

# Developing your **Organisation's** Fundraising Program

Community Colleges Australia  
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## Agenda / Talking Points



Origins and roots of Charitable Giving



Overview of the “Charity & Not-for-Profit” Sector



Australian Giving trends



Global Fundraising & Philanthropy Trends



Fundraising Strategy and Development



Questions & Discussion

# Who am I to speak...

## Management/Interim

- Heart Foundation
- Vision Australia
- University of Sydney
- Multiple Sclerosis Ltd
- Jewish Communal Appeal
- Benevolent Society
- Royal Blind Society of NSW

## Consulting (selected clients)

- University of Melbourne
- Courage to Care
- Sydney Community Foundation
- Together for Humanity Foundation
- Epilepsy Action Australia
- University of Notre Dame
- Endocrinology and Diabetes Research Foundation, University of Sydney
- Rural Health Education Foundation
- Butterfly Foundation
- Outward Bound Australia
- Sisters of St Joseph
- Australian Graduate School of Management

## Origins and roots of Charitable Giving

# Was Moses the first fundraiser ?

## Raising funds for the first tabernacle – c 1,500 BC



Moses wanted to get the materials and skilled volunteers to build a tabernacle (a travelling worship tent) for the Jews in the desert.

Source: SOFFI. Showcase of Fundraising Innovation & Inspiration. <http://sofii.org/case-study/moses-raises-funds-for-the-tabernacle-c-1-500-bc>



# Did King David hold the first ever major donor dinner ? – c. 970 BC ?



King David plans a capital fundraising campaign to build a permanent temple for the Jews to worship God in Jerusalem, and kick starts it with a large personal gift.

Source: SOFFI. Showcase of Fundraising Innovation & Inspiration.

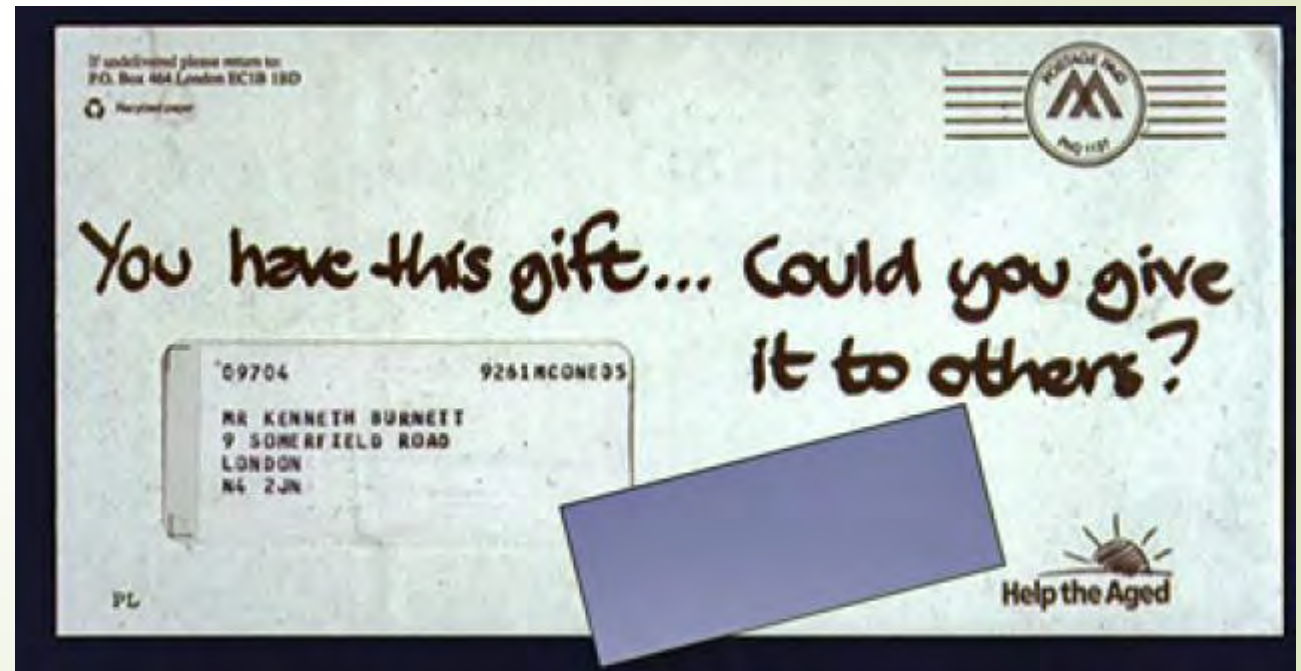
<http://sofii.org/case-study/the-first-ever-major-donor-dinner-c-970-bc>

British Red Cross: the £7.7 billion appeal that changed British fundraising forever



Best of the best: [www.sofii.org](http://www.sofii.org)

Help the Aged: 'you have this gift' direct mail pack



## Overview of the “Charity & Not-for-Profit” Sector





# 1. Overview of Charity & NFP Sector: Australia

- Sector is a \$103 billion industry employing almost 1 in 10 Australians.
- Organisational make up;
  - Over 600,000 NFP Organisations
  - Approx 55,000 registered charities
  - 25,000 approved as “tax deductible” charities
- Extremely diverse
  - Top 5 per cent of charities attracted 80 per cent of the sector's total income.
  - More than two-thirds of charities in Australia were small, with an annual income of less than \$250,000.

