

RESOURCE MOBILIZATION

One in a series of briefs for civil society organizations, written from a funder's perspective, and intended to stimulate inquiry, rather than provide rigid instructions.

Budgeting

Tips for preparing a budget with an emphasis on its purpose, steps, and components.

Financial Systems

Tips for establishing an accountable and transparent financial system to build financial sustainability.

Grant Proposal Writing

Tips for developing and writing a proposal, including critical elements to facilitate project success.

Monitoring & Evaluation

Tips for reviewing and assessing progress towards objectives, identifying problems and strategies, and making adjustments to plans.

Project Development

Tips for developing and implementing a project and key questions to ask in the process.

Reporting to Funders

Tips for maintaining and strengthening your relationship with funders following a grant award.

Resource Mobilization

Tips for mobilizing resources closer to home to strengthen organizational capacity and deliver benefits to the community.

PURPOSE OF RESOURCE MOBILIZATION

How can an organization raise the income needed to carry out its mission? Where are the required resources? How do you sustain your organization and work? These are the key questions confronting organizations when they consider how to maintain their work and strengthen organizational sustainability.

Developing a plan or strategy for resource mobilization can lead to creative efforts in using your own local assets to gain support for your organization. Multiple sources of funding can increase your independence and flexibility to implement programs and reduce reliance on external (or foreign) funding. With increased competition for scarce grant resources, thinking of, and creating options for new, diverse, and multiple funding streams will help your organization manage its programs.

This brief starts with aspects to consider prior to mobilizing resources. The tips on resource mobilization first discuss what your organization can do locally before soliciting external sources for funding.

PREPARING FOR FUNDRAISING

Before you start fundraising, you should lay the foundation to have a compelling reason for donors to

give. A plan that weighs your options can help save time and effort and have a better chance of success. Some of the key elements that will strengthen your case include:

- ☑ Clear sense and commitment to your vision and mission -- who you are, where you are going, and how your mission relates to the communities served
- ☑ Promising program that will yield results
- ☑ Evidence of past accomplishments
- ☑ Effective management and leadership by your board members and staff who will ensure the accountability and transparency of the organization
- ☑ Financial systems that will safeguard the resources raised, including adequate financial controls that demonstrate good management and builds trust
- ☑ Solid reputation, credibility, and positive image
- ☑ Mutual respect and knowledge sharing between the organization and the community it benefits, as well as other stakeholders
- ☑ The ability to attract, create, and sustain new resources, especially based in the local community

RESEARCHING THE CURRENT SITUATION

Fundraising requires knowledge of the country's current situation, including legal and tax structures, as well as what kind of fundraising activity could succeed in your unique environment, for example:

- The legal situation in your country may allow or restrict certain types of activities for your type of organization. Be familiar with any special permission that is required for your fundraising activities
- Tax consequences may affect how your organization reports the income and should be a consideration for selecting the appropriate activity
- Tax relief for individual or corporate donations may be an incentive for giving
- Successful fundraising efforts of other civil society organizations (CSOs) may be replicated. On the other hand, creating innovative and fresh ideas may also inspire people to contribute
- Building on local cultural and religious practices and traditions may help to attract a certain audience

MAPPING YOUR COMMUNITY'S ASSETS

Each community has a unique set of assets upon which to build its future. The first step in a fundraising strategy is to identify and inventory the range of financial and nonfinancial resources of the individuals, community (including NGOs, groups, and associations), and local institutions (including local government agencies). Non-financial resources include skills, talents (such as handicrafts), and capacities.

Mapping can help your organization consider alternate and efficient resources for your proposed project. You may rediscover innovative solutions by mapping traditional technologies and practices, in areas such as pest control or conflict resolution. By being aware of your community members' skills, you may be able to use a local resident to deliver services or training, rather than hiring an external consultant.

Focusing on the community's assets could help to localize your fundraising and engage the local citizens to invest in their own future and create a sense of hope and control. Knowing one another's assets could also help to build relationships among local residents, associations, and institutions.

VOLUNTEERS AS RESOURCES

Volunteers can provide great resources and benefits to your organization. Volunteering is generally done by choice, without monetary reward (apart from expenses), and benefits the community. To recruit and keep your volunteers, you need to recognize the motivations and expectations of a volunteer. People give their time because they get something out of the service they provide. For example, a young person may gain skills or experience to apply for future opportunities.

