Top 10 Tips for Effective Fundraising Strategies

1) Involve the right people

Be clear about who needs to be involved in the process. Varied expertise is important but too many voices can confuse or derail progress. The full Board may wish to delegate most of the work to a sub-committee. Senior staff should be able to input and take ownership or you might decide that you need external expertise from a fundraising consultant.

2) Establish a timescale

Trustees and senior management are busy people and the strategic process can involve a lot of research and discussion, so things can drag on. Provide all-important focus by setting clear deadlines along the way – for instance at the research stage, drafting and final sign-off. Be clear about when you need to have a finished strategy but also be realistic – unworkable deadlines will force you to rush critical work, demotivate those involved in the process and will tend to be ignored.

3) Consider the context

You can't make sound strategic decisions without context. It's vital to consider factors which are both internal and external to your organisation before devising a strategy. If done properly, a SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis is the bedrock on which a robust, resilient and highly effective strategy is developed.

4) Identify some figures

What's the absolute minimum income needed in the coming financial year to sustain your charity's activities? Are there any co-funding gaps and unfunded core activities or overheads which you need to be aware of? What do you hope your turnover will be in 3-5 years' time? Fundraising always works better when it's target-driven so start thinking about the numbers, even if you have to adjust the more long-term, aspirational figures later in the process.

5) Know your fundraising activities

Before deciding what's right for you, you need to understand the general characteristics of different activities. Research the expected return on investment, time required to achieve it, resources you need to put in and level of risk involved – there are various guides out there that will give you a useful starting point.

6) Aim for balance

The ideal fundraising portfolio balances high-risk and low-risk options; quick wins and slow burners. Invest in several activities which take many years to bear fruit and you'll run out of money before success arrives. Focus only on stable options with little growth potential and you'll never be able to take the charity to the next level and will probably hit problems later.

7) Play to your strengths

If you've done a proper SWOT analysis then a clear picture should be emerging which will inform your final decisions. Be clear on what your 'unfair advantages' are – does your charity have strong links with big companies, in-house experience in events fundraising or trustees who are well connected with trusts and foundations? An effective fundraising strategy must play to these strengths – don't make your job harder than it needs to be.

8) Be prepared to discard options

Many charities make the mistake of overcommitting themselves. If you try to do too much, you'll end up doing a lot of things not very well. Be clear on the limitation of your resources and don't be tempted to pursue every opportunity – the ideas which you discard are as important as those which you choose to invest in.

9) Set realistic targets

Aim low and you might just achieve it, but with little reward. Aiming high is important but being completely unrealistic is a sure-fire way to demoralise staff. Use your general fundraising knowledge to set realistic targets. Crucially, think about outputs as well as outcomes – there's little point in measuring trust income in the early months, but knowing how many carefully targeted applications are being sent each month is important.

10) Commit to your plan

The worst type of fundraising strategy is one which is re-written every year. Commit to a plan and give staff the time and space to execute it – nothing erodes confidence like suddenly switching focus to a new idea just because another charity has had some success with it, or giving up on something before it's had time to bear fruit. Establish a clear timeframe, monitor progress, and don't deviate unless there's a really compelling reason to do so.

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And remember…