Source: Australian Charities & Not for Profit Commission (ACNC)

# Giving in Australia

	2005 (in 2016 Dollar Terms)	2016
Total Donations from Individuals	\$10.1b	\$12.5b
Donors Number	13.4m	14.9m
Per cent	87%	81%
Average Donation	\$553.92	\$764.08
Median Donation	\$130.64	\$200

Source: 2016 Giving Australia Report



# The reasons for choosing to give include

- alignment with values and cultural identity
- personal satisfaction and caring about doing the right thing, and
- giving back.





# The key trends over the last decade ...

- The overall % of people giving is down by 6% from 87%
- The average donation has increased in real terms by \$210.16
- In short, fewer people are giving more.
- Personal comment:  
Whilst the vast majority of **Australian's do give generously**, I believe it is concerning and disappointing that this has dropped off slightly at a time when Australian wealth levels have increased to record levels.





# Global Fundraising & Philanthropy Trends



**Giving  
USA™**

A public service initiative  
of The Giving Institute

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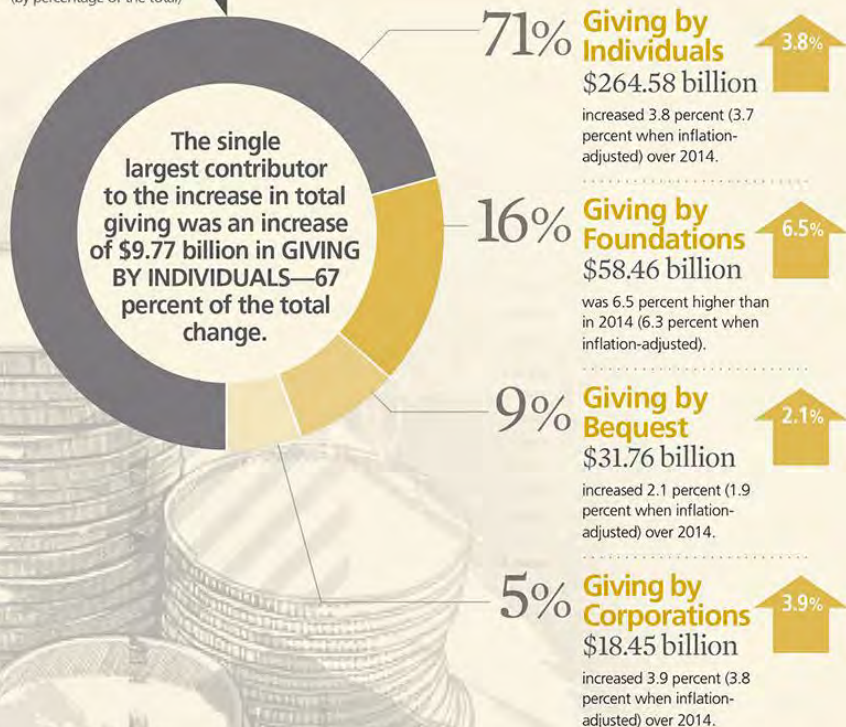
Giving in  
USA

2015 was America's most-generous year ever!

# \$373.25 billion

## Where did the generosity come from?\*

Contributions  
by source  
(by percentage of the total)



Giving to **international affairs** increased 17.5 percent in 2015 after two consecutive years of decline. That large increase may be attributable to growth in the number of active international charitable organizations; use of more strategic fundraising methods; and increased focus on international issues among foundations.



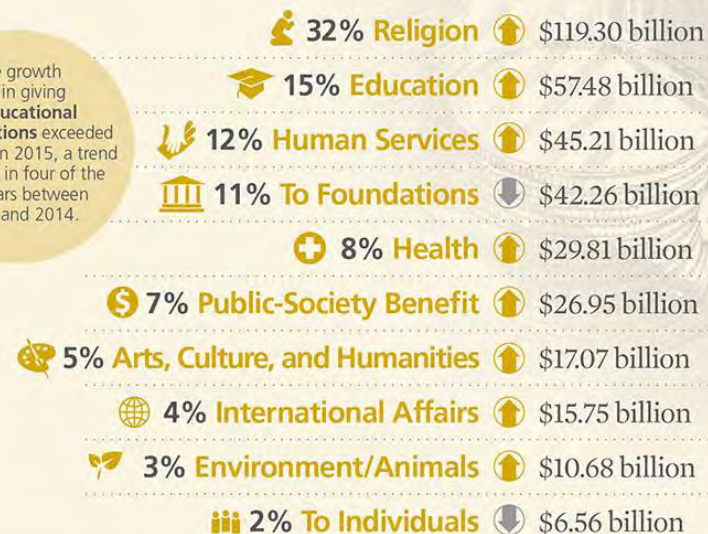
While the percentage of total charitable contributions given to **religion** has steadily shrunk for decades, from 2014 to 2015, this subsector **held firm at 32%** of total giving.

## Where are all of the charitable dollars going?

(as a percentage of the total)



The growth rate in giving to **educational organizations** exceeded 5 percent in 2015, a trend also seen in four of the five years between 2010 and 2014.