Volunteers can be retirees, technical experts, young people, or student interns. They can serve for a long term, such as on your board or short term, such as providing labor to build a health facility. They may be a local resident or someone from another country. Regardless of who they are and what skills they bring, you may want to think systematically about managing volunteers to get the most of this valuable human resource. Some steps are:

- Identify tasks that need to get done, outline a job description, duration of the volunteer service, and profile or skills required.
- Depending on your needs, recruit volunteers from places such as local schools or universities or inquire about foreign volunteer programs for placement of volunteers in your CSO. Corporations, local government offices, community associations, and other agencies may have skilled human resources to fill gaps in your organization. Mapping your community's assets may help you to identify local residents with specific skills and capacities.

- Ensure quality of the work by interviewing, selecting, and hiring the person with the appropriate qualifications. Managing volunteers can be as time consuming as managing staff.
- Retain volunteers by supervising them and providing support and mentorship as required. Volunteers usually desire opportunities that are meaningful and can fulfill their own needs (such as skills development, social environment, networks, learning).
- Recognize and acknowledge the volunteer in staff meetings and in public (in a newsletter or public event). Appreciation goes a long way.
- Keep track of volunteer hours and record this in your reports to funders and other stakeholders. This is a demonstration of in-kind support.

LEADERSHIP RESPONSIBILITIES

A strong governance structure, such as a board of directors, is important to have in place to lead the organization in resource mobilization efforts. Funders may ask about the governance structure and composition (for example, gender breakdown or community member involvement) and board members' names and affiliations.

Example of Leadership Responsibilities

Consider including resource mobilization as one of the responsibilities for board members. Some examples of what a board member could do to help mobilize resources are:

- Cultivate potential supporters
- Speak on behalf of the organization and issues
- Strategize with staff on fundraising
- Recruit volunteers
- Donate to the organization.

The Board of Directors typically consists of volunteers with specific skills, knowledge, and experience. In many cases, they will be the body that is responsible and accountable to funders for the governance and finances of the organization.

INCOME GENERATION

ACTIVITIES MEMBERSHIP DUES

Membership Dues

Your organization may have members who form, own and operate the organization. The organization can generate cash from membership dues or subscriptions. The amount should be spelled out in the original charter or bylaws and may be done on a sliding scale. Members are also a good source of volunteers and spokespeople for your cause. In return, the organization will be accountable to the membership base and provide benefits to them.

Example of a Membership Drive

To enroll new members, consider conducting a house-to-house membership drive where volunteers recruit new people to join your organization. Give new members an incentive to join -- a social gathering to orient new members, a membership card to show their affiliation, or a reduced price for the first month.

Special Events

Special events, also known as benefits, are a popular fundraising activity. The organization sells tickets to a social event, concert, dance, or sports tournament and adds a margin of profit. You can also sell crafts, T-shirts with your logo, or food at the event to make more money. You can have a "work party" where you bring the community together for a day to help renovate houses or a community library.

Special events can be a fun way to publicize your cause, raise awareness of a specific issue, introduce a new program, create a positive image of your organization, outreach to your community about your services, mobilize your constituency, and celebrate your accomplishments. Special events can also be labor-intensive, take staff time, and lose money. To maximize your chance of success, some tips in planning the event are:

- Tie the event to your mission or cause
- Choose an event that people want to attend
- Choose a date that does not conflict with seasonal duties
- Repeat your event annually if successful -- the first year may be the hardest and you may have learned lessons for the next one
- Set an appropriate price
- Recruit a local celebrity or dignitary to serve as an honorary chair
- Nominate a volunteer to serve as the manager of the event and enlist other volunteers -- this could be a way to test new leadership skills and build a team
- Find a local business sponsor to donate cash or goods in exchange for free advertising.

Cost Recovery

CSOs may choose to charge a nominal fee for their products or services. This helps the CSO to recover some of their costs and be accountable to their paying “clients.” However, in reality, many of the CSOs work in areas where the poor do not have the ability to pay. An alternative could be to subsidize some of the costs by charging those who can pay. To determine people’s ability to pay, CSOs will need to analyze their clients, market, and other competition.

BUSINESS VENTURES

As part of their mission statement, many CSOs work to improve the economic conditions of a targeted group by helping to create new sources of income. The strategies employed to realize these goals can also be useful in generating income for CSOs directly. A

business plan can have a significant impact on the success and mission of a venture.

Generating resources from the sale of goods and services could be a type of business venture. The goods and services may be directly related to the mission or not. A common source of fees is to charge for training workshops or consulting in a technical field. Other ways could be to sell produce from a vegetable garden or nursery.

Before you venture into a commercial or business proposition, some of the aspects to consider and to develop into a business plan are:

Conduct research on the business venture:

- What for-profit activities are allowable by law for your organization?
- If a for-profit venture is not possible, can you spin-off the an enterprise with the sole purpose of financing the non-profit, mission driven organization?
- What are the potential philosophical conflicts between your organization’s mission and the profit-making venture?

