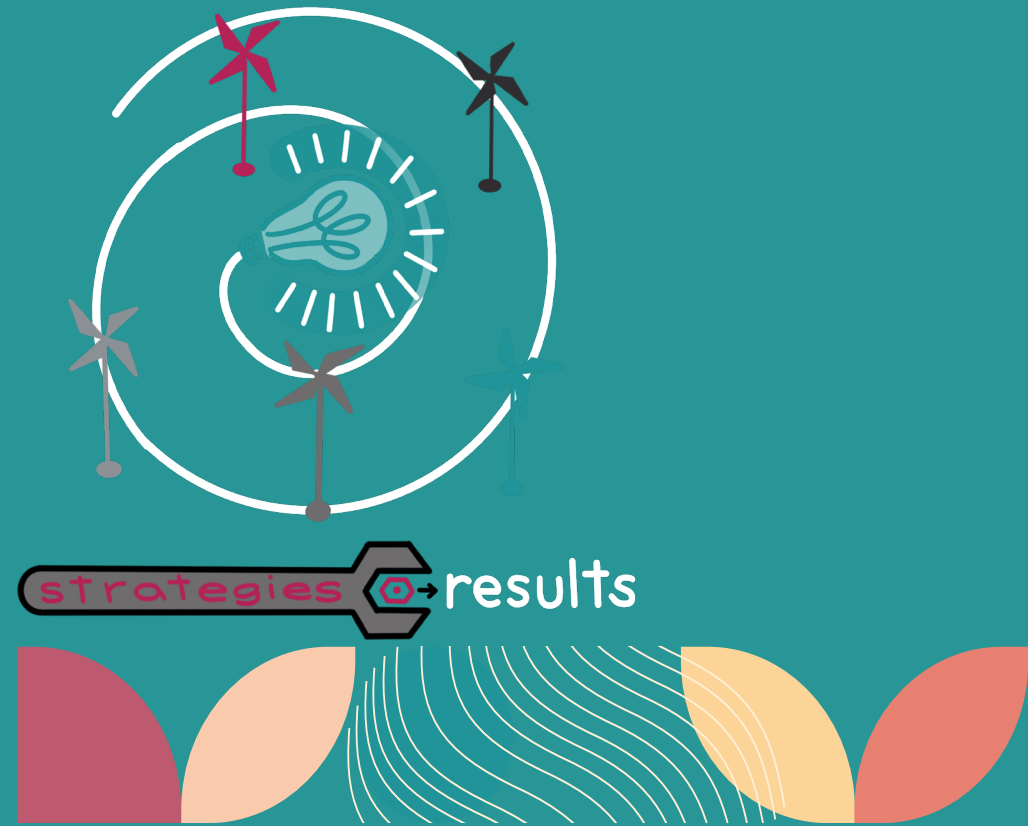


# Fund Development



# Fund Development

08

## Practice: Donors Circle (1)

Mobilizing assets identified in the community.

09

## Practice: Donors Circle (2)

Practicing through an event of raising resources.

10

## Reflecting and learning

What lessons have emerged from the fundraising event?

11

## Core capabilities explored

Key capacities being tested through a first fundraising event.

## PRACTICE: DONOR CIRCLE (1)

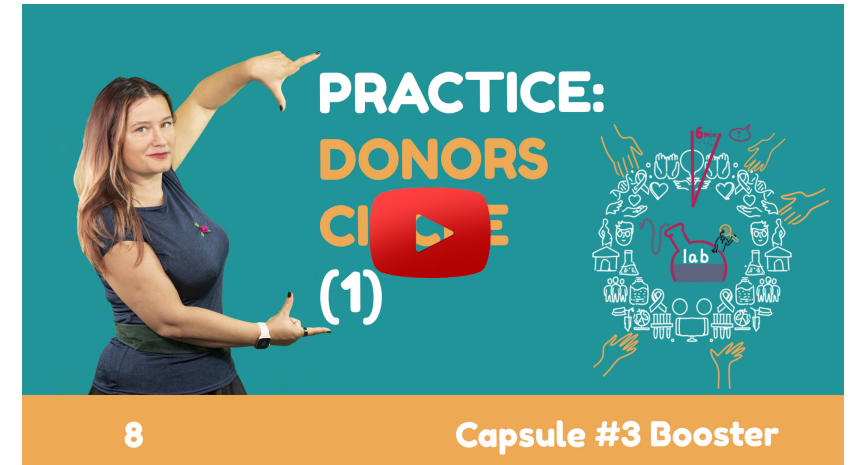
Mobilizing assets identified in the community.

To develop the skills related to asset mobilization, a good learning context can be a specific experience for raising resources.

It is often easier to organise it as an event, because this manages to mobilize the energy of the whole team of initiators, as well as all of the community. One such event can be a Donor Circle.

A donor circle enables community members to build an identity as contributors and donors, while also allows for the participation of a large group of people in setting up and promoting the event.

In a Donor Circle the projects from the community meet with the donors from the community, thus we can look at it as a laboratory for fundraising and grant-making, the core processes of a community foundation. A donor circle can offer space to present 3 or 4 community led projects, within a clear format to show the relevance of these projects and to encourage donations.