Giving USA Foundation™, The Giving Institute, and the Indiana University Lilly Family School of Philanthropy are pleased to continue their partnership in providing the most comprehensive, longest-running, and most rigorously researched resource on U.S. charitable giving, *Giving USA: The Annual Report on Philanthropy*. It is a privilege to report on Americans' generosity and related historical trends on U.S. charitable giving.

Visit [www.GivingUSA.org](http://www.GivingUSA.org) to learn more and to order your copy of *Giving USA 2016: The Annual Report on Philanthropy for the Year 2015*.

\* All figures on this infographic are reported in current dollars unless otherwise noted.



**Giving USA™**  
Shared intelligence.  
For the greater good.



**THE Giving Institute™**  
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## Fundraising & philanthropy trends



Moguls and Billionaires  
challenging traditional giving

The Giving Pledge – Warren Buffet and  
Bill and Melinda Gates

“Give while you live” movement – Chuck  
Feeney



New forms of philanthropy  
appearing

Impact investing, venture philanthropy,  
social enterprise



Rise of “performance philanthropy” – demand for measures of  
impact and performance



Evolution ethos and philosophy of giving – shift from the from old  
view of ‘biblical tithing’ to rise of effective altruism movement – Prof  
Peter Singer



Decline of the general, unrestricted fund ie communal foundations,  
diaspora funds, general charity appeals to project based giving



Technology disruption – new communication tools, crowdfunding  
gaining traction, rise of mobile giving





The most exclusive club in  
the world...

## A COMMITMENT TO PHILANTHROPY

## A COMMITMENT TO PHILANTHROPY

The Giving Pledge is a commitment by the world's wealthiest individuals and families to dedicate the majority of their wealth to giving back.

# The Giving Pledge



# Giving Pledge: Australia

- Have any Australian billionaires have taken the “Giving Pledge?”
  - Yes/No?
- If Yes, who ?





Andrew and Nicola Forrest  
Australia

Dear Bill and Warren,

Nicola and I are honoured to be inaugural members of the new group of international (non U.S.) pledgers. We join you in the common hope that our example may give others in similar fortunate circumstances pause for thought. Accordingly, we say the following:

Dear readers, and indeed any person who is considering philanthropy,

As a family we agreed many years ago to give away the majority of our wealth. We felt that if our children were to inherit considerable wealth, it would only get in the way of them striving for and achieving their best, and truly making a positive difference in other people's lives.

As you contemplate your own long term choices in life, perhaps consider joining us. Then consider also committing the same leadership, passion and determination that created your wealth, to the causes you believe in. Giving your most precious gift – your talent, time and capital will ensure the most powerful result.

Nicola and I grew up in Australia, a prosperous country whose friendly people share a deep desire to help others least fortunate. A country that affords opportunities born of education, democracy, respect for law and title, and an independent judiciary. Australians cherish their freedom to accumulate capital and distribute it, in the manner they consider best. We are proud that our fellow countrymen, in any crisis, always show willingness to do what they can, with whatever they have to help others. Taking our cue from them and the book that has guided much of our lives to date, the New Testament, we have focussed on helping those least fortunate. In our country, Indigenous Australians form part of a proportion of those least fortunate. Globally, it is those suffering the unbearable yoke of modern slavery, which infects every country.

Nicola and I resist the temptation and pressure to alleviate suffering through short term solutions, such as cash handouts. This can ultimately weaken the very people that it is intended to help. Instead we choose to construct long term solutions, often through responsible collaboration with governments and other organisations. Our aim is to significantly improve people's lives through encouraging freedom, education, training and opportunity, thereby providing them with the greatest gift of all – individual personal empowerment and freedom from poverty.

We believe in every child's inalienable right to receive and benefit from education. They had no say in joining our world so it is our responsibility to give them safe passage when they arrive into it. Education provides the foundation to break the cycle of poverty and lack of freedom. Perhaps even more, it gives parents the exhilaration to realise that there are far greater outcomes available for them and their children than they may have ever dreamt possible.

It is for these reasons that we pledge, with the love and support of our children, to shine a light on inequality and share the vast majority of our wealth. We hope to help empower individuals and families currently suffering the despair of poverty, slavery and the lack of opportunity for themselves and their children. We feel that if we all do whatever we can with whatever we have, large or small, then each of us will help make our world a more equitable and positive environment for others to thrive in.

We humbly ask that with your philanthropy and your time, you also consider helping those who do not enjoy the gifts of life we have been so fortunate to receive.

Andrew and Nicola

LEONARD H. AINSWORTH

It is my great pleasure to provide this Giving Pledge commitment wherein I pledge to give at least 50% of my wealth to charitable causes both during my present life and beyond.

I have been involved in philanthropy for more than fifty years and have been fortunate in being able to increase my philanthropic giving as the years have progressed.

My initial interest was in the field of medicine and medical research as it related to children. I have followed through from there to support a wide range of medical research facilities on the basis that, if causes can be established for a particular disease or condition, then future generations will benefit for many years ahead.

I also focus my philanthropic support toward universities over a wide spectrum. I am particularly interested in design as it relates to engineering, as the economies introduced by clever and innovative design far outweigh production volume savings.

As a private person, I prefer to minimise publicity of my philanthropic activities but at the same time realise that setting a positive example is the best way to encourage others to give back.

I have a large family of sons and am doing my best to encourage them to follow my example and embark on their own philanthropic endeavours.

