about what problems your programs solve to increase your chances of engaging people.

Likewise, there is a tendency for nonprofit organizations to focus on the work happening inside their organizations—a new initiative, the number of program participants, or the receipt of a substantial gift. But this is not the news that will get your donors excited. The problem their money can help solve is what they want to hear about.

So focus the entire report on stories and features that highlight how you made a difference in the last year and how you'll do it again in the future if their support continues. Talk about the student who graduated from college because of your scholarship fund or the drug addict who was able to get clean and start a new career because of your recovery program. Remind donors how big and important the problem is that your organization addresses. Show them how you've made a real difference. In other words, report on your results, not your process. How you make change happen is not nearly as important as the outcomes you bring about.

Similarly, the data that quantify your impact, although important proof points, do not compel donors to give. Statistics are interesting and may be included, but the best way to help people understand your work and why it's important is through stories.

Focus on one or two individuals whose stories are representative. A reader who can understand how one life has changed will understand how 1,000 lives were changed. Lead with your story and then use your statistics for back-up. This is a strategy Marin Education Fund employs in its annual report. Consider this paragraph from their 2007 report:

> *Although Rocio's parents are supportive of her college ambitions, there are others in her family who scold that her dreams of college are in vain. Whether guided by a desire to protect Rocio from disappointment or by their own distrust and misunderstandings of the process, there are people in her life who have told her that she should aim lower, that college is not for her, that she cannot succeed.…But for Rocio, these warnings fuel her internal fire. "I'm going to prove everyone wrong," she says.*

Later in the report, the Fund shares the numbers of students it has helped, but Rocio's story, which leads off and dominates the booklet, is immediately compelling. You may not know exactly how Marin Education Fund achieves its mission—but it's not important that you do. The story immediately helps you relate on a deep level with why their mission is important. (To learn how to write great stories, check out *Made to Stick* by Chip Heath and Dan Heath.)

A Picture's Worth a Thousand Words

Sure it's a cliché, but it's also an important guide to choosing photos for your annual report. What does each photo say about your organization? For instance, a small animal-rescue organization must choose between photos from a recent event and photos of animals they've rescued. The photos from the event feature speakers behind podiums and donors socializing. Even if the speaker at your event was President Obama, unless he's holding a puppy, it's not the right image to tell the story.


One photo is from an event. The other relates to the mission. Which would make you write a check?

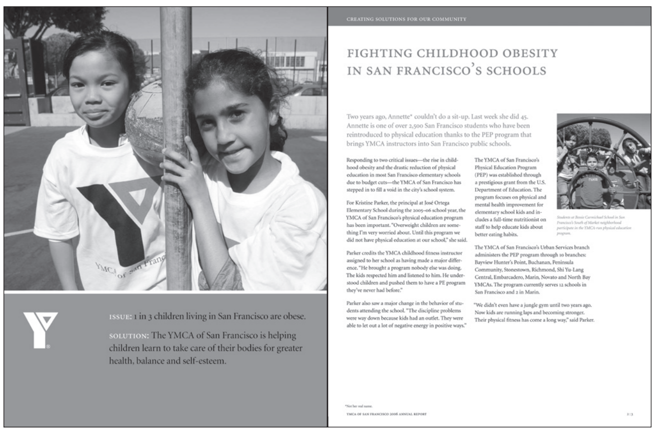
Choose photos that show your mission in action. Steer clear of group photos, pictures of donors giving checks, and donor functions. The best photos will be close ups that show the results of your work—photos that tell a story all on their own.

Use Principles of Good Design

Whether you're designing your annual report in-house or outsourcing to a professional designer, you want to be sure that the design is helping your cause rather than inadvertently working against it. Here are a few questions to consider.

Does it Pass the "I'm too busy to read" Test?

Imagine flipping through your mail tonight when you get



ISSUE: 1 in 3 children living in San Francisco are obese.

SOLUTION: The YMCA of San Francisco is helping children learn to take care of their bodies for greater health, balance and self-esteem.

CREATING SOLUTIONS FOR OUR COMMUNITY

FIGHTING CHILDHOOD OBESITY IN SAN FRANCISCO'S SCHOOLS

Two years ago, Annette* couldn't do a sit-up. Last week she did 45. Annette is one of over 2,500 San Francisco students who have been reintroduced to physical education thanks to the PEP program that brings YMCA instructors into San Francisco public schools.

Responding to two critical issues—the rise in childhood obesity and the drastic reduction of physical education in most San Francisco elementary schools due to budget cuts—the YMCA of San Francisco has stepped in to fill a void in the city's school system.

For Kristine Parker, the principal at José Ortega Elementary School during the 2005–06 school year, the YMCA of San Francisco's physical education program has been important. "Overweight children are something I'm very worried about. Until this program we did not have physical education at our school," she said.

Parker credits the YMCA childhood fitness instructor assigned to her school as having made a major difference. "He brought a program nobody else was doing. The kids respected him and listened to him. He understood children and pushed them to have a PE program they've never had before."

Parker also saw a major change in the behavior of students attending the school. "The discipline problems were way down because kids had an outlet. They were able to let out a lot of negative energy in positive ways."

The YMCA of San Francisco's Physical Education Program (PEP) was established through a prestigious grant from the U.S. Department of Education. The program focuses on physical and mental health improvement for elementary school kids and includes a full-time nutritionist on staff to help educate kids about better eating habits.

