

GREATER  
WASHINGTON

CATALOGUE FOR  
**PHILANTHROPY**

# Development Strategy During COVID-19

## Making a Plan



6/1/2020

# Impact of COVID-19 So Far

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## Fundraising and Programming Changed Dramatically



### Fundraising

89% facing some financial challenges,  
77% facing major challenges or threats to stability



### In-Person

65% have had to cancel fundraising events



### Programming

96% face challenges but 88% still made virtual shift

# Tip #1: Cash Flow

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## Consider What is Coming In and Going Out

### Monthly

Make a monthly projection for rest of 2020

### Revenue

Chart likely or expected revenue by month

### Cash on Hand

Start by getting total of cash on hand (easy to access assets)

### Calculate

Cash + Expected Revenue – Expected Expenses = New Cash on Hand

### Bills

Make list of recurring or planned expenses by month

### Update

As things shift, update projection (at least monthly)

# Mapping Revenue and Expenses

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## Get the Right Information

### Revenue

- Be conservative on any uncertain sources
- Definitely include current AR, approved or likely grants, longtime donors
- Exclude or include part of uncertain gifts
- May need two models if uncertain program revenue

### Expenses

- Differentiate between recurring and optional/one-time
- Make sure expenses fit revenue plan
- Have a solid calculation of payroll, rent, utilities, and debt

### Example

- You have \$40,000 cash on hand
- May: \$60,000 in expenses, \$40,000 in revenue
- New cash on hand at end of May: \$20,000

# Tip #2: Forecast Capacity

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## Who, When, and How

### Who

- Consider who can help with donor engagement and solicitation
- For engagement and stewardship, look to get a team of 2-4 people
- Great opportunity for 1-2 engaged board members plus ED and fundraising staff

### When

- Plan for virtual engagement and therefore virtual solicitation through July at minimum
- Reserve a set amount of time for donor engagement
- Suggested 1 hour daily
- Schedule 6-8 weeks out

### How

- Prioritize donors based on giving history, giving potential, and interest
- Pick a team of 2-4 people who can commit to 2-3 calls daily
- This results in 80-200 calls in a month

# Tip #3: Looking at Trends

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## Foundations



### Reach Out

- Need to be engaged just like major donors
- Personal relationships with program officers best insulation against shifting priorities



### Priorities

- For the next year, some foundations like to shift focus solely to basic needs or health
- Most are doing something COVID-19 related, focus and impact on traditional funding varies
- Stocks will impact endowments but not until 2021 and 2022



### ?

- From recession, big shift was for larger, more competitive grants and more focus on impact
- Unclear yet but one emerging area is racial justice/systemic injustice
- May also be looking for more examples of collaboration/how you fit ecosystem

# Tip #3: Looking at Trends

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## Donors

### Major & Loyal

- Least likely to be economically impacted, although priorities may shift
- Donors who are major givers for you and have been giving for 3+ years
- Likely to retain 85-90% of these donors
- Typically represents 80% of donor revenue

### Middle & Loyal

- Middle level donors who have given for 3+ years
- May be personally economically impacted
- Conservative forecast would be 40-60% of these
- Often 10-15% of donor revenue

### New

- Grassroots and middle level donors who started giving in last two years
- Most likely to be economically impacted and to shift giving
- Depends on donor stewardship, but conservative estimate would be 25-40% retention
- Often 5-10% of donor revenue

# Tip #3: Looking at Trends

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## Others

### Corporate

- Expect a severe drop and re-prioritization of corporate giving
- If still giving, focusing on emergency response or economic issues
- Can't volunteer, attend events, etc. and that is big part of giving

### Events

- Major donors and pre-commitments likely consistent
- Existing sponsors likely to remain, new sponsors may need to be transitioned to just donors
- If going virtual, only expect 40-60% of typical live appeal

### Peer to Peer

- Great opportunity right now
- Even in crisis, people give to people
- Good way to engage supporters and to cut through noise
- Likely best acquisition strategy currently



# Tip #4: Make a Plan

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## Development Plan

A strategy designed to identify and secure resources needed to advance the mission and strategic goals of the organization<sup>1</sup>



### Your Goal

*What do you want to accomplish?*

Set a tangible outcome you'd like to receive, usually a specific dollar amount or relative performance to prior year



### Your Strategy

*How are you going to do it?*

Describe what methods you are going to use to achieve your goal, focused specifically on each revenue source



### Your Case for Support

*Why does this matter?*

Define why others should support your organization, from both a mission and resource perspective (i.e. head and the heart!)



### Your Tactics

*What are you going to do?*

Within individual revenue sources, build out the steps and resources needed to execute against goals

<sup>1</sup>Nonprofit Resource Blog, 2008

# Virtual Donor Meetings

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## Replicate Best Parts of In-Person

### Personal

- Just like a coffee or lunch, we want to connect with them
- People give to people
- Ask how they are, family, work, etc.
- Share your own updates

### Productive

- We want these meetings or calls though to still have a strong purpose
- Have 1-3 major updates/points you want to share
- Describe short-term action plan

### Brief

- More so than in-person, we have limited time for engagement virtually
- Attention drops after 30 minutes and even more so beyond an hour
- Stick to main points for update portion

## Different But Familiar

### Mission

- Main mission, pitch, reason to care is likely same as before COVID-19
- Focus on others pieces to give lasting mission context and clarity

### Context

- Add urgency of situation to your pitch
- Could be expanded needs of clients, new needs of clients, or new challenges for organization

### Clarity

- Explain the pivot you are making and plans moving forward
- Reduce uncertainty
- Give specifics and try to track stories/perspectives from staff and/or clients