Leonard H. Ainsworth





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## ANDREW AND NICOLA FORREST

- ***“We hope to help empower individuals and families currently suffering the despair of poverty, slavery and the lack of opportunity for themselves and their children.***
- ***We feel that if we all do whatever we can with whatever we have, large or small, then each of us will help make our world a more equitable and positive environment for others to thrive in.”***



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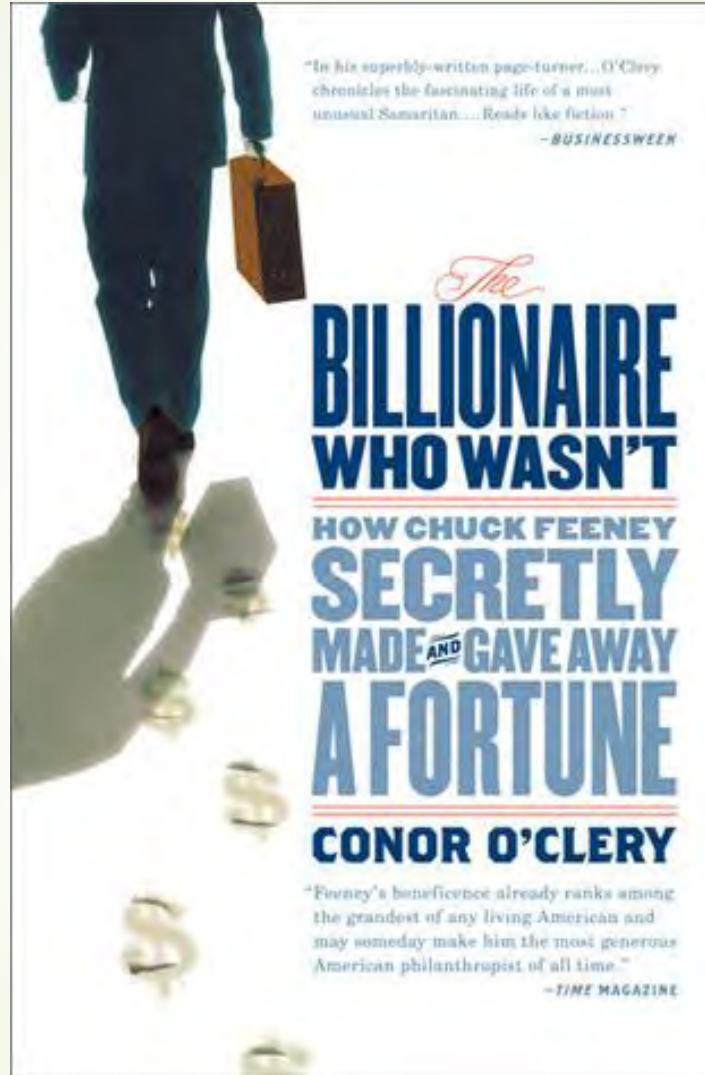
## LEONARD H. AINSWORTH

- ***"It is my great pleasure to provide this Giving Pledge commitment wherein I pledge to give at least 50% of my wealth to charitable causes both during my present life and beyond.***
- ***... as a private person, I prefer to minimise publicity of my philanthropic activities but at the same time realise that setting a positive example is the best way to encourage others to give back."***



Meet the Billionaire you never heard of and the “giving while living” philosophy

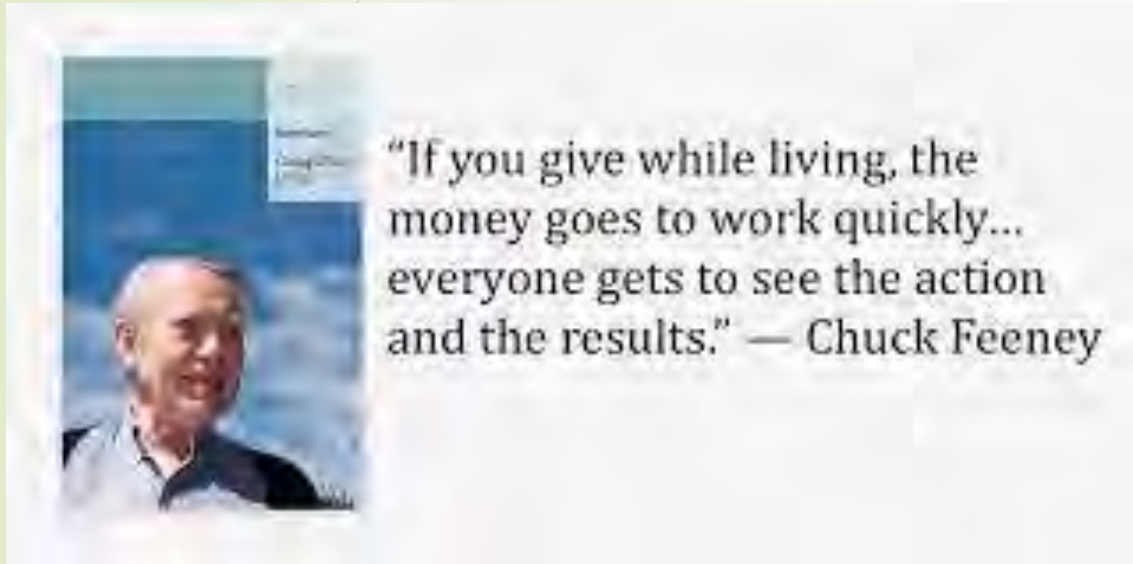
► Chuck Feeney started Atlantic Philanthropies when he was 53, devoting his share of Duty Free Shoppers, where he made his fortune, to the foundation.