The YMCA of San Francisco's Urban Services branch administers the PEP program through 10 branches: Bayview Hunter's Point, Buchanan, Peninsula Community, Stonestown, Richmond, Shi Yu-Lang Central, Embarcadero, Marin, Novato and North Bay YMCAs. The program currently serves 12 schools in San Francisco and 2 in Marin.

"We didn't even have a jungle gym until two years ago. Now kids are running laps and becoming stronger. Their physical fitness has come a long way," said Parker.

Students at Bessie Carmichael School in San Francisco's South of Market neighborhood participate in the YMCA-run physical education program.

*Not her real name.

YMCA OF SAN FRANCISCO 2006 ANNUAL REPORT 2|3

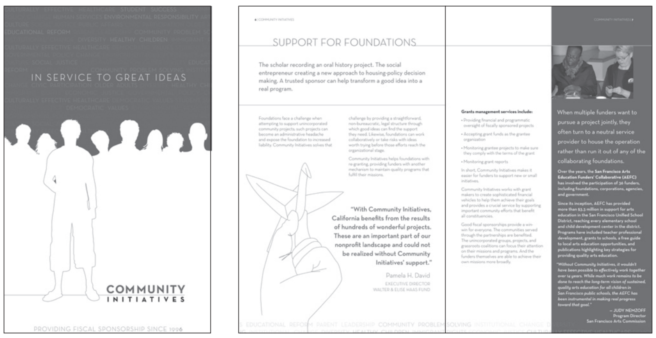
Callouts, photos and headlines in the YMCA of San Francisco annual report help it pass the "I'm too busy to read test."

home. You pick up a brochure from an organization you vaguely remember writing a check to last year. You spend 15-30 seconds with it. A few pictures catch your eye. You read a headline or two. You read large pieces of text that have been called out for your attention. You note the colors and feel of the paper before you set the report aside. In this brief encounter, what did you learn about the organization?

To maximize the few minutes the average donor will spend with your report, make sure it tells a story—even if the reader skips the text and looks only at the photos, headlines and call-outs.

Does It Have Enough White Space?

White space is the design term for open space on the page. White space helps guide our eyes to the most important information. Its openness helps the reader distinguish what we need to look at. Although you may want to fill this space with other interesting information about your work, you can quickly overload the reader's attention if you do.



White space in Community Initiatives' annual report helps draw the reader's eye.

Does Your Report Use a Limited Selection of Typefaces?

There are thousands of ways to style the letters that appear on your pages, and the typeface (font) you choose sends a message. Consider the elegant script of a wedding invitation versus the modern type of the *USA Today* banner.

Choose no more than two or three typefaces for your entire report. Using too many typefaces can feel cacophonous and make reading difficult.

Is Your Report Visually Consistent with Other Materials?

When your annual report arrives, you want the person receiving it to recognize immediately that it's from your organization. If it feels foreign, it's likely to end up being tossed aside. Set your annual report side by side with your website design, brochures, letterhead, and newsletter. Color, type, and logo should match from one piece to the next. If they don't, it's time to establish a single design standard and stick with it.

Five Strategies for Saving Money

Producing an annual report doesn't have to break the bank. Here are five strategies for saving money.

Limit Your Print Run

Determine who your most important audiences are for the annual report and limit the number of copies you print to those who most need them. In addition to a print version, create a PDF (Adobe Portable Document Format) version for downloading or viewing on the Web. You can mail copies to your key stakeholders and guide everyone else to your digital version.

Put Some Information Online

Use your website to reduce the number of pages in the printed report. Remember, the stories are the most important part of your annual report. Direct the reader to your website to view financial data, donor acknowledgments, and other lengthy lists.

Partner with Design Students

Your local design program may be a great resource for finding new, talented designers. Annual reports make great portfolio pieces for young designers looking to make their mark. Partner with an educator to make your report the class assignment and make publication the reward. But make sure your communication objectives remain front and center. Good communication is more important than tantalizing imagery.

Use Social Media

Tools such as Facebook, Twitter, YouTube, and Google Earth give organizations new ways to engage service recipients and donors alike. Rather than thinking of your report as a static publication, consider it an event—an annual reporting period in which those touched by your organization share with each other the impact your work has had on them or the world.

Hire Professionals

As counterintuitive as it may seem, hiring someone else may save you money in the long run. Writing an annual report for the first time can seem like a daunting task, but an experienced writer and designer working together can create a professional document in a fraction of the time it takes to teach staff to do it. The time you save is time you'll have to reach out to new donors and fulfill your organization's mission. ■

Zach Hochstadt and Jennie Winton are the founding partners of Mission Minded, a marketing communications firm working with nonprofit organizations and foundations. Learn more at www.mission-minded.com.

More Lessons from the Other Side of the Table

By Sue Merrilees

A FEW YEARS AGO I WROTE in a *Grassroots Fundraising Journal* article called "Lessons from the Other Side of the Table" about my experience of being solicited for a major donation by an educational program from which I had graduated. As a professional fundraiser who is usually the one doing the asking, I found the overall experience somewhat puzzling. The dean of the program, who had taken me out to lunch, neither solicited a gift nor asked me to volunteer, nor did he even ask for much information about me. There was no thank you note or follow-up conversation until several months after that meeting, when I received a letter from him inviting me to join the Capital Campaign Committee for the program.

In analyzing the interchanges from the lunch, however, I discovered truths about myself and other donors that have proven useful to my continued growth as a fundraiser—now going on 20 years. The continued experience of "sitting on the other side of the table" prompted this new batch of lessons learned.

