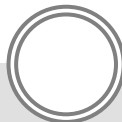


SWOT analyzes strategic fit between internal and external environments



Internal

Strengths Make organization more effective and sustainable than other agencies.

Weaknesses Can prevent organization from achieving strategic objectives.

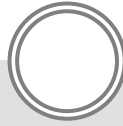
- ✓ **Resources** - Money, time, brand. Time includes staff, board and volunteer FTE, competencies, networks, and performance level. Adaptive, leadership, management, operational, technical capacity
- ✓ **Focus** - Clarity of mission, vision, strategic direction, theory of change, articulation of logic model, culture, values, leadership, documented success
- ✓ **Culture of philanthropy** - Board and E.D. participation and financial contributions, staff involvement, development department participation in strategy
- ✓ **Expertise** - Core competencies, expertise (or gaps), areas of success (or failure)
- ✓ **Staffing practices** - Do recruitment, selection, benefits, retention, evaluation get the right people in and the wrong people out?

External

Opportunities Favorable trends or changes, overlooked resource or need.

Threats Unfavorable situation, competition, trend or changes.

- ✓ **Natural donor constituencies** - Current and prospective donors & funders who may also be stakeholders; staff, board and volunteer networks; those interested in cause and available to organization
- ✓ **Stakeholders** - Clients, other beneficiaries, volunteers, donors, partners, allies.
- ✓ **Other External Resources** - Fee for service, earned income, contracts, grants, partnerships
- ✓ **Alignment** – Fundraising, mission, competencies, and strategic direction.
- ✓ **Competition** - Are other agencies better positioned to receive government funding or public donations? Do other agencies produce the same or better outcomes? Do we deliver better quality, results, cost or other unique features relative to other agencies?
- ✓ **Collaborators** - Is it a real, working partnership with clear outputs and documented client & organizational outcomes? Opportunity to segment clients or services for greater impact and higher funding options? Opportunity for partnerships for larger funding, or for subcontracting?
- ✓ **Demand for services** - Is there a demand and is that demand considered important by funders.
- ✓ **Operating Environment** - Forces, trends and characteristics including STEEP: social, technological, economic, ecological, political.



Donor Constituencies – Questions to ask

- Who do you already know who doesn't give and how can they be reached?
- Who do you already know who can give more?
- Whose networks are available?
- Who in the organization do donors respect or feel an emotional connection with?
- Who gives to competing organizations and why?
- Who else is interested in your service area or involved with the organization?

The Parking Lot

Put specific tactics (more direct mail, bigger event, door-to-door outreach, etc. in a parking lot). Don't confuse with external opportunities.

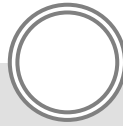
Stakeholder Input

Interview stakeholders to learn about public perception and donor motivation.

Limits [Bensoussan, Fliesher, 2013]:

1. Can be less discriminatory about the items listed--less ranking
2. Interpretations vary--is this a strength or weakness, opportunity or threat
3. Often needs further development of weaknesses and threats due to blind spots
4. Static - does not show change over time

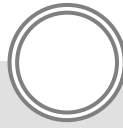
TOWS



TOWS for Fundraising

Identifies strategies to maximize opportunities and minimize or transform threats



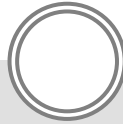


Strengths

- Major Donors:
 - 600 loyal, high giving level donors, capacity for greater giving and bequests. Individuals, corporations, family foundations, community foundations and religious (the major donors were developed through matching funds campaigns).
 - Growth in number major donors each year over seven years.
- Brand:
 - Great reputation with individual, corporate and religious donors.
 - Well-known among social service providers in Seattle's Pioneer Square area
 - Reputation in religious community: Founded by priest who is still available to assist; board and staff members with strong ties to faith communities. Credibility with articles in religious periodicals, support from religious organizations.
 - Founder retired but available to assist.
- Donor mix: Mix of individual, corporate, institutional and foundation support. Success with annual event and direct mail. Board participation.
- Cash in bank: Can be used to jumpstart fundraising, temporarily run deficits (to allow time for fundraising), or create new strategic initiatives—but not all three.

Weaknesses

- Donor Cultivation:
 - Major donors do not receive cultivation
 - Declining number of smaller donors (fewer than 1,000 and dropping).
 - No outreach to potential segments including professional interns moving into high paying positions
 - Majority of matching funds (that built major donor list) no longer available
 - No bequest program
- Program positioning:
 - Many programs do not qualify for county, state or federal funding
 - Many clients already have case managers at other agencies. While they find success at House of Care, funding streams are already committed for those clients.
 - Client demographics: High level of client need but primarily older and white which precludes funding for minorities or children.
 - No new programs and long-term clients means few opportunities for new projects.
 - Lack of revenue from hospital partnerships.
 - Developing clarity on strategic vision/direction, program goals, outcomes and budgeting.
 - Provides an array of valuable services (e.g. wheel chair, handicapped equipment and eyeglass programs, but not one focused message (such as “we feed the hungry”).
 - Relatively small number of clients receive broad range of services.



