

In Defense of Raising Money: a Manifesto for NonProfit CEOs

by Sasha Dichter

sashadichter@gmail.com | <http://sashadichter.wordpress.com>

I'm sick of apologizing for being in charge of raising money.

I work at a great nonprofit organization¹ that is doing great things in the world, one that's attacking daunting problems in a powerful new way. I believe in what we do, and think that we may be catalyzing a shift in how the world fights poverty.

So why did one of my mentors – someone with a lot of experience in the non-profit and public sector – tell me not to take this job? “Be careful,” he said, “You’ll get pigeon-holed. Once a fundraiser, always a fundraiser.”

He misunderstood what job I was taking.

Look around you at great leaders who you know or respect. What do they spend their time doing? They are infused with drive, passion, vision, commitment, and energy. They walk through the world dissatisfied with the status quo. They talk to anyone who will listen about the change they want to see the world. And they build a team and an organization that is empowered to make that change.

How good is your idea? How important is your cause? Important enough that you've given up another life to lead this life. You've given up another job, another steady paycheck, another bigger paycheck to do this all day long, every day, for years if not for decades, to make a change in the world and to right a wrong.

How much is your time worth? Start at the low end: if, instead, you had worked at a big company or started your own company or worked at an investment bank or a consulting firm, how much money would the world pay you for your skills? A few hundred thousand dollars? A few million dollars?

That's your baseline. Now ask yourself: how important is the problem you're trying to solve? Are you trying to make sure that women have a safe, affordable place to give birth? Creating a way for people to have clean drinking water so they and their children don't fall ill? Protecting refugees from genocide? Providing after school tutoring for at-risk kids? Giving people with chronic disease a place to come together and support one another?

Sounds pretty important.

¹ It's called Acumen Fund (www.acumenfund.org or <http://blog.acumenfund.org>).

Our political system is mostly broken, but the fact that candidates have to go out and convince millions of people to get out and pull a lever for them matters. This communication defines the terms of the debate; it defines what issues will and won't get addressed. And it defines accountability. If Barack Obama really becomes President of the United States, don't you think he'll be just a little bit more accountable to the one million people who donated directly to his campaign?

What's your theory of change? How much change happens through the services you deliver? And how much change happens by convincing the rest of the world that the problem you're trying to address, and the way you're trying to address it, is worth paying attention to? It's both, it's not either/or.

Breast cancer has an unbelievable level of awareness in the United States, definitely ahead of all other cancers. Yet breast cancer is actually the 5th leading cause of cancer death in the United States, behind lung, stomach, liver and colon cancer.² So why does it get the most attention and the most funding?

It's because of Nancy Brinker.

Nancy's older sister Susan Komen died of breast cancer in 1980, at the age of 36, three years after being diagnosed with breast cancer. In her sister's memory, Nancy Brinker created the Susan G. Komen Breast Cancer Foundation, which has since raised \$1 billion for breast cancer research, education and health services – and promised to raise another \$2 billion in the next decade. Breast cancer research is the best-funded of all cancers,³ and that is because of Nancy Brinker's leadership. Nancy decided that fighting breast cancer was worth fighting for. Because of her efforts, drastically more resources (public and private) are in play to find a cure.

This is not about competition for resources, this is about increasing the size of the pie. We've seen an unprecedented growth in global wealth in the last two decades: there are currently 95,000 ultra-high net worth individuals in the world – people with \$30 million or more of investable assets.⁴ On top of that, there are more than \$60 *trillion* worth of investment assets in the market today, with an increasing amount of this money thinking more long-term about the big problems facing the world: energy and water scarcity, greenhouse gases, global commodity shortages, healthcare and education delivery, poverty alleviation...you name it.

The allocation of these resources matters.

² <http://www.who.int/mediacentre/factsheets/fs297/en/index.html>

³ <http://www.cancer.gov/cancertopics/factsheet/NCI/research-funding> or <http://well.blogs.nytimes.com/2008/03/06/cancer-funding-does-it-add-up/>

⁴ http://www.us.cappgemini.com/worldwealthreport07/State_of_the_World_Wealth_2007.pdf. Though the October 2008 crash may have affected these numbers somewhat, there is still a lot of wealth out there.

Convincing the most powerful, resource-rich people you know that allocating some of their capital to the issues you're addressing matters.

You're devoting your life, your spirit, your energy, your faith into making the vision you have of a better future into a reality.

So why are you so scared to ask people for money? Why do you feel afraid to say: "This problem is so important and so urgent that it is worth your time and your money to fix it. I'm devoting my whole life to fixing this problem. I'm asking you to devote some of your resources to my life's work too."