Lesson 1: Don't Be Afraid to Use the F Word

The opening paragraph of the letter inviting me to join the Capital Campaign Committee explained the purpose, goal, and timeline of the upcoming capital campaign. The second paragraph named the co-chairs and listed the responsibilities of members, beginning with "attendance at meetings" where we would "address fundraising strategies and ideas." This all seemed fairly standard, if a little roundabout for a letter I assumed would include a request for a major gift. Finally came a sentence I found ludicrous in a letter whose goal was fundraising: "Frankly, we are less interested in your ability to contribute funds to the campaign than in your ability to influence others who can and will contribute."

Although during my lunch with the dean I had made clear that I was not a seven-figure prospect and that I was not connected with many others in my small class, I was fairly sure by the less-than-personal tone of the letter that everyone on the committee—wealthy and influential alike—had received a letter with the exact same wording. This vague sentence, then, seemed disingenuous at best. Given that fundraising (there's the F word) would be the primary mission of a Capital Campaign Committee, and a contribution an expectation of committee members, why not make that clear from the start?

I understand that, as a development professional, I am more comfortable talking about money than most people, but I've rarely found coyness to be effective with anyone. In fact, recruiting someone to a committee without spelling out the "real" responsibilities could be perceived as deceptive; at the least, it was not modeling good fundraising practice, especially in light of the committee's purpose. How could one expect a Campaign Committee to be effective in influencing others to contribute if they weren't contributing financially themselves?

Lesson 2: Treat Volunteers with Respect

An important principle when asking people to volunteer their time is to treat them with respect, which, among other things, means paying attention to their circumstances and their preferences. A few key encounters with this committee left me feeling that this was not the case here.

For example, the letter inviting me to join the committee also mentioned that teleconferencing for the meetings was an option if travel to the campus was not possible. Being clear across the country in California, I knew I would prefer to phone in to meetings. The first meeting was scheduled for a Saturday from 9:00 a.m. to noon EST. I would need to be up and on the phone at 6:00 a.m. for three hours. Aside from the frightening prospect of a three-hour weekend meeting, I felt that I and others calling in from whatever other time zones had been overlooked during the planning. When I inquired, the development staff assured me that it was okay if I couldn't participate, which only exacerbated the feeling that my attendance was not that important. In the end, I opted not to call in.

A second indication that no one was paying attention was the letter I received a month later thanking me for my attendance at the meeting.

A third sign of disrespect was the persistence of correspondence referring to me as Susan, despite my repeated written requests to be addressed as Sue. Although the dean and the development staff called me Sue, the salutation on my recruitment letter and all correspondence throughout was "Dear Susan." A small annoyance, but still annoying.

Lesson 3: Don't Overwhelm Volunteers with Information

When I received my volunteer packet, I was amazed and intimidated by the number and length of the contents. The packet contained a loose-leaf binder with tabs labeled Introduction, Duties and Responsibilities, Constituencies & Philosophies, Operating Policies, Timetables, Pro-Forma Financials, Organization and Contact Info, all followed by explicit materials related to each. Duties and Responsibilities included a job description for Campaign Committee members that listed as its last requirement "Makes a personal major gift commitment to the campaign that is in keeping with their means and is at a level consistent with the expectations of the committee." There was a standard case statement and another "case statement" in the form of a letter from the President. The 16-page Campaign Communications Plan detailed every written and electronic communication planned and its purpose. There was also a two-page Procedures for Documenting New Gift Commitments with forms labeled 'For Internal Use Only,' and the Endowment Spending Policy was explained in detail, including copies of the resolutions establishing the policy.

I wondered if I was expected to read, let alone, remember, all the information. It felt as though the campaign staff were so busy "showing their work" they didn't consider what a volunteer really needed to do the job. I suppose there might be someone who would be reassured by all the thought behind the effort, but it made we want to hide the package in a desk drawer and ignore it, which is ultimately what I did. In this era of electronic communication, a compromise would have been to send a list of all the documents that had been prepared, direct volunteers to a special page on the website, if they wanted to read them, and offer to send hard copies if desired.

Lesson 4: Recruit Your Committee Leadership and Committee Members Carefully

A volunteer leader in a fundraising position has to be recruited very carefully and screened for fundraising savvy and overall reasonableness and maturity. That step did not seem to have been taken for this committee.

During the first conference call I attended, it became clear that one of the co-chairs had both a dominating style and one that did nothing to encourage participation or contribution from the other committee members. He mentioned his own "significant" contribution several times, with what seemed to be increasing resentment. Even though the staff introduced me as a fundraising expert in higher education and campaign fundraising (I had called the development staff before the meeting to offer my support), the co-chair systematically ignored my comments and suggestions—as well as everyone else's.

Although the co-chair readily admitted he was not a fundraising expert, he then proceeded to act like one. He decided that the next step needed was to send a letter to all graduates to "launch" the campaign, explaining its purpose in detail and soliciting funds. Despite the latter aim, the letter was curiously indirect and did not actually use the F word. I felt that the letter's water-downed state would at best confuse and bore people and at worst pre-empt any major gifts from alumni who were seriously thinking about making them—I could imagine a $10,000 prospect sending in a check for $1,000 in response to this appeal. Rather than spending his precious time making phone calls or visits, the co-chair spent hours nitpicking with the other committee members and staff about the language of his letter.