- Staffing:
 - Small staff
 - Staff was never connected to donors through founder, and staff turnover over the years has resulted in further lost connections.
 - Development program is only eight years old in a 25 year old agency.
 - Most of board not yet active in fundraising.
 - E.D. busy with finance management
- No marketing and communications plan.
- Merged with another human services agency ten years ago, but funders did not follow, and grant opportunities decreased with one organization instead of two.
- Cash in bank: Some funders will question need based on balance sheet.

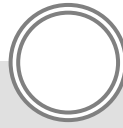
Opportunities

- Constituencies for fundraising:
 - Major donor pool (including bequest opportunities)
 - Religious communities that believe in service to the poor as a foundational religious element.
 - Employee participation and corporate giving from multiple hospital partnerships
 - Kaiser Foundation trustees who want to support legacy.
 - Founder's supporters who want to support his legacy.
 - Foundations: family foundation, other foundations with history of giving, religious foundations
 - Board networks including major donors, corporate contacts and religious communities.
 - Strong contacts for board recruitment.
 - Program Partners.
- Capacity building program funding because larger grants are available for this purpose.

Threats/Challenges

- Broader public may not be interested due to:
 - Small geographic area
 - Mission focus on ending social isolation rather than basic services
 - Not known in larger community.
 - Assumption that Kaiser Foundation still provides funding.
 - Confusion with (separate and much larger) Kaiser Community Services
- Competitors growing and consolidating—difficult to compete
- Declining funding from Kaiser Foundation has led to budget deficit.
- Early supporters aging out.

Example based on a composite of multiple agencies with substantial modifications



	<p style="text-align: center;">Weaknesses</p> <ul style="list-style-type: none"> • E.D. Availability: Busy managing complex financial transactions with no staff support • Donor Cultivation: Lacking major donor cultivation, declining # of small donors, no outreach to other potential donors. • Program positioning: Not government reimbursable. Few new clients. Client demographics. Tough sell to broad public. No partnership revenue. • Annual operating deficit • Staffing: Staff turnover, young development program • Plan: No mktg./communications plan • Merger: Increased expenses, reduced funds • Small organization 	<p style="text-align: center;">Strengths</p> <ul style="list-style-type: none"> • Major Donors: Number, growth, based on founder's reputation. Board is active in major gifts? • Reputation: with existing funders, other agencies, religious community • Founder: No longer in organization, but loved, respected, influential, and available • Diverse donor mix- Donors and especially major donors are aging however. • Cash position: available for investment
<p style="text-align: center;">Opportunities</p> <ul style="list-style-type: none"> • Constituencies: Loyal major donor pool, bequests, religious donors, hospital partnerships, Kaiser Foundation trustees, Founder's supporters, Family foundations, Board networks, board recruitment, program partners, organization founder's influence. • Grant funding for capacity building 	<p style="text-align: center;">Use Opportunities to overcome weaknesses</p> <ul style="list-style-type: none"> • Individual and small group cultivation and networking: phone calls, visits, small events, <i>targeted</i> public appearances • Staffing: Hire a CFO through capacity building. Create continuity for donors through E.D., Founder, long-time board members and volunteers. • Focus on broad case for helping the poor and isolated supported by individual stories • Partnerships <i>or be acquired</i> • Tailor marketing plan to likely donors 	<p style="text-align: center;">Use Strengths to take advantage of opportunities</p> <ul style="list-style-type: none"> • Individual major donor relationship development and networking • Targeted group promotions (e.g., events at agency, religious conferences, retirement centers, churches) • Fundraising program supports E.D., board and development staff build major donor and bequest program through events, meals, marketing materials • Experienced outside consultant in building major donor program.
<p style="text-align: center;">Threats</p> <ul style="list-style-type: none"> • Broader public may not be interested in population served (middle aged, white, male) • Competitors growing and consolidating • Declining funding from from the largest funder • Early supporters aging out. 	<p style="text-align: center;">Minimize Weaknesses and avoid threats</p> <ul style="list-style-type: none"> • Narrow targeting: Avoid broad-based, resource-intensive efforts such as a walk/run or city-wide promotional campaign • Develop donor networks for new donors to replenish pool. • Develop outcomes data to support case • <i>Option:</i> Stay small and cut costs 	<p style="text-align: center;">Use Strengths to avoid threats</p> <ul style="list-style-type: none"> • Narrow targeting: Use broader public appearances as opportunity to burnish image and for incremental growth • Market to strengths through individual client stories • Expand based on networks of existing supporters • Possible direct mail to narrowly targeted religious donors. • <i>Option:</i> Invest cash in new competitive programs.

TOWS
Worksheet
Frameworks for
Capacity Building



Weaknesses

- *List organizational weakness here*

Strengths

- *List organizational strengths here*

Opportunities

- *List external opportunities here*

Use Opportunities to overcome weaknesses

Use Strengths to take advantage of opportunities

Threats

- *List external challenges here*

Minimize Weaknesses and avoid threats

Use Strengths to avoid threats