Think strategically:

- How is the mission of your organization related to the proposed venture?
- What are the goals and objectives of business?

Conduct a market analysis:

- What is the potential market for your product or services based on a market analysis, pricing structure, and strategy describing your niche?
- Have you identified a buyer for your services or products?
- What are the global, regional, or local trends affecting your product or services?
- What is the competition from other companies, including their coverage, market share, pricing, etc?

Develop a financial and operating plan:

- What is the capacity of your organization and staff to run a business? What are

the gaps and how will you fill them? A business venture requires specific skills in accounting, marketing, financial management, personnel management, and quality control.

- How and who will you operate your business, including daily activities?
- What are the start-up costs, monthly operating expenses, investment capital required, and profit and loss projections?
- How will you raise funds to cover these costs?
- What reserves do you have in case you can not meet the costs?
- What is your timeframe?
- What are your contingency plans, in case you can not raise the capital or if there are any unforeseen circumstances, such as a natural disaster or political instability?

The plan could be used to obtain capital from outside sources or serve as a guide for internal use. A business venture can be profitable, but it can also be risky, taking an investment of time and money that could have gone into your programs.

IDENTIFYING FOUNDATION SUPPORT

Foundations, trusts, and other grantmaking entities that make grants are another major source of funding for development projects. The first step in seeking a grant from a foundation is to identify those foundations that operate in your geographic area and support work on your specific issue. Foundations have priorities, guidelines, and requirements detailing what they support. Usually foundations require a letter of inquiry or proposal demonstrating that your organization or project is a good investment. Many foundations require additional sources of funding, including a demonstration of community or in-kind support.

Do not be discouraged if your request is declined; most foundations receive many more proposals than they can support. If you are awarded a grant, send a

thank you note immediately. Respond promptly to the foundation's request for reports and work with your bookkeeper to ensure that the financial records are sent on time.

Funders have their own guidelines, requirements, and application procedures. The grant proposal is a written description of your project plan based on the key questions described in the tips on "Grant Proposal Writing." Before writing the proposal, think through and outline the key components below:

CULTIVATING INDIVIDUAL DONORS

Your organization can raise funds from individuals and present or past beneficiaries who give of their money and time. Individual solicitations require unique approaches depending on the person's interests, motivations, and ability to give. For example, professionals can give regular, moderate amounts and may consider membership fees. The general public may want to give loose change at public collection boxes or buy a ticket for a special event.

Developing a list of potential individual donors who can give substantial sums (also called "prospect list") starts with understanding what motivates them to give. It is important to recognize the motivations and incentives of the prospects so that you can tailor how you ask for a donation.

For donors to keep giving, it is critical to ensure that you continue to meet their expectations and continue to educate and inspire them about your cause. Depending on the donor, this may be a report with photos describing your achievements and how the funds were used. Treat your donors with respect and honor their commitment by using their donations appropriately. Your strongest supporters are those who you have already convinced to give once.

SOLICITING BUSINESS CONTRIBUTIONS

Corporations or local businesses may be interested in contributing more than just funds. Ask for their

expertise, volunteers, products, or services. Small businesses located in the community’s neighborhood may have a personal interest in the organization’s work and may sponsor events or provide prizes for raffles. A business may want to be associated with your organization because:

- Your organization’s reputation
- Your expertise on a specific issue or services you offer
- Your organization offers advertising for the company’s product or services to a new market segment
- Your organization provides an avenue to improve the company’s image in the community or country

Accessibility to the decision makers of a company may be the biggest challenge you face. As with

individual donor solicitation, building a relationship will require time and effort. Use your board members and network of friends to open doors. Use your best marketing tactics to convince them that forming an alliance with your organization will be beneficial to them. Corporations may provide grants to those organizations their employees are affiliated with.

Alliances with businesses also come with risks. Ensure that the company’s values are aligned with yours and that funding does not distract you from your mission.

OTHER SOURCES OF DONATIONS

Professional associations, such as the the Rotary or Lions Clubs, can provide excellent opportunities to network and connect to international sources of funding. Local associations or community

COMPONENTS OF A GRANT PROPOSAL

Contact Information	Responsible person’s name, organization, address, email, telephone.
Overview	Summary of proposal, including a statement on the purpose of the project and why funds are being requested.
Context	Description of critical issues affecting your community and why project is necessary. Funders may ask for a needs statement which provides a scope of the problem, including statistics. Focus this section on what your intended project is addressing.
Project Description	How project will be implemented, including: measurable goals and objectives, activities, beneficiaries’ involvement, anticipated results, timeframe, collaborating organizations or agencies
Monitoring and Evaluation	How project will be monitored and evaluated to ensure that the project is on track and that the results are being achieved.
Budget	Costs for project, amount requested, inkind contributions, and other sources of funding. State currency and exchange rate on which your budget is based.

clubs may also provide donations or be a partner to organize charity events. Expatriate associations or international schools may also be interested in donating goods, such as books, toys, or furniture.

Intermediary CSOs, that may be funded by bilateral governments or individual donors, could be a source of grant funding or fee for service. They frequently subcontract with smaller organizations, paying them to help implement part of a broader development program or initiative, utilizing the unique skills of the particular group. For example, community organizations may be able to provide popular education programming, mobilize the community, organize volunteers, administer micro-credit programs, and offer other critical services.

Faith based organizations could be another source of support depending on your locale. Religious leaders may be approached for their support, usually through a member of their congregation. They may be able to provide a venue for meetings, workshops, or even an event such as a theatrical performance, talent show, or art exhibit on their property.

Local authorities, government agencies, multilateral or bilateral agencies, and foreign embassies could be a source of direct grants, fees for service, technical assistance, or in-kind contributions. These sources may require discussion regarding your respective missions, values, and development priorities. Access for smaller, rural organizations to these agencies may be difficult, but building a strong reputation for your work, networking with diverse groups, and serving in leadership positions representing your constituency can help you and your organization be recognized.

CREATING A POSITIVE REPUTATION

Your reputation or the way others view your organization and work is built by many years of credible results and relationships that make a difference to your community and by processes that

are transparent to the public and accountable to your stakeholders. A positive image can help funders feel confident about supporting your organization. Your image is based on the effectiveness of your programs, the organization's technical expertise, staff and board credibility, and relationships with the community and other stakeholders.

In addition to being a solid organization, you will need effective communication tools to share your organization's results and strategies or "messages." Your message should not only share what you are doing, but also educate the public about the issues you care about. It should also demonstrate the value you are adding to society. Your message should be targeted towards your audience and clarify your distinct niche.

Your organization will need to tailor your method of communication to your situation and budget. Some types of communications tools are: annual reports, brochures, newsletters, public bulletin board, media coverage, advertising on community radio stations, and public or special events launching your new program.

While many CSOs continue to receive support from external funders, the trend is for this source of income to serve as supplement that is useful, but not one that creates dependency. Your organization's future ultimately depends on the value your local community places on your work. These tips should help you to develop creative methods for your community to support your work.

FOR MORE INFORMATION

For information on organizational development, such as toolkits on communication, fundraising, and strategic planning, see the CIVICUS website: www.civicus.org.

For resources and manuals specifically for development and humanitarian NGOs, including

manuals on financing income generation activities in conflict-affected countries, NGO capacity assessments, and building a small NGO, see the website www.networklearning.org.

For practical information, tools, and guidance on supporting NGO and community based organizations, see the NGO support toolkit on the International HIV/AIDS Alliance website: www.ngosupport.net.

For information on foundations and tips on grant proposal writing and budgeting, see the Foundation Center website: www.foundationcenter.org

For information on mobilizing funds and resources, see the Resource Alliance website: www.resourcealliance.org.

For information on strengthening your governance structure or building effective boards, see Board Essentials under the Knowledge Center of the website:

For recruiting volunteers and other resources for nonprofit organizations, log into the website: www.idealists.org.

For information on mapping community assets, download the workbook, *Discovering Community Power: A Guide to Mobilizing Local Assets and Your Organization's Capacity*, (2005) by the Asset Based Community Development

(ABCD) Institute in cooperation with the W. K. Kellogg Foundation on the ABCD Website: www.northwestern.edu/ipr/abcd.html.

For information on strategies for NGO commercial ventures, see the article, *Strategies to Strengthen NGO Capacity in Resource Mobilization through Business Activities*, (2001) by Mechai Viravaidya and Jonathan Hayseen on the Population and Community Development Association (Thailand) website: www.pda.or.th/eng.

The Internet as a Communication Tool

The Internet is increasingly of interest to fundraisers as a means of reaching new audiences and potentially, new donors. Experts in this area advise that significant up-front investment is required including creating a web site that has content describing your work, the issues you seek to address, and your strategies for change. Maintaining your web site is also required in order to remain up to date and to keep visitors informed of your progress. Internet fundraising advocates suggest that while economic results are not immediate, web sites can help educate and cultivate potential donors over time.



The Social Development Civil Society Fund (CSF) is one of the few global programs of the World Bank that provides direct grants to civil society organizations through the World Bank's Country Offices. CSF seeds and supports activities related to civic engagement that empower and enable citizens to take initiatives to influence development outcomes.

www.worldbank.org/civilsocietyfund | Social Development Department | The World Bank
Tips by Yumi Sera and Susan Beaudry, 2007