In desperation, the development staff asked the vice president for development to weigh in. After first asserting that a letter should not even be sent (this advice was soundly rejected), the vice president provided a heavily edited letter that only succeeded in making the co-chair more defensive. His stubbornness and petulance were qualities that should have been discerned during the recruiting process and perhaps disqualified him for the co-chair position.

Lesson 5: Don't Be Afraid to Provide Fundraising Leadership

There will always be volunteers with dominant personalities, but as long as they aren't completely unreasonable, I've found them willing to accept the development staff as the fundraising expert and to look to the staff for guidance. Establishing your credibility—respectfully—is necessary to keep a committee comfortably moving forward. Phrases like, "I've (or we've) always found that," or "Generally speaking, [insert fundraising truism here]," go a long way in steering volunteers toward the most effective decision.

When I am staffing a group, I often stage-manage the conference calls, asking one of the more respected members who "gets it" beforehand to weigh in on an issue I think might become contentious. This is not to silence any questions or dissent, but to ensure a productive, upbeat meeting and a successful campaign.

Lesson 6: Make All Campaign Events a Success

Every campaign event should be analyzed and supported for greatest success. In this instance, the calendar of regional events planned for the campaign included my region, the San Francisco Bay Area, despite its relatively small number of graduates. As the sole campaign committee member in the region, I was asked to "host" the event, lend my name to the invitation, and help advise on the event venue.

It's difficult to draw a crowd to a campaign-focused event, but a strong local personality, with follow up from the development staff, can pull together enough people to make a respectable occasion. Unfortunately, as the staff knew from the beginning, I was not a strong local personality, and we really didn't have the numbers of alumni to compensate. Nonetheless, I did my best.

I was able to dissuade the dean from holding the event at the newest (and most expensive) venue. The response to the invitations was lukewarm. As a development staff member, when I've seen a low number of positive RSVPs to an event, the first thing I do is get on the phone. I never want a volunteer to feel responsible for a low turnout. Despite my increasingly desperate phone calls with the staff, there was only last-minute outreach, resulting in only 14 yes responses, which was deemed not enough to go through with the event. I couldn't help feeling that I had failed—not an inspiring emotion for a volunteer.

Lesson 7: Communicate During a Crisis

Nothing will kill enthusiasm faster than the negative rumor mill. Any rumors must be caught in early stages and discussed and clarified—especially with volunteers whose fundraising efforts are affected.

Right after our second committee conference call, rumors began circulating about the possible dissolution of the educational program for which we were raising money. In the age of listserves and blogs, not addressing such rumors meant they only grew louder and more paranoid. After that second conference call, staff were expected to follow up with each committee member to make prospect assignments. That never happened; in fact, everything just stopped. The official silence regarding the campaign's progression, or suspension, was baffling and frustrating.

Given that their own jobs were on the line, I understood that staff would not think first of communicating with volunteers—especially when nothing was certain. But if ever there was an opportunity for a rallying cry, this was it. Because the reasons for the dissolution were financial, if the committee were charged with making—and soliciting—stretch commitments based on the restriction that the program continue, it would communicate to the administration that there was support behind the program. However, such a strategy did not occur to those of us on the committee at the time; if staff thought of it, it never reached the volunteers.

After several months of confusion, the committee co-chair unilaterally called for a temporary postponement of fundraising activities until the question about the program's existence was decided. For once, I was in agreement with him.

Lesson 8: Don't Close a Program in the Middle of a Campaign

Just after the campaign was publicly launched, the dissolution of the program was confirmed via a letter from the new president of the school but containing no real explanation. By that time, because of the electronic rumor mill, the alumni all knew it was going to happen. Because the program itself was my primary motivation for supporting the institution, I was unlikely to want to donate again, and I wondered if those who had already given or pledged to the campaign would want their contribution returned.

So ended my foray into fundraising for one of my alma maters. Although I felt I had met the program half-way in trying to help it raise money, I also realized how easy it was to slip into a passive role as a volunteer, looking to the staff for guidance.

This experience hasn't turned me off from donating or volunteering entirely, but it has made me conscious of the importance of staff keeping the focus on fundraising, expressing clarity of purpose from the beginning to all volunteers, and above all, being mindful about what is happening on both sides of the table. ■

Sue Merrilees is the Senior Director of Development, University Programs, University of California, San Francisco.

Can This Letter Be Saved?
Strengthening a Fundraising Appeal

By Karen Topakian

WRITING SUCCESSFUL FUNDRAISING LETTERS requires keeping two different perspectives in mind: the organization's and the donor-reader's. The writer needs to know enough about the organization's mission, values, and activities to present them persuasively on the page. The reader needs to be interested enough in the letter to give it their time and to follow through with another donation.

It is from both of these perspectives—as a professional fundraiser and donor—that I offer suggestions and comments on the fundraising letter by generationFIVE presented here.

I assume that your appeal letter-writer is sufficiently steeped in the organization to present it accurately, so I offer a few points here about how fundraising letters are read that will help guide that presentation.

First, keep in mind that people have short attention spans when reading a fundraising letter. They do not sit down to absorb its contents; more likely, they glance at it while standing next to their recycle bin. Second, although it may disappoint you to hear this, they don't treat your words as great literature. Not only that, they don't even read every word of the letter.

Instead, according to our fundraising guru, Kim Klein, your donors will read your letter in sections, starting with the greeting and the first paragraph, then jumping to the last paragraph and the P.S. If your reader is sufficientyly intrigued, they may go back and check out other parts of the letter.

