

# Resource Development Planning

## Why Plan for Resource Development?

In many smaller organizations, the typical approach to resource development is reactive. A Request for Proposals (RFP) comes out and you apply, or someone tells you about a foundation and you apply. You respond to opportunities as they arise. For many organizations, the resource development plan consists simply of meeting the next deadline. Tasks such as preparing materials about your organization, researching potential funders, building relationships with funders, setting up a donor database, and meeting with other community groups and institutions often appear less pressing than immediate client needs. However, getting out proposals in response to RFPs might meet short-term financial needs, but won't provide long-term stability.

Resource development planning can help avoid this situation. It provides a more systematic approach to identifying and meeting your short- and longer-term resource needs. Usually, it includes two components. First you assess your resource development capacity and determine your resource development needs. Then you develop a written plan to meet them – very much like the work plan for a funded project.

## Benefits of Resource Development Planning

Resource development planning can help your organization in a number of useful ways. It can help you to:

- **Identify and tap a range of funding sources and reduce dependence on any single funding source** – Funding diversity is a critical component of sustainability. Your organization should systematically seek funding not only from different funding sources but also from different *kinds* of funding sources – private as well as public sources, federal as well as state or local funders.
- **Organize, focus, and target your resource development efforts** – Resource development planning helps you develop a clear work plan for fundraising, including tasks and activities with deadlines and responsibilities, just as you would for a project. It makes you consider the effort required for carrying out various fundraising tasks and allocate time and resources for these tasks. With such a plan, you can coordinate activities and use available time well.
- **Identify your combined resource development ideas and expertise** – Among your staff, Board, and volunteers, you probably have more funding contacts, creative ideas, and skills than you imagine. The resource development planning process helps you identify and organize these capabilities, and explore new methods to raise funds.
- **Give priority to fundraising** – Once an organization has gone to the trouble of doing a resource development audit and preparing a plan, Board and staff are more likely to give resource development the attention it deserves.

- **Reduce the mystery and the fear surrounding resource development** – As your organization considers various aspects of resource development and begins to develop a plan, you will learn the resource development process. This should make the prospect of fundraising less frightening.

### **Hints for Successful Planning**

Let's assume you're convinced of the value of assessing your resource development needs and capacity and preparing a resource development plan. Here are some hints for successful planning.

- **Be sure you are clear about your mission and program priorities** – If you are going to convince foundations, corporations, government agencies, and/or individuals to support your organization, you will need to be able to explain why the organization exists, what critical service needs it fills, and why it deserves financial support. At a minimum, review your mission, agree on program priorities, and discuss where you want the organization to be in three to five years. That way, you can target your resource development to help you get there.
- **If possible, link resource development planning with strategic planning** – The best way to focus your resource development efforts is to begin with strategic planning. First you do an organizational assessment that identifies strengths and weaknesses. Then you ensure a shared vision, review and if necessary refine your mission statement, set organizational goals and objectives, and agree on priority strategies. Then you are ready to prepare a resource development plan to obtain the funds and in-kind support needed to meet those objectives.

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### **A Note about Mission, Vision, and Values**

Knowing who you are, what you do, and why you do it is critical to resource development. Your organization's staff, Board, and volunteers must be able to clearly and consistently communicate these things to potential funders and donors. At a minimum, your Board should revisit and refine its mission and vision as part of the resource development planning process. Ideally, you should consider engaging in a longer-term strategic planning process to set organizational goals and priorities for the next few years.

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- **Do some form of resource development assessment or “audit”** – Review your current fundraising systems and procedures, and honestly review your strengths and weaknesses. This may be a part of the organizational assessment for your strategic plan, or a separate, focused review of funding and fundraising capacity.
  - **Determine your resource needs and priorities and set realistic objectives** – Some organizations operate by raising as much money as they can and spending as little as they can without ever asking themselves: “What do we really need to make this program work?”

Asking this question of all your programs and activities will help you use available time and other resources more effectively.

- **Consider the fundraising environment in which your organization operates** – Learning about the funding sources in your community – and their giving habits with regard to refugee and immigrant issues and services – will help you develop realistic fundraising objectives and plans.
- **“See yourself as others see you”** – Consider how current and potential funders view your organization. If possible, obtain the perspectives of other nonprofit organizations that serve refugees and other community leaders. This helps you “market” effectively, and may suggest needed action to strengthen your relationships.
- **Make resource development planning a shared responsibility of staff, Board, and volunteers** – The involvement of all these groups fosters a sense of shared ownership and mutual responsibility for the well being of the organization. The more involved people are in planning for resource development, the more committed they will be to helping implement the plan.

## Resource Development Plans

### Definitions

A *resource development plan* is simply a written plan to guide a nonprofit organization’s immediate fundraising and longer-term resource development efforts. The purpose of a resource development plan is to ensure that your fundraising activities are carried out effectively, with all necessary tasks completed in time to contribute to the overall effort and allow your organization to meet its fundraising objectives and make the organization sustainable in the long term.

Resource development planning has two main phases: gathering information and creating the plan. The process of gathering information is typically described as conducting a “resource development audit.” A resource development audit is simply an analysis of current and potential resources for your organization and your capacity to raise funds and in-kind resources.

### Contents of a Resource Development Plan

A resource development plan can take many different forms. The only requirement is that it be complete and clear. Usually, it is helpful to start out with a one-year plan, although you may also want some longer-term objectives (e.g., to have at least two large foundation grants within two years, or to have a general support base of \$50,000 per year within three years).

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## What Goes into a Resource Development Plan?

A Resource Development Plan should be practical and easy to use. It should include the following kinds of information.

- **Total funding needs for the year** as well as needs by project or component
  - **Specific objectives** stating the amount of money you aim to raise from different types of funders and also addressing the development of increased resource development capacity within your organization
  - **A work plan**, including activities, responsibilities, and time deadlines, to ensure that you meet your objectives
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If your resource development plan is not prepared as part of a strategic plan, it should include information about the following (If it is part of a strategic plan, much of this information will already be in that plan, and you don't need to repeat it!):

- **Organizational background and mission.** Start your plan with a summary of your organization's history and mission. You may also want to include a brief description of your major programs and services and accomplishments.
- **Organizational status, strengths, and weaknesses.** Based on your interviews with Board, staff, volunteers, clients and other stakeholders, prepare a brief assessment of the organization's strengths and weaknesses in areas such as program quality, staff leadership, Board commitment, funding status, reputation, etc. What makes you unique?
- **Results of your resource development audit.** This includes a summary of current and past funding and funder relationships, your internal resource development capacity, and (if possible) how you are viewed externally, by current and potential funders and by other nonprofit organizations and community leaders.
- **Program priorities.** Describe your priorities for resource development, for example: to continue or expand specific projects or activities, raise money to cover administrative costs, or perhaps raise unrestricted funds.
- **Resources for resource development.** Summarize the resources you plan to commit to resource development, such as staff and volunteer time, the degree of Board involvement you can expect, and what equipment or materials may be needed.
- **Numerical objectives stating resources to be raised.** Specify the amount of money you need to raise for the year, and then break this down into amounts for specific projects (including projected refunding and amounts to be obtained from new sources) and for administrative costs.

- **The actual resource development work plan.** This is where you spell out the resource development approaches you will use, write down your resource development objectives, specify tasks and a timeline, and identify possible funders to target. The following kinds of information are usually needed to make the work plan practical and easy to work from:
  - **More detailed numerical objectives