The management of the event is quite tight. It has specific stages and structure. One way we can put it is that Donor Circles events, such as the one that the Funding Network organises, brought the fun back into funding. Or the alternative, brought the 'ding' back into funding.

Indeed, the event combines an enthusiastic and energizing atmosphere with a tight schedule. Each project gets exactly 6 minutes to present and another 6 minutes to answer questions from the audience.

The presentations are made in as engaging a style as possible, and this may require some training for the project leaders, to help them prepare.

Imagine a sort of Dragons Den, the friendly version.

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## PRACTICE: DONOR CIRCLE (2)

Practicing through an event of raising resources.

After introducing the projects, it is time for donations.

This is the bidding moment when project leaders leave the room and donors decide where to put their money. The rules of engagement are explained and the first person to speak is a project ambassador – someone who wants to support the project with a first higher than expected average donation and who explains why they want to do that.

It's important to keep a fun, light and friendly atmosphere, encouraging a little bit of games and challenges, for entertainment. For example, a donor can say "I'm going to match all the contributions up to a certain ceiling." Or "Anybody born in the same month as me wants to contribute to this project?" The point is to make the process interesting and playful and to keep the attention of the room.

I think that Donor Circles manages to create a human connection between project leaders and donors, so they don't see themselves as coming from separate worlds, but as being part of a shared process.



Project leaders usually feel very supported because Donor Circles exceed their expectations. They never think, until that point, that regular people from the community may want to donate in support of the cause that has been so important to them to that point.

The organizing of the Donors Circle can be done with a team of donors and ambassadors who can have ownership of this process.

These types of events are not just about the money, but also about building connections and a sense of shared responsibility in the community.

The Donor Circle is just one of the potential fundraising strategies to test.

The local initiative groups can decide on other ways to raise funds that they think might work well in their community.

What is important for this illustrative example is to build momentum and be well thought out so as to generate a first experience of success. This can be built on, for further learning on how to approach fundraising in the community.

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## REFLECTING AND LEARNING

### What lessons have emerged from the fundraising event?

In a reflection phase, the support organisation can help the local groups **understand the experience and the results it has generated**. It can also help connect some of their results to the specific steps in the process they practiced during the event.

Both in the case of **succeeding or failing**, it is important to understand what worked well and what did not, so that these become lessons that can be incorporated in the planning of future activities.



It is helpful for someone from the support organisation team to be present in the room, to have another eye looking at the event from an external perspective. They can notice some of the nuances in the organizing of the event from a more detached perspective.

It can also be helpful to invite people from other initiative groups and other communities to be present, so that this can be the basis of creating a **support network between future community foundations**.

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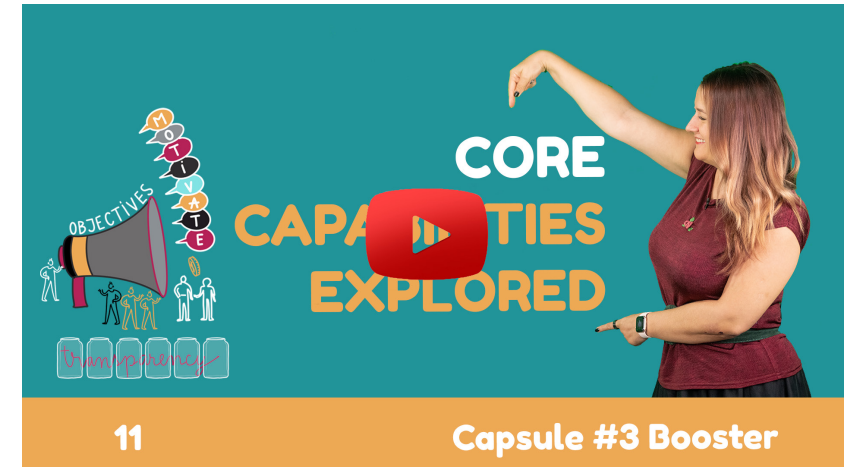
Key capacities being tested through a first fundraising event.

## CORE CAPABILITIES EXPLORED

Key capacities being tested through a first fundraising event.

At a minimum, the capacities that need to be created at this stage of accompaniment include:

- **setting realistic objectives for the fundraising**, taking into account the interest areas and capacities of local donors,
- **finding ways to incentivize donations, as well as the participation of the community** in the fundraising itself, which should be fun, light and interesting enough, not be seen as a burden, and
- **deciding about transparency and communicating how the money is spent.** For example, in case the local initiative group decides to use some of the donated funds to cover event costs or own administration, this should be communicated to donors beforehand. Also, both the option to do so or deciding to dedicate all funds to local projects come with longer term implications that an analysis of benefits and risks can help surface.



Donor Circles are a particularly good learning experience because they give the opportunity to initiative groups to **practice both asset mobilisation and grantmaking**, and also to make the connection between the two.

In all fundraising activities, a key decision is linked to the cause or specific projects that money is mobilized for. This can generate big effects on the willingness of local donors to contribute, as well as on the size of funds being raised.