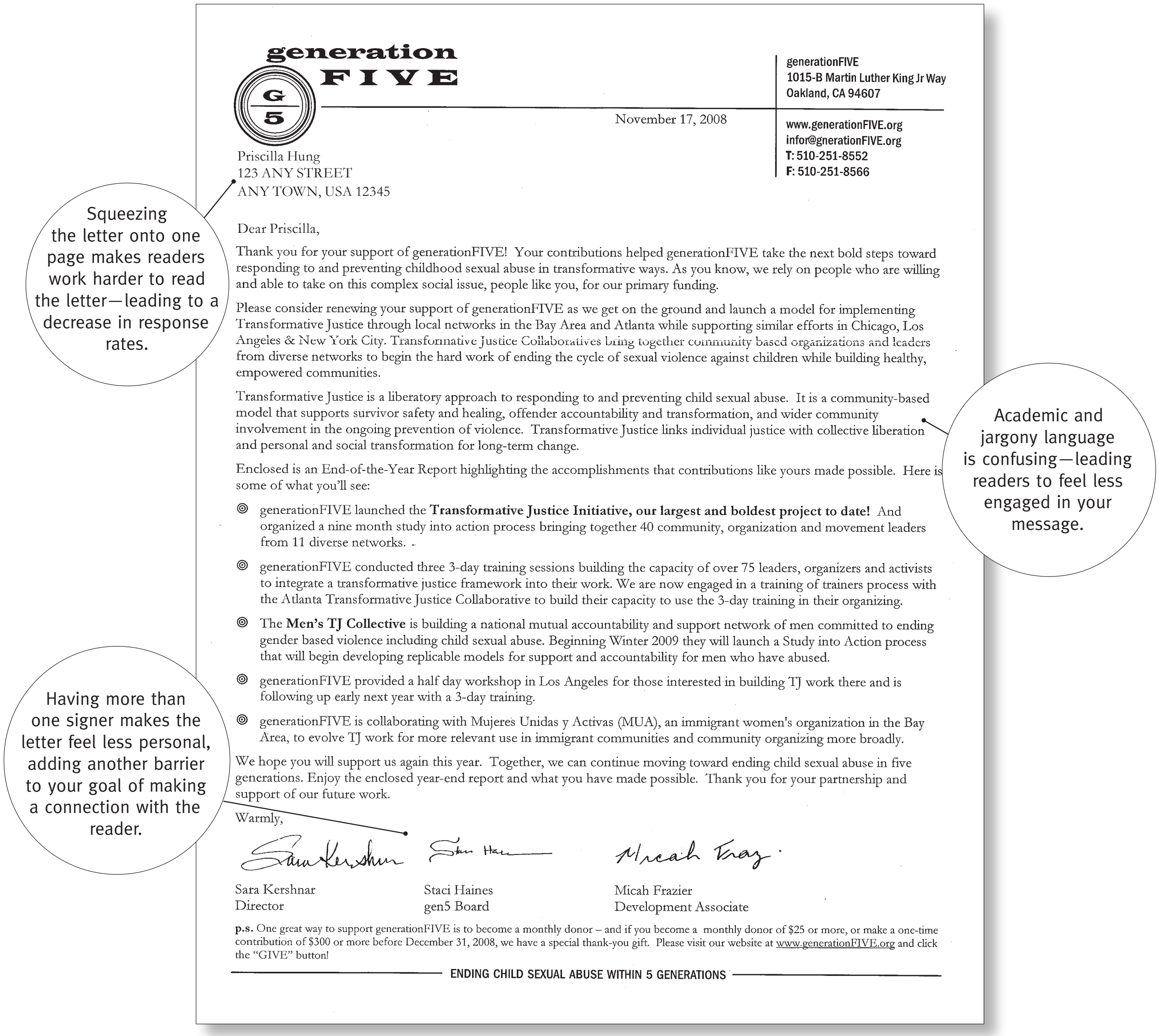
Readers also respond to visual cues on the page, scanning the letter for anything presented in bold type, highlighted, or underlined. They also appreciate short sentences that are quickly understood. They can easily become overwhelmed by a letter that is too long or that contains complex sentences with multiple clauses; ultimately, that is a letter they will discard.

Another point to keep in mind is your audience. A mediocre letter sent to a list of loyal supporters will always garner a higher response rate than a perfect letter sent to a list of people who do not support your cause or share your organization's vision. Always write the best letter that you can, but make sure you're sending it to the right people.

generationFIVE is an organization that addresses child sexual abuse. Their letter—sent to generationFIVE's current donors asking for them to renew their support—represents many positive attributes as well as common mistakes.

What Works

1. **Personalizing.** Because an individual will be reading your fundraising letter, personalize it as much as possible to let the reader know that s/he matters to the organization. generationFIVE personalized their fundraising letter in two ways: by placing the donor's name and address on the page and by including a personalized salutation, "Dear Priscilla." Each personalization reinforces the organization's connection to the donor.
2. **Thanking.** When writing to previous donors, it's easy to forget to thank them for their prior gifts because you are looking forward to their next donation. But the donor may see things differently. Receiving your letter may remind them of their past gift—why they gave, when they gave, and what they may have heard from you since. generationFIVE keeps this important principle in mind in the first line of the first paragraph, which starts with two beautiful words that can never be said enough to anyone who gives your organization a gift: "Thank you."
3. **Using "you."** Perhaps the most important single word in a fundraising letter is *you* or its variant, *your*. generationFIVE gets a prize for incorporating the words *you* and *your* 10 times in the body of this 10-paragraph letter. Readers like to read about themselves as well as feel a part of the organization, and including the word *you* accomplishes both tasks. Donors aren't counting, but subconsciously they are looking for that connection.
4. **Bulleting.** Including bullet points gives the reader an



generation FIVE

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T: 510-251-8552
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November 17, 2008

Priscilla Hung
123 ANY STREET
ANY TOWN, USA 12345

Dear Priscilla,

Thank you for your support of generationFIVE! Your contributions helped generationFIVE take the next bold steps toward responding to and preventing childhood sexual abuse in transformative ways. As you know, we rely on people who are willing and able to take on this complex social issue, people like you, for our primary funding.