# The “giving while living” philosophy







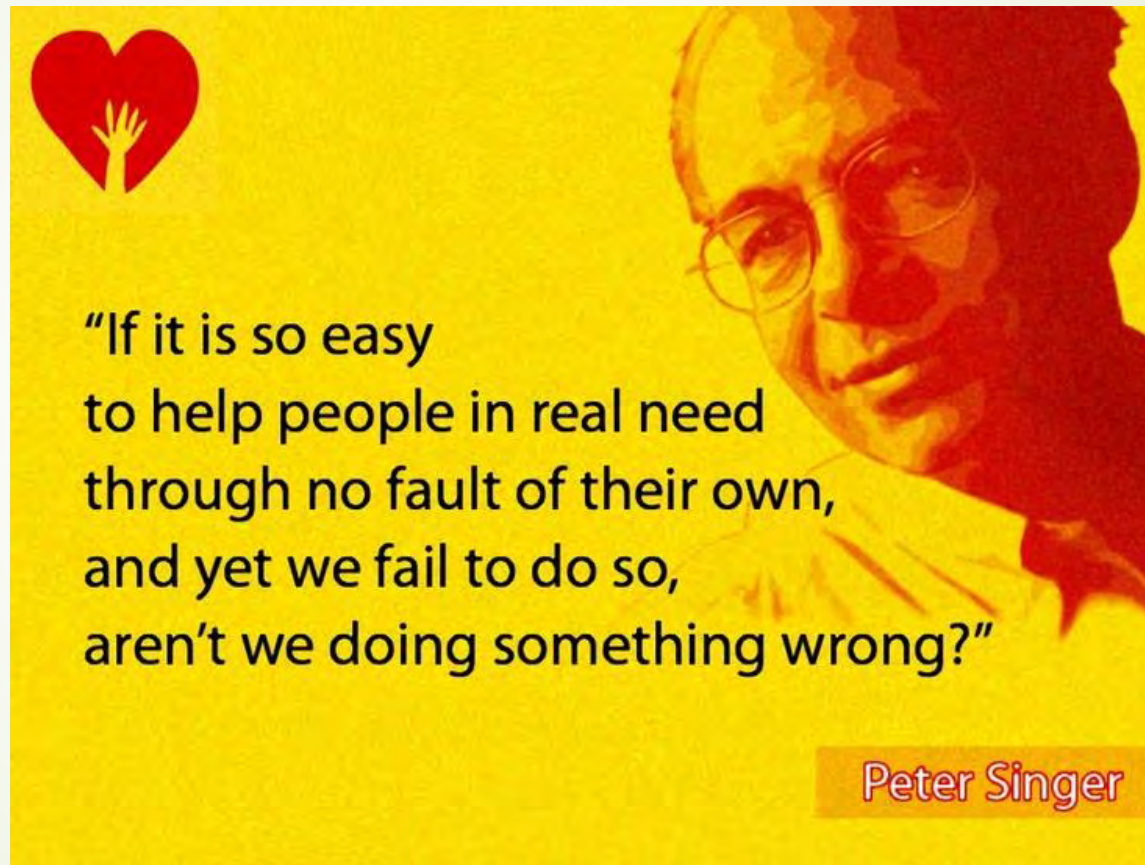
- ▶ That is the rationale behind the "giving while living" approach that Chuck Feeney, founder of Atlantic Philanthropies, has modeled for us

*"So think about the potential that could be unleashed if the wealthiest started giving earlier in life. Roughly 10 percent of the people on the Forbes 400 list are under 50.*

*Unleashing their money now could prevent today's urgent problems from becoming larger, more entrenched, and more expensive challenges later.*

*And beginning donors can see the fruits (or the mistakes) of their largesse more quickly and make adjustments"*

## An evolving culture of altruism



## **“What Should a Billionaire Give – and What Should You?”**

**NY Times Magazine, Dec 2006**

- In December 2006, Peter Singer, the Australian philosopher based at Princeton University in the USA wrote a pivotal and provocative article in the New York Times Magazine.
- In this article Singer asks what is a human life worth and suggest that while we may not want to put a price tag on it, if we really had to, most of us would agree that the value of a human life would be in the millions.
- He argued that “we are very far from acting in accordance with that belief.
- In the same world in which more than a billion people live at a level of affluence never previously known, roughly a billion other people struggle to survive on the purchasing power equivalent of less than one U.S. dollar per day.
- Most of the world's poorest people are undernourished, lack access to safe drinking water or even the most basic health services and cannot send their children to school.
- According to Unicef, more than 10 million children die every year — about 30,000 per day — from avoidable, poverty-related causes.