# Virtual Options

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## Three Ways to Go Online



### Livestream

- *What is it?* Broadcasting someone performing or speaking live to the audience for majority of event
- *Benefits:* Most urgent, best option is really engaging content
- *Cons:* Can be costly, challenge to produce, loses appeal if not watched live



### Recorded

- *What is it?* Sharing prompts or recorded videos with audience
- *Benefits:* Easy production, creative options, can closest replicate event experience
- *Cons:* Tech limitations of audience, must keep them engaged, hard to evaluate



### Campaign

- *What is it?* Simply doing an online fundraising campaign at a specific time
- *Benefits:* Easiest for you and audience, expected course of action
- *Cons:* Could be transactional, lose engagement elements of event

# Tip #5: Make a Budget

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## Plan for Contingencies

### Identify Variance

- Salary, rent, variable program expenses all most likely to fluctuate
- If uncertain on decisions, model 2-3 scenarios
- Take all scenarios and make good, bad, worse plans
- For fundraising revenue, take cues from your plan

### Revenue

- Be realistic but not overly conservative
- Break down revenue line items into buckets and think through trends

### Share

- Will probably need more time for discussion than normal
- Major decisions wrapped up in the budget
- Even if you don't need to do one until end of 2020, can be helpful to update

# Fundraising Strategy To-Do List

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## Things to Do Now

**1**

### New Normal

Virtual donor engagement through summer

**2**

### Talk

Ask recent donors about gift and if they plan to still give later

**3**

### Forecast

Make projections for each revenue bucket

**4**

### Plan

Project cash flow through end of 2020

**5**

### Thank

Show generosity to supporters, staff, and board

**6**

### Data

Take the time to look through donor and foundation data

# Programs Shifting Too

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## Significant Impact on Service Delivery



### Mission

Still have a need and desire to carry out mission, but the how may shift for rest of 2020



### Changes

Majority (over 75%) have moved programming virtual in some way



### In-Person

Likely to not return until after summer for most, longer for many

# Consider Needs

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## Immediate and Medium Term Programs

### Existing

Consider the main needs of clients pre-COVID-19, and map out which are being met or not

### New

Ask clients for updates and get a sense of emerging or short-term needs due to COVID-19

### Realistic

Either due to capacity, client realities, or both, some options may not be possible in short term



# Tip #1: Access

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## Consider How Your Audience Will Engage



### Devices

- Consider if clients or audience have devices, and if so, do they have a camera
- If unsure, do a tech audit survey
- If finding a need, reach out to institutional funders or explore emergency grants



### Connection

- Not just device access, but need wifi or internet access as well
- Consider level of connection and if you should be doing video



### Context

- Where will your audience be during programming?
- Alone or with family?
- Distracted or focused?

## Tip #2: Choose Type

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### What Do Your Clients Need Most Now?



#### Live

- Synchronous
- Encourages more engagement and urgency
- Can limit who participates and requires staff planning/comfort



#### Group

- Virtual opportunity to engage with each other
- Often in a Zoom-like format
- Builds sense of community
- Can be difficult to facilitate and engage all



#### Recorded

- Asynchronous
- Allows for flexibility for participants
- Can be shared as well or referenced
- Harder to gauge engagement and in general feels more “virtual”

# Content #1: Live

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## Directly Reaching Your Audience



### Dynamic

Not just a talking head, make sure content engages



### Activity

Have host ask audience to do something



### Short

18 minutes or less is ideal (try to keep it definitely under 30)



### Wing It

Live virtual programming requires more planning than in-person



### Ignore Shift

Engagement will happen but will be different

# Content #2: Group

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## Driving Virtual Community



### Discussion

Directly engage participants to talk with each other



### Goal

Need to have purpose for group talking with each other



### System

Implement system to ensure most participate



### Top Down

Avoid question and response; mix it up and try to drive lateral chats



### Organic

Needs facilitation and will need direction

# Content #3: Pre-Recorded

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## Widest Variety of Options



### Creative

Allows you to do more, edit, and involve multiple people



### Accessible

Option makes it easiest for audience to participate given potentially hectic home life



### Follow-Up

Ask audience to leave comments, write a response, fill out a poll, etc.



### Engagement

Limits engagement so will need to do peer to peer connection elsewhere



### Talking

Can't just be a talking head in order to stand out

# Tip #3: Creative

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## Don't Feel Stuck Trying to Replicate Everything



### Let Go

- Not everything will (or should) translate virtually
- May have to lose some discussion elements, re-think self-guided activities, and change how long we speak for



### Task

- Some creative ideas we are seeing are using virtual engagement to teach skills
- Could be specific lesson, craft, recipe, etc.



### Discussion

- Other groups are using tech to creatively drive discussion
- Real focus on small groups
- Could use Zoom breakout rooms (pricey) or a series of Hangout/Zoom links (cheap but confusing)

# Tip #4: Goals

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## Set Specific Targets for Participation and Engagement



### Audience

- Set goals for total number of audience and who is participating
- May want to make targets for specific audiences
- Set total goal as number and also percentage of regular audience (typically 50-75%)



### Engagement

- Set goals for how you want the audience to engage
- Could do comments, posts, etc.
- Think of concrete things you can track



### IRL

- For some content, we may have goals for people taking action in the real world
- To track this, we can ask on follow up calls or send surveys
- Won't capture 100% but good to track

# Programming To-Do List

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## Things to Do Now

**1**

### Schedule

Think ahead for virtual programs through July

**2**

### Prepare

Take time to strengthen in-person resources

**3**

### Reusable

Make investments to prepare you for this in the future

**4**

### Ask

Ask audience what they need, want, and like

**5**

### Thanks

Shout out your staff and let them know your appreciation

**6**

### Data

Dive into audience and engagement statistics