Please consider renewing your support of generationFIVE as we get on the ground and launch a model for implementing Transformative Justice through local networks in the Bay Area and Atlanta while supporting similar efforts in Chicago, Los Angeles & New York City. Transformative Justice Collaboratives bring together community based organizations and leaders from diverse networks to begin the hard work of ending the cycle of sexual violence against children while building healthy, empowered communities.

Transformative Justice is a liberatory approach to responding to and preventing child sexual abuse. It is a community-based model that supports survivor safety and healing, offender accountability and transformation, and wider community involvement in the ongoing prevention of violence. Transformative Justice links individual justice with collective liberation and personal and social transformation for long-term change.

Enclosed is an End-of-the-Year Report highlighting the accomplishments that contributions like yours made possible. Here is some of what you'll see:

- generationFIVE launched the **Transformative Justice Initiative, our largest and boldest project to date!** And organized a nine month study into action process bringing together 40 community, organization and movement leaders from 11 diverse networks.
- generationFIVE conducted three 3-day training sessions building the capacity of over 75 leaders, organizers and activists to integrate a transformative justice framework into their work. We are now engaged in a training of trainers process with the Atlanta Transformative Justice Collaborative to build their capacity to use the 3-day training in their organizing.
- The **Men's TJ Collective** is building a national mutual accountability and support network of men committed to ending gender based violence including child sexual abuse. Beginning Winter 2009 they will launch a Study into Action process that will begin developing replicable models for support and accountability for men who have abused.
- generationFIVE provided a half day workshop in Los Angeles for those interested in building TJ work there and is following up early next year with a 3-day training.
- generationFIVE is collaborating with Mujeres Unidas y Activas (MUA), an immigrant women's organization in the Bay Area, to evolve TJ work for more relevant use in immigrant communities and community organizing more broadly.

We hope you will support us again this year. Together, we can continue moving toward ending child sexual abuse in five generations. Enjoy the enclosed year-end report and what you have made possible. Thank you for your partnership and support of our future work.

Warmly,

Sara Kershnar, Director | Staci Haines, gen5 Board | Micah Frazier, Development Associate

p.s. One great way to support generationFIVE is to become a monthly donor – and if you become a monthly donor of $25 or more, or make a one-time contribution of $300 or more before December 31, 2008, we have a special thank-you gift. Please visit our website at www.generationFIVE.org and click the "GIVE" button!

ENDING CHILD SEXUAL ABUSE WITHIN 5 GENERATIONS

indication of where the writer wants them to focus. In this case, generationFIVE focused on how past donations were spent—a very important feature if you want another gift. Bullet points also help to break up the text and provide some relief to the eye. Reading a fundraising letter should not require every ounce of the reader's concentration. Kudos to generationFIVE for including these breaks.

5. **Acknowledging.** Just as the first line of the letter started with a thank you, so did the last. Once again, generationFIVE is acknowledging the relationship with, and generosity of, the donor, which goes a long way toward increasing the chances of a future gift. In addition they added the word *partnership*, which lets the donor know that generationFIVE sees them not just as a source of funds but as working with the organization toward success.
6. **Including a P.S.** When writing a formal business letter, you would generally not include a P.S. because it can look as though you left something out of the body of the letter. In a fundraising letter, however, a P.S. is essential because it adds an air of informality and excitement on the part of the writer. As in, "Wait, I forgot to tell you one more important piece of information." generationFIVE not only included a P.S. but added *you* twice in its three-line text.
7. **Including the URL.** Creating and updating a website borders on a requirement for nonprofits. Donors, colleagues, and interested parties will look to a group's website for information about the organization when they need it. But the work you do to launch and maintain your

website doesn't do any good if you don't remind your donors of the address. generationFIVE did so in the P.S. Another gold star.

Suggested Improvements

As good as the generationFIVE letter is, there is room for improvement.

1. **Layout.** generationFIVE took the "less is more" approach to heart by fitting their letter onto one side of one piece of paper, an admirable move in the age of overconsumption and responsible resource usage. In order to make the letter fit, however, they had to use a smaller-than-normal type size and reduce the margins around the page. The P.S. squeezed onto the bottom of the page uses an even smaller font, rendering it almost unreadable. Decreasing the margins and the font size and not indenting the paragraphs all reduce the amount of white space on the page, contributing to a reader's sense of claustrophobia. Furthermore, donors over 40 may have to search for their reading glasses to actually read text this small. All of these factors make the reader work harder to read the letter—an instant barrier to their gift giving. A solution would have been to stretch out the layout and print the letter on both sides of the paper.
2. **Excessive bullet points.** Although generationFIVE did a good job of including bullet points to help direct the reader to the most important information, the number of bulleted points here may dilute those objectives. The letter would have benefited from one or two fewer examples.
3. **Capitalization.** generationFIVE did well to personalize the letter by including the recipient's address, but squeezing the entire letter on one side of the paper means the address sits awkwardly on the page, butted up against the group's logo, which muddies both. Moreover, the fact that the address is in capital letters directs the reader's attention to it, which is not where you want their attention to go.
4. **Story-telling.** All fundraising letters must speak to the donor's heart as well as mind. The letter must tell a story of how the donor's gift will improve people's lives or well-being or rectify a bad situation. Because generationFIVE addresses issues of child sexual abuse, the donor might expect to see a personal perspective, a human voice or emotion included in the letter. This letter would have been much more effective if the message incorporated language or an example like the following that moves the donor emotionally.

