



TEC used tools and frameworks to create a more fundable capacity building proposal and a more successful plan for growth

Background

The Environmental Center (TEC) is a nonprofit in Bend, Oregon that works to embed sustainability in everyday life. TEC brings together governmental, private sector, and nonprofit entities together with citizens to bring sustainability, resource efficiency, conservation, and livability to Central Oregon communities. TEC engages the next generation through in-school and out-of-school programs. Bend is located in a spectacularly scenic area where residents and businesses value the environment and outdoor activities. TEC has been highly successful in shaping public policy, engaging citizens, and educating youth.

TEC created a stable \$400,000 budget based on multiple funding streams and increased fundraising efficiency. The agency moved from a traditional gala to a six-week major donor campaign led by the executive director (E.D.) and board—reducing costs and increasing revenue. TEC also moved from a traditional print directory of businesses to an online platform that sacrificed some short-term revenue but freed up large amounts of staff hours at a time when the print director was becoming less important.

While TEC was successful, moving to a higher level of impact in a rapidly growing community required greater funding.

Initial Approach

TEC submitted a request to a regional community foundation to hire a development director. The idea was to “keep it simple” and bring in someone who could help take fundraising to the next level. Hiring a development director, however, is expensive and risky. TEC had not yet developed a clear plan of which constituents the new employee could effectively tap and why. The foundation declined funding but invited a revised proposal.

Developing a Plan

TEC offered considerable strengths in developing the capacity building plan:

- The organization had developed a strategic plan using the *Real-Time Strategic Planning Cycle* (RTSPC) from La Piana Associates. The plan included elements of the full RTSPC: identity statement, business plan, competitive analysis, trend analysis, unique niche (based on core competencies and competitive advantages), vision, strategy screen, and strategies. The strategic plan called for bold initiatives that built on and reinforced TEC’s key strengths as a community convener, organizer, and educator. These initiatives were wrapped into the capacity building plan.
- The *Sustainability Matrix* from Bell & Zimmerman was used to determine what programs offered the greatest impact at a sustainable cost.
- TEC offered a long history of success in community outcomes.

Analytical tools supported by background development were used to gain insights into the best approach to building fundraising capacity:

- **Donor Analysis:** TEC's donor analysis previously came from the agency's financial statements due to outdated and incomplete donor software. Spreadsheets were developed to track giving history over five years, segmented by gift level, type of donor, and source of donation with renewal rates and average gift size by segment. TEC had substantially increased the number of donors and the gift size for all levels of corporate giving and for major gifts while maintaining the base of entry-level donors. The resulting charts and graphs showed compelling evidence of TEC's ability to recruit and upgrade major and corporate donors while renewing contributors across segments.
- **Fundraising SWOT:** SWOT analysis showed strengths in mission impact, reputation, fundraising, finances, community engagement, and adaptive capacity. The E.D. and board were successful in cultivating major donors. Clear opportunities existed as high net worth individuals moved to the area, and businesses continued to support the eco-friendly messages and activities that resonated in this community. New community initiatives offered a path to engagement with these constituencies. Development weaknesses featured a lack of fundraising personnel, support services, database reporting, and staff involvement (outside of the E.D.) as well as the difficulty of marketing a wide array of programs.
- **Stakeholder Input:** Donors, board members, staff, and community partners were interviewed to learn why community members trust and support TEC and to support Fundraising SWOT development.
- **Constituency Identification:** We examined TEC's history of community support, Bend's growing population, the corporate environment, and TEC's access to corporate networks.
- **GIVES Framework:** GIVES focuses on Growth, Involvement, Visibility, Efficiency, or Stability. TEC had already achieved high Efficiency and donor/community Involvement. It was now time to pursue a Growth strategy supported by a Visibility campaign that would engage the entire community in reducing its carbon footprint while increasing livability and economic opportunity. Marketing and community engagement would simultaneously support both programmatic and fundraising goals.

TEC had a demonstrated ability to work with the growing major donor and corporate donor communities in Bend while maintaining its grassroots base. Furthermore, TEC was embarking on community-wide initiatives that would build on strengths in outreach, marketing, and mission impact. A lack of staff time was holding back further growth as the executive director and other senior staff were involved in reports, mailings, data entry etc. TEC had secured funding to develop a marketing plan for new initiatives and had developed a strong contingent of key community members to support the effort, but they lacked funds for promotional expenses.

A new capacity building plan was crafted, featuring a lower-cost development associate as the major ongoing cost, along with basic expenses for a promotional campaign. The first year also incorporated consultants to review the fundraising plan, coach the board and executive director, and upgrade the database. This plan built on proven strengths within the organization, existing opportunities in the community, and high-level, outside expertise for a limited duration. Whereas the initial grant application was declined, TEC subsequently applied to two regional funders and received \$120,000 over three years to implement the new plan and leverage TEC's substantial strengths.

Follow-up



15 months after project implementation, we conducted a follow up interview with TEC's Executive Director Mike Riley

Are you raising more money?

Yes.

How would you quantify it?

Last year we increased giving from individuals by 89%, most of that growth was from major donors who are at or above \$500 per year, but we also saw an increase from smaller donors, those under \$500¹.

Also, we just completed an eight week online new donor campaign that raised \$7,545 from 110 new members! Whoa! We targeted people who were on our various email lists but were not givers, we secured a \$50 per gift match from a donor and our board up to a total of 100 new donors or \$5,000. We had weekly raffles for prizes, and had a grand prize at the very end. The success of the campaign was due to having more staff to focus on it, an upgraded database that fully integrates with our email system (Mail Chimp), and a solid target list.

Did building on your strategic initiatives support fundraising?

Yes. Most of the growth in both major donors and small donors was associated with and/or spurred by the new strategic initiatives. 25 of the new members came directly from people who got involved in us through one of the new initiatives.²

Do you see the foundation being laid now for future success, how so?

Yes. We now have a much stronger team with more time devoted to fundraising, we have a much better database and a much better handle on how it works and how to take advantage of its power for fundraising, and we are now digging into our current donor list/database with a consultant to better understand giving history/patterns and likely prospects for giving upgrades and/or major gifts.

The last point is important because growing our number of major givers is one of our next big challenges. Although our total gifts went up in 2015, the number of donors stayed basically the same. So growing the numbers of donors, small and major, is where we are focusing next, in addition to upgrading current donors.

¹ The organization began the project with a budget of roughly \$400,000, and a quarter of that budget from individual donations.

² TEC has successfully enrolled new members who participated in new grassroots initiatives and those who benefitted from direct services.