March 23, 2020

There is a lot of anxiety among professional fundraisers and organizational leaders. We dislike what we don't know and understand. It is certainly true that those of us in leadership today have never lived through a pandemic. However, the oil embargo of the 1970s, the farm crisis of the mid-1980s, the aftermath of the September 11 terrorist attacks, the banking crisis, and the recession of 2008 were all unknowns when they occurred as well.

What we know from all of these events is that people still strongly support charitable organizations, even amid challenges and recessions. In his March 16, 2020 article in “Donor Voice”, Roger Craver mentions the following:

- Charitable giving in the U.S. remained positive for more than 12-months after the start of the last recession.
- Existing donors remain loyal.
- Fortune favors those who are prepared.

So, assuming that this recession looks similar, what should we do?

1. Assume that people will still give. Certainly, those who have been laid off may hold back, but others will step up in their place. We should not say "no" on behalf of our donors. Make your case and invite your donors to help make the world a better place because of what you do.

2. Along the lines of people still giving, it may be time to focus less on acquiring new donors and more time on cultivating your existing donors.
   a. Tell your stories of impact better than you have ever told them.
   b. Thank your donors better than ever.
   c. Check-in on your donors and be present, even by phone, virtual meeting, email, and other means.

3. Hopefully, your organization has a strong identity and purpose to enable you to mobilize quickly. Evaluate your systems so you can receive gifts right away. For instance, we have heard that gifts given through Facebook fundraisers are taking 90 days to reach the charity. What are you doing to make giving to your organization easy for givers?
   a. Check your website that giving information is correct and easy-to-find. Arrange for online giving if you don’t already have it. Donors will seek out your website to make an online gift first before sending you a check.
   b. Don’t send out panic communications. People care more about you making an impact than they care simply about your survival. There may be a time for you to have an emergency appeal, but it is not at the beginning of the downturn.
   c. Align your impact stories with who you are and your core mission. These impact stories are what donors want to invest in.
4. Don’t assume your donors are in worse financial condition than when this started.
   a. Donors are holding approximately $121 billion in donor-advised funds (according to National Philanthropy Trust). This money can be deployed by the donors who hold it at any time.
   b. Many older donors are not heavily invested in the stock market at their stage of life and still have the liquidity to make gifts.
   c. Seek challenge and matching gifts just like you normally would stimulate giving from your supporters.

The difference in this crisis versus the September 11 terrorist attacks, a natural disaster, or other crisis is that it is ongoing. Because we haven’t moved from crisis to recovery yet, we need to proceed with caution. Take this time to make your plans, engage your volunteers and donors, and be ready with what comes next. History shows us that your donors want you to thrive in your mission and will be ready to help you do just that.
What about campaigns in times like these?

Many organizations and congregations were planning to launch a campaign, just launched one, or will need to launch one soon to erase the operational debt that is now being incurred. What do we do?

It may surprise you, but economic conditions have never been the critical factor in whether a campaign is successful or not. Philanthropy has been a very stable sector of the economy. From 1980 to 2007 there were five official recessions and philanthropy had year over year gains in each of those years. According to NP Trust, total dollars given has increased every year since 2008. While the total number of people making contributions is fewer, those who are contributing are giving even more generously.

Americans give in both good times and bad - and they give to worthy causes.

By not launching an already-planned campaign, you end up limiting your mission and impact. Having said that, I would not recommend launching a campaign while a disaster is ongoing, as in the current Covid-19 crisis. Compare this with the terrorist attacks of September 11, 2001, which took place on a single day. While impacts of that event were lasting, many non-profit organizations were able to mobilize into recovery strategies fairly quickly.

Jerald Panas addressed the topic of raising money during difficult times in 2008 with the recession that gripped the country at that time. Panas found some advantages to raising money in difficult financial times, including the following:

1. **You will plan and prepare more carefully.** There will be riveting attention to detail.
2. **You will settle only for first-choice leaders.** And you are more likely to enlist the best because competition for their time will be less encumbered.
3. **Your leaders will take their campaign responsibilities more seriously.** They will understand the need for longer and more careful preparation. And they will appreciate your higher standards of selection and performance.
4. **There will be fewer competing campaigns to interfere with your prospective givers.**
5. **The fact you are raising funds in tough times and in the face of challenging economic conditions underlines the importance of your cause.** And the urgency.

Panas also makes the point that even if you will raise a bit less in a campaign after an economic downturn, wouldn’t you rather raise 85% of your original goal than raise nothing? If I had plans to raise $100,000 before Covid-19, but I can now raise $85,000, I would still want that $85,000 to move the mission forward.
By no means am I suggesting you create a campaign to launch when we have moved into recovery from this disaster. However, if you had already planned a campaign, or will need a campaign to recover from lost revenue during this pandemic, start planning now and recruiting your best leadership.

To read Panas’ complete article that is cited here, you can find it at https://bloomerang.co/blog/raising-funds-in-tough-times/