   When 13-year-old Tammy Jones acknowledged the five-year history of abuse she had received at the hands of her 14-year-old male cousin, she knew it would tear the youth organization they both belonged to and her family apart. The organization, concerned for both young people, searched for an alternative response that would honor their commitment to health and well-being of young people. Thankfully, generationFIVE knew the answer. They worked to reduce Tammy's shame and boost her confidence, supported her mother, and advocated for the cousin to receive treatment and not incarceration. The youth organization developed protocols to move forward. Through thoughtful and skillful action, generationFIVE helps stop the cycle of abuse and develops loving families, organizations and communities.
5. **Jargon.** Not only did this letter lack the human touch, the third paragraph, which describes the group's philosophical approach of Transformative Justice, includes academic and jargony language that may cause a reader to read no further and not to donate.

   Here's the original paragraph:

   Transformative Justice is a liberatory approach to responding to and preventing child sexual abuse. It is a community-based model that supports survivor safety and healing, offender accountability and transformation, and wider community involvement in the ongoing prevention of violence. Transformative Justice links individual justice with collective liberation and personal and social transformation for long-term change.

   Here's how I'd rewrite it:

   generationFIVE's Transformative Justice (TJ) model ushers in a new approach to responding to and preventing child sexual abuse. When replicated by organizations around the country, TJ produces exciting results.

   We believe that child sexual abuse is not just about individual incidents of rape or molestation. It's about gender roles, gender training, and the imbalance of power relationships between adults and children.

   We believe in dealing with power and talking about the use of domination and force. We believe that the long-term solutions to child sexual abuse have to involve the wider community. Punishing the perpetrator has not led to less abuse or change on their part. That is why we look for resolutions that don't involve incarceration and an increase in policing of communities.

6. **Outcomes.** The text of the bullet points highlights examples of generationFIVE's activities but fails to describe how the completion of the tasks moved the organization closer to achieving its mission. Such "outcomes" reporting is more powerful than merely stating what has taken place.
7. **The ask.** Given that the main reason for writing a fundraising letter is to solicit another gift from the donor, the entire letter should be building to the "ask" moment. All of the facts about your work, your successes, your plans for solving the problem, and the emotional content should render the donor breathlessly ready to write a check. generationFIVE's request for a donation, "We hope you will support us again this year," could be much more persuasive. In addition, their request shouldn't equivocate their role in solving the problem. Simple editing can strengthen the "ask" on both fronts. For example, a re-write could state, "We know you believe that all families and communities deserve to live free from child sexual abuse. With your partnership, we can end this abuse in five generations. Because all of the other Tammy Jones families and friends need generationFIVE's help, please make a generous tax-deductible investment today in our children's future."
8. **Signers.** And finally, the signature. Since fundraising letters are written from one person to another, having three authors doesn't allow the writer to use the word *I*. Unless the donor really needs to know that all three people played a role in writing this letter, stick to one—preferably the one whose inclusion will garner the most gifts. Others may add a handwritten note to show their connection to the letter.

Strengthening Your Letters

As you can see, writing a successful fundraising letter requires thought, strategy, creativity, and heart. Hitting all of the notes at the right moment takes practice and ruthless editing. If you pay attention to the principles and examples here, your letters will be stronger vehicles for future gifts. Just remember, be fearless, be honest, keep writing, and keep asking. ■

Karen Topakian was the Executive Director of the Agape Foundation—Fund for Nonviolent Social Change for 15 years.

Are You Missing the (Social Networking) Bandwagon?

By Nzinga Koné-Miller

THIS STATEMENT BEARS REPEATING: Email is the primary driver of response online.

There are plenty of options for using technology to communicate with your donors and your constituents—everything from email to social networking sites—and sometimes it seems as if there's a new one added into the mix every six months or so. From the buzz about the incredible number of tweets on Twitter about the Iranian election during June to the lingering, still-awesome news about the $450,000 raised via mobile giving during an American Idol episode in May, it can be hard not to feel as though you're missing the party if you're not already posting Facebook status updates about your organization's every move.

There's good reason to keep your finger on the pulse of all these developments, though it's not quite time to throw all your energy into social networking and mobile campaigns. For the most part, outreach on social networks isn't translating into solid, measurable fundraising results —yet. Still, integrating channels beyond email into your communications strategy might offer some compelling benefits.

For example, in December 2008, my organization (Watershed) and Mobile Commons tested incorporating text messaging into the Humane Society of the United States's year-end fundraising drive. As part of this effort, subscribers to HSUS's mobile messaging program were sent a text message on December 30th prompting them to call in their year-end gift. Our hope was that recipients would race to make their year-end gift via a phone call to the call center where we had representatives standing by—but disappointingly, not a single recipient of the message did.