Maybe it's because:

1. **People think that asking for money is all about asking for money.** It is and it isn't. Most of the time it is about inspiring someone to see the world the way you do – with the same understanding of the problems and the same vision of how it can be overcome – and convincing them that you and your organization can actually make that vision into a reality. The resources come second.
2. **People think that storytelling is a gift, not a skill.** Learning how to do this – to be an effective storyteller, to consistently connect with different people from different walks of life and convince them to see the world as you do and walk with you to a better future – is hard, but it's a skill like any other. It's true that some people are born with it. But it still can be learned and practiced, and if your nonprofit is going to succeed, you'd better have more than one or two people who can pull this off.
3. **Money = Power.** Our society has done a spectacular job of creating enormous amounts of wealth. At the same time, wealth is associated with power, and not having wealth can feel like not having power. So going to someone who has money and saying, "You have the resources, please give some of them to me" doesn't feel like a conversation between equals.

How about this instead: "You are incredibly good at making money. I'm incredibly good at making change. The change I want to make in the world, unfortunately, does not itself generate much money. But *man oh man* does it make change. It's a hugely important change. And what I know about making this change is as good and as important as what you know about making money. So let's divide and conquer – you keep on making money, I'll keep on making change. And if you can lend some of your smarts to the change I'm trying to make, well that's even better. But most of the time, we both keep on doing what we're best at, and if we keep on working together the world will be a better place."

- 4. I'm terrified you'll say 'no.'** We all hate rejection. Being rejected when asking for money is a double whammy. You were already scared to ask, and then the person said no. They have all the power. You walk away, head down, empty hat in hand.

Get over it. You're still devoting your life to this work. You shared an idea with someone. You didn't convince them today, but you probably got their attention. Maybe you'll convince them tomorrow. Maybe they'll tell a friend. Maybe you learned something that will make your pitch better the next time. At least you got your story out there to the right person.

You made a change – you just didn't get any money in return.

I've met too many nonprofit CEOs who say "I hate fundraising. I don't fundraise." If you're being hired as a nonprofit CEO and the Board tells you that you won't be fundraising, they're either misguided or lying.

Tell them they're wrong. Tell them that your job as a CEO is to be an evangelist for your idea and to convince others about the change you want to see in the world. Tell them that if this idea is worth supporting then they should jump in with both feet and support it with their time and money and by telling their friends it is worth supporting.

Spending your time talking to powerful, influential people about the change you hope to see in the world is a pretty far cry from having fundraising as a "necessary evil."

Do you really believe that the "real work" is JUST the "programs" you operate? (the school you run; the meals you serve; the vaccines you develop; the patients you treat?) Do you really believe that it ends there? Do you really believe that in today's world, where change can come from anyone and anywhere, that convincing people and building momentum and excitement and a movement really doesn't matter?

Of course your programs or investments are real work. But so is evangelizing, communicating, sharing, convincing, cajoling, and arm-twisting. So are videos and images and stories and ideas.

If your ideas and programs and people and vision are so great, shouldn't people be willing to reach into their pockets and fund them? If it's worth spending your life doing this work, shouldn't you or someone in your organization be able to convince someone else that the work is worth supporting?

In the for-profit world, nothing happens if you don't have a compelling product with a compelling story that wins out in the marketplace of ideas and gets people to act. People get so excited about Apple's products that they blog about the next release, scour

the Internet for registered patents, spread ideas and rumors about what is coming next, and convince the people around them that Apple = cool. Do you think this would happen without Steve Jobs living and breathing the brand each and every day?

So how is it that in the nonprofit sector we create this illusion that growth and change and impact can happen absent this kind of energy and engagement?

There's this unspoken idea floating around that "fundraisers" can go about their work in a vacuum, having quiet, unimportant conversations with nameless, faceless rich people, while all the while the people who do the real work (the program folks) can go about their business, separate from and unconnected to this conversation.

What a waste.

Don't you think that creating a tribe⁵ of connected, engaged, passionate evangelists for your cause will create a positive feedback loop that will amplify the change you hope to see in the world? It doesn't matter if that tribe is 300 powerful, smart, wealthy people or 3 million regular folks who believe in you and the change you hope to make. If they are passionate and engaged and you give them a way to help, you will amplify your impact.

If nothing else, then, we need a new word. Fundraising is about a transaction – I raise funds from you, you get nothing in return.

I'd rather be an evangelist, a storyteller, an educator, a translator, a table-pounder, a guy on his soap box, a woman with a megaphone, a candidate for change. I want to talk to as many people as I can about my ideas – whether in person or in newsletters or on Facebook or Twitter or in the Economist or at the TED conference or at Davos – and capture their imagination about the change I hope to see in the world.

Don't you?

⁵ If you haven't yet, you should read Seth Godin's new book, *Tribes*.