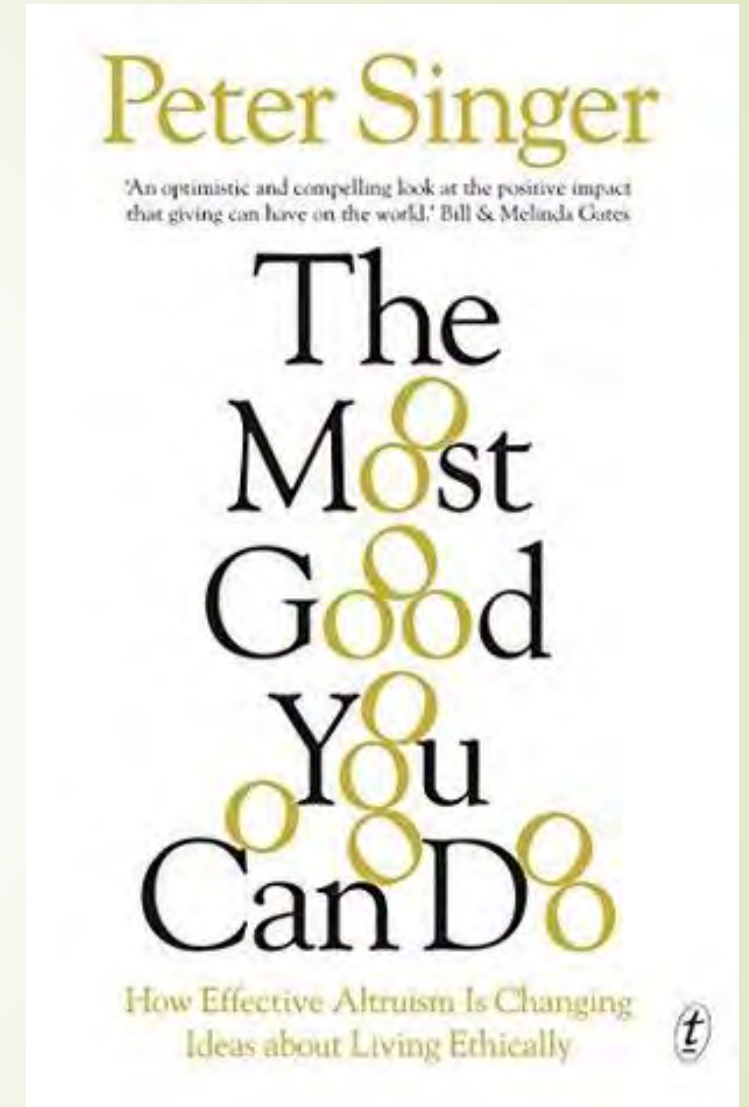
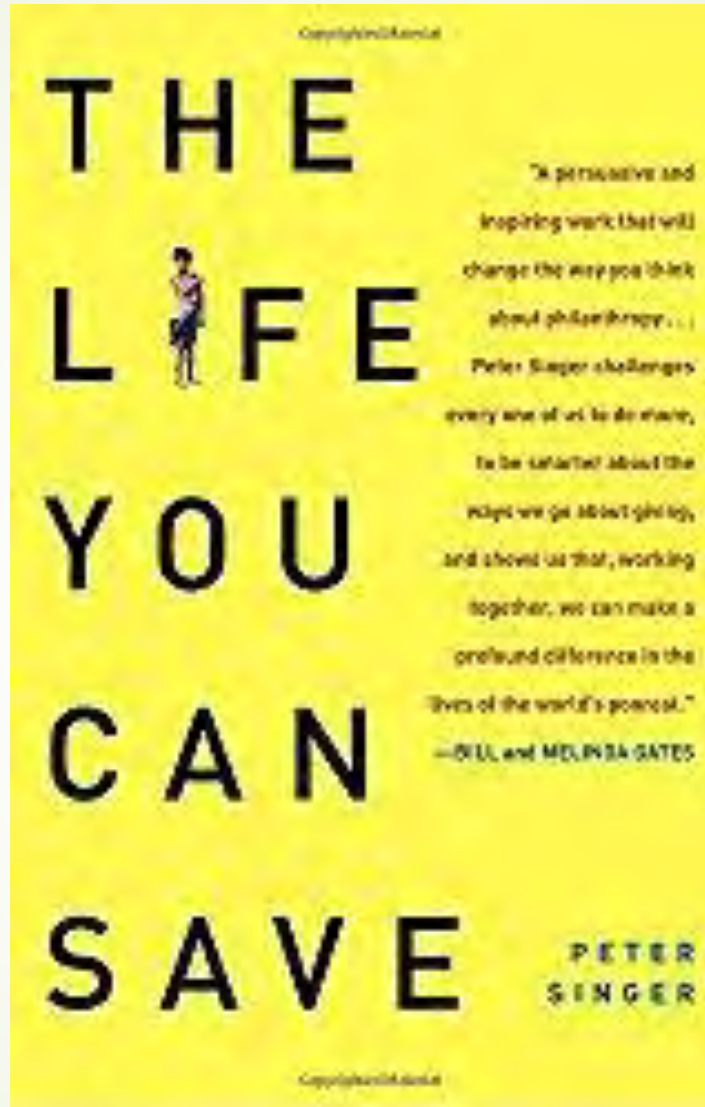


**The  
New York  
Times  
Magazine**



# The rise of the “Effective Altruism” movement

- Through his books, “The Life You Can Save” and “The Most Good you Can Do”, Prof Peter Singer has outlined a compelling vision for what has become known as the “effective altruism” movement.
- He provides practices suggestions and guidance for how to live a more ethical life and what levels of donations this may entail.