However, the following day, the recipients of the text message—along with a control group and the other members of HSUS's email list who had not yet given during the multi-email fundraising drive—received a "Last Chance" appeal by email prompting them to give before the end of the day. When the results from this appeal were in, we were pleasantly surprised to see a 77 percent lift in response from the recipients of the text message over the segment that did not receive the text message.

So while running a Facebook fan page may not necessarily cause new donors to start banging down your organization's door to give you money, the results of the HSUS test suggested that combining channels in your communications program has the potential to increase the success of your appeals with your existing base.

When deciding which communications channels to use and how to prioritize them, it's important for your organization to continue to do what is working for you right now. "Do what works" might sound a little like circular advice, but it's with good reason—if your donors are engaged and responsive participants in your email efforts, then by all means don't suddenly deprioritize email in favor of the latest social networking craze.

Is What You're Doing Working?

As with many of the questions that we address when working with an organization, the answer is largely, "it depends." You can use industry benchmarks about what constitutes good response rates —such as the DonorCentrics Internet Giving Benchmarking Analysis—and outcomes from other nonprofit organizations can be very useful for providing some context around what can be possible, but I wouldn't recommend using them to determine the success or failure of your email program—at least not to start. The benchmarks that matter most are those of your existing list.

Some organizations regularly have response rates that are double that of other organizations, but there can be a number of possible reasons for this difference. Although a better response rate may indicate a better communications program, the difference could also be due to a number of other factors, such as the percentage of new names (newer list members are more likely to be responsive), geography (locally focused lists and communications tend to be more active than those that cover the nation), or list quality (where did those names come from, anyway?).

To start getting a sense of how well communications to your larger list and to your donors are performing, create your own internal reports that you can use as benchmarks in the future. Every time you send an email, review and record the results. How many recipients were there? What percentage of them opened your email? How many of the openers clicked through to your website? And, if you were try to drive traffic to your site for a specific purpose, how many of the clickers did what you asked them to do once they landed on your website? How many made a donation once there? Don't forget to keep track of that unsubscribe rate as well.

Do this every time you send a message and you'll begin to see trends. Regular tracking of your results will allow you to calculate average results across all the emails you send as well as for different categories of emails—such as donation appeals, cultivation messages, and action alerts. Comparing like to like in this process is important since, for example, donation appeal response rates are typically going to be lower than action alert response rates.

If your results give you reason to believe that your email program isn't working as well as you'd like it to, you'll want to focus the majority of your energies trying to improve the program before expanding to other communications channels. This doesn't mean that you should ignore social networking sites—but it does mean that it's worth making a concerted effort to fix what isn't working about your email program before dedicating significant energy to building your social networking presence or integrating text messaging into your donation appeals. If, on the other hand, your results suggest that your existing program is robust and thriving, then it might be time to branch out more seriously.

You may be thinking, "Wait a minute. Before you said to do what works—so if what I'm doing already works, why change it?" Because technology can change quickly, and your clearest and most effective paths for reaching your supporters can change right along with it. If you're to be able to keep up with your audience and your potential audience and reach them wherever they happen to already be online, then you'll need to keep up with technology as well. This doesn't mean you need to become an overnight expert in any one of the channels available to you, but neither can you completely ignore the available options. When the tides shift in what's happening in online fundraising and advocacy, be prepared to ride the wave—even if it entails trial and error.

If It's Time to Embrace New Channels, How Do You Do It?

Let's back up for a moment. Like staff at many organizations, your capacity to add multiple additional channels to your communications might be pretty minimal. With a number of choices of technology channels to incorporate into your communications, how do you know which to use?

There may not be a single "right" answer to this question. Different channels may reach different segments of your existing list—and different prospective populations as well. Still, there may be channels that simply aren't a good choice for your organization. For example, the Iranian election notwithstanding, there isn't much in the way of compelling data that suggest that focusing your efforts on Twitter will significantly increase donor engagement, get new donors, or build a strong list of online activists. Text messaging, on the other hand, is worth investigating, though the costs associated with using it may rule this option out for some organizations.

If you're limited to going with an essentially no-cost option, you're likely to be looking at the two giants of the social networking world: Facebook and MySpace. Maintaining a presence on both of these sites would be the best option. Much of the work you'll do on one site can be repurposed for the other, so choosing both will not necessarily double the amount of effort required.

Once you set up your organization's presence on social networks, you'll need to begin to expand your community of fans and friends and create or repurpose content for the social network when developing campaigns and messaging. For example, if you're running a three-message donation campaign, think about how to incorporate the appeal on your social networking sites and drive potential donors from those sites to your donation form.

Don't assume that your friends and fans are the same people who are on your email list, despite your efforts to cross pollinate these groups, so if there's something significant happening for your organization in either channel, make sure to spread the word in both channels. Spreading the word doesn't mean using identical content from one channel for the other, as communication in social networking environments will typically be much shorter and more casual than your email content. It does mean finding ways to communicate about topical news, events, and campaigns that are appropriate to the medium and compelling enough to be of interest to people outside your organization.

So while email is the primary driver of response online, integrating the other online channels that are available can help deepen your relationships with your donors and supporters—and broaden your organization's ability to reach new donors and supporters. ■

Nzinga Koné-Miller is an account director at Watershed, a consulting and services firm designed expressly to help organizations build, grow, and sustain relationships with constituents online.