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# Factsheet:

## Organising a fundraising campaign

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SCOTTISH  
MUSEUMS  
COUNCIL



Museums are often confronted with having to raise both small and large amounts of money in a relatively short time. The funds may be required to build, buy, convert or refurbish a building, to avoid running into or to cover a deficit, to launch a new project or to purchase an acquisition. In short, most museums at some point will need to generate income.

The magic in running a successful campaign is being well organised and having planned the whole campaign. Planning and preparation are both vital. The planning of your fundraising and the planning of your project go hand in hand. A successful project is one that meets a need, but must also be one for which you can get money. The rest consists of good organisation, of developing the idea, of seeing it through, of mobilising people to ask other people on your behalf, and enthusing people with the merits of what you are doing so that they can be persuaded to give to you. Fundraising is not just about money, it is about the power and influence commanded inside and outside your organisation.

The sections below are a step-by-step guide to the process.

### **A formal written plan**

You should have a formal written plan which is viable and credible and should be backed up with facts and figures. This plan is your fundraising strategy and will incorporate

- a mission statement
- the case for support
- fundraising personnel
- detailed plans for a fundraising advisory committee, volunteers etc
- an outline and your financial and non-financial targets
- an outline of possible sources of income
- discussion of the budget available for expenditure
- discussion of the packaging, i.e. any fundraising materials
- an outline of time scales.

Your fundraising strategy or plan should complement the appropriate indicators in the organisation's forward / development / business plan.

If you plan to co-operate with other agencies (e.g. your Local Enterprise Company or Local Authority), then discuss your plans with them at an early stage. Indicate that you have done so in your plan.

## **Organisational Structure**

Many museums will be constituted as not-for-profit organisations - trusts, associations, companies limited by guarantee - and all their activities are contained under this one structure. Increasingly, however, such structures are proving inadequate for the complexities of running a modern organisation. It is now essential to have charitable status for fundraising purposes as the majority of trusts and foundations can only give to charities. If in doubt, consult a lawyer and get advice before embarking on a fundraising campaign.

## **Mechanisms**

Legal choices are not the only ones that you face. You also have to choose the mechanism by which you will fundraise. The choices are

- do it yourself
- use a committee
- appoint a staff member
- hire a consultant.

Each of these approaches has advantages and disadvantages. Some museums can immediately discount the latter two options for financial reasons. However, do remember that appointing a staff member may well repay the initial investment and that your Local Enterprise Company may be in a position to help fund a feasibility study and then, if appropriate, a fundraising strategy, from a consultant.

If you do it yourself, the benefits are that you have the information, understand the organisation and can keep the campaign under your control. On the other hand, do you have the time to dedicate to the campaign, is there a feeling that this will take you away from "real" work, and do you really have the technical skills? It is crucial that you have the full support of your Board and senior management. Raising money is a real and important part of running a museum - even the biggest and most financially secure museums need to raise money. It is not until this is taken on board by staff, volunteers and boards members that the museum will be able to function at full capacity. Without appropriate funding levels, museums will struggle to care for their collection adequately, they will struggle with exhibitions, education and outreach. Without commitment and time put into fundraising, continuous, adequate funding will not come into the museum.

Whatever you decide, forming a Fundraising Advisory Committee (FAC) can be very helpful. The FAC can of course also be your Board of Management. The essential qualities are a commitment to the organisation's cause, a willingness to commit time and money to that cause and a willingness to learn how to fundraise. Everything else can be taught. People give to people: if the FAC has a range of contacts which they are willing to use on your behalf, you will increase your chances of success.

## Budget

A carefully worked out budget for your expenditure and projected income will be required. The figures should be as accurate and as realistic as possible. Remember to include any costs associated with raising the money in your budget.

The purpose of having a fundraising strategy is to increase the resources available to you. You should use your expenditure budget to drive your ambitions, and the income budget to determine a means to supply what you need.

## Research

This is a vital investment. You have put together a strategy, a structure, decided who will do the fundraising and have a clear idea of costs. Now you are ready to target possible funders. It is very tempting to circulate your project as widely as possible, hoping to strike lucky. This will probably prove to be a waste of effort. Invest time in research. This is time well spent and will pay dividends.

Get the tools: there are a number of key reference books which are essential for a fundraiser's library and should include current additions of those below (see below for details).

## Trusts

**The Directory of Grant Making Trusts 2005-2006.** 19th ed, London, Directory of Social Change, 2005.

**A Guide to the Major Grant Making Trusts 2005/2006. Vol 1,** London, Directory of Social Change, 2005

**A Guide to the Major Grant Making Trusts 2005/2006. Vol 2,** London, Directory of Social Change, 2005

**Directory of Grants and Funds for Scotland 2004.** Edinburgh, SCVO, 2004.

## Companies

SMYTH, J.

**Guide to UK Company Giving 2004/05.** London, Directory of Social Change, 2004.

WELLS, C.

**Finding Company Sponsors.** London, Directory of Social Change, 2001.

As well as these books and CD-ROMs, you also need to look at other sources of information, especially for corporate giving. A local Chamber of Commerce is a good contact for the names of the managing directors of local firms. You can find information in a variety of places - by reading newspapers, professional journals and annual reports, by cultivating personal contact, especially through your FAC, and by watching the news and financial/business programmes on television.

## **Package**

The way you present your case will be crucial to your success. Targeting should arise naturally from your research. Targeting and packaging is the process of presenting project in a way that meets their priorities. Try to be as creative as possible. Remember everyone has access to the same major sources of information and may well be applying under the same headings as you. Your case for support should be as memorable and creative as possible, yet at the same time you have to be realistic.

Deciding how much to apply for, that is, to pitch for, can be difficult. Many trusts and foundations give an indication as to the size of grants they give in their guidelines. With companies, it can be more difficult. Make sure that your bid is more than guess work. Ask for too little or too much and your application could simply be refused.

The timing of an application can be crucial. Before applying to a funder, find out if there are deadlines involved. Do not be afraid to visit someone for initial discussions (if they are willing to do this) or send in a draft application for comment.

## **Materials**

One of the most essential pieces of print that you will require will be your fundraising leaflet or brochure. If you are unsure as to what you require, spend some time acquiring a selection of fundraising literature from other organisations. Your LEC should be able to help you with the layout and design for a low or no cost. Note that you can try to find sponsorship for the total cost of design, print and production. This may well allow you to produce a better quality leaflet. If you do obtain sponsorship, ensure that the sponsor is prominently credited, both for the benefit of the sponsor and yourself. You do not want possible funders to think you are overspending on such literature. Alternatively, you can seek sponsorship-in-kind deals - a free supply of paper, free or reduced-cost printing. Again, this must be credited.

You must work out who the leaflet is to be sent to. If it is multi-purpose, and targeted at a variety of fundraising sources, then your message will have to be of a more general nature. Make your message clear and concise - state who you are; why you are seeking funds; what your targets are; and how the recipient of the leaflet can help. Make the leaflet as visually attractive as possible, using any photographs or artist's impressions you may have.

If you cannot afford a leaflet, and are unable to find sponsorship for this, you will have to make your case for support as interesting as possible in proposal form. Remember, when approaching possible funders, to enclose a copy of your latest set of accounts.

This is one of a number of related factsheets written for the Council's member museums covering aspects of fundraising.

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