# Effective altruism

- Effective altruism is a philosophy and social movement that applies evidence and reason to determine the most effective ways to benefit others.
- Effective altruism encourages individuals to consider all causes and actions and to act in the way that brings about the greatest positive impact, based upon their values.
- For more details, go to;
  - [www.thelifeyoucansave.org](http://www.thelifeyoucansave.org)
  - Ted Talk:  
<https://www.youtube.com/watch?v=Diuv3XZQXyc>



**“What is Effective Altruism?” ...**

**....a movement that combines both the heart and the head.**



Peter Singer Ted Talk:  
The why and how of effective altruism. 289,275 views

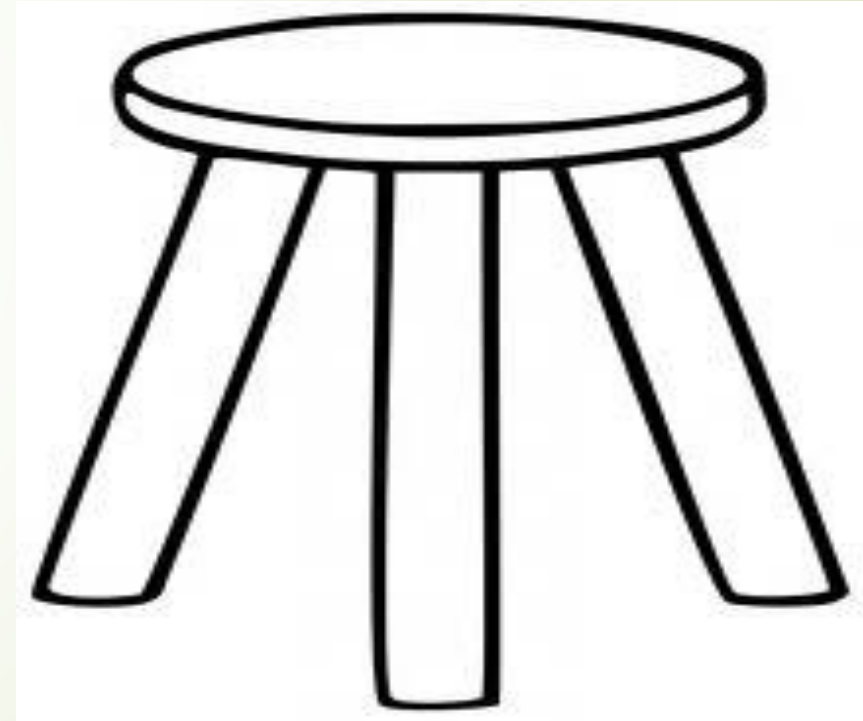
# Fundraising Strategy and Development



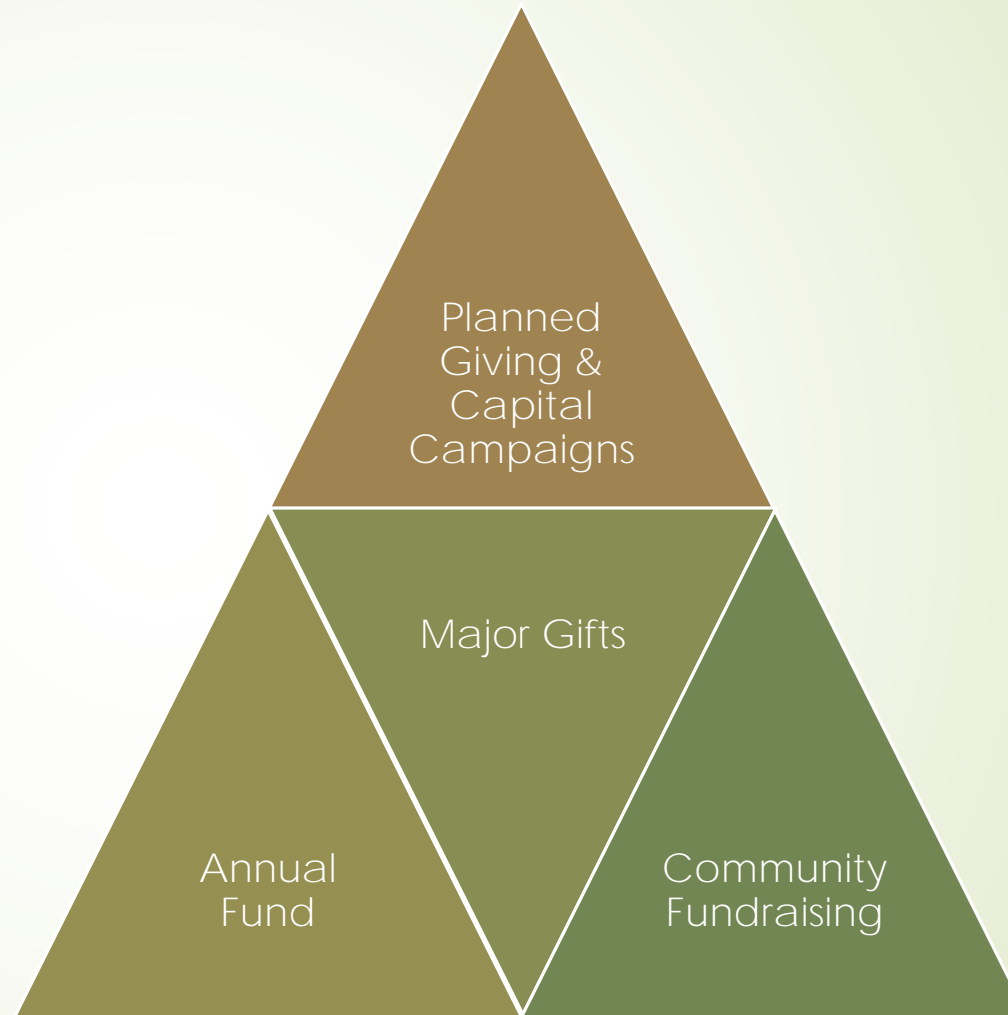
Starting point: Catalyst Management advocates the use of a very simple “three tiered model” as a metaphor for the development of a sustainable fundraising program:

*The Catalyst Philanthropy  
Tripod*

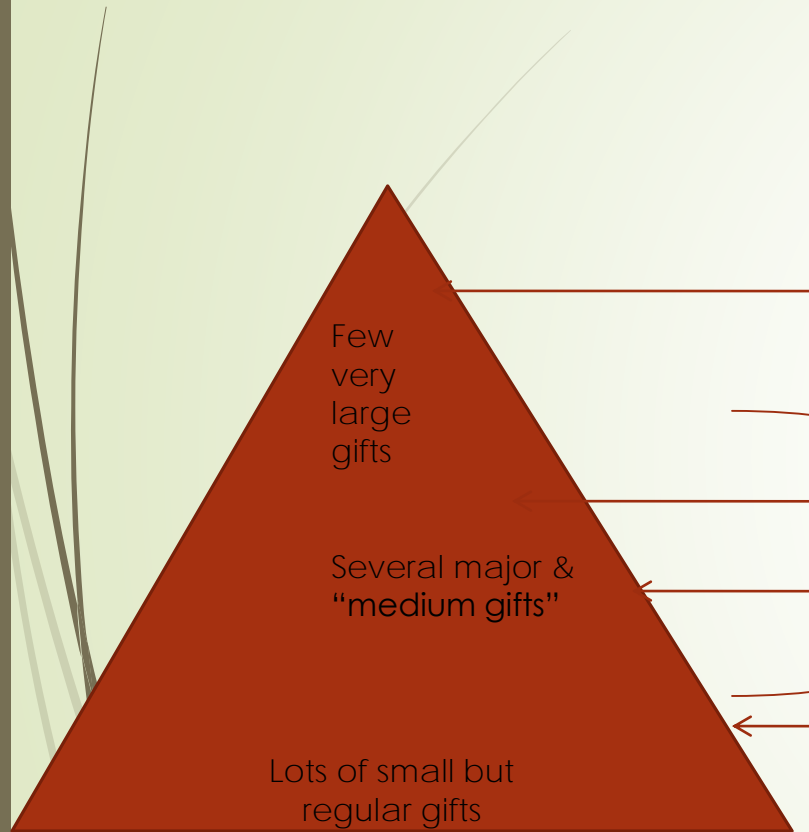
1. Annual Fund
2. Major Gifts
3. Planned Giving (Bequests etc)



## Designing a sustainable funding pyramid for your organisation



# Setting short-medium-long term funding targets



The Organisational Fundraising Pyramid

#	Type	# Gifts	Revenue
4	Bequests / Endowments (majority from committed long term supporter's)	???	\$\$\$
3	Major supporters (Foundations, Corporate, HNWI)	???	\$\$\$
2	Middle donors (Community groups, Local business etc)	???	\$\$\$
1	Annual Supporters (Gifts from all segments)	???	\$\$\$
	Total	???	\$\$\$



# Asking people for money?



“Most people would rather eat that glass than ask people for money”

Aubrey Krawitz  
Former Fundraising Director,  
Jewish Communal Appeal

Yet perhaps  
the biggest  
reason why  
funds are not  
raised is  
simply  
because  
they are not  
**ASKED** for...





Asking for  
money –

what this is  
and isn't

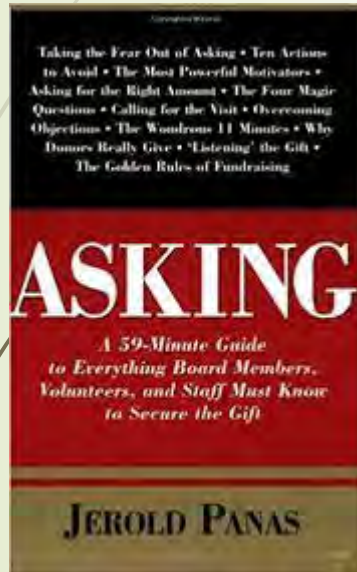


Giving provides tremendous opportunities and value to people. That's why people give so generously....

- Encourages personal evolution & growth
- Allows giving back
- Builds self esteem
- Models family values
- Creates personal legacy



# Final thoughts from US fundraising guru Jerold Panas



“You don’t get  
milk from a  
cow by  
sending a  
letter”

# Q&A





# Thank You

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The logo for Catalyst Management. It features the word "CATALYST" in a large, bold, black sans-serif font. Below it, the word "MANAGEMENT" is written in a white sans-serif font, set against a solid blue rectangular background.

**CATALYST**  
**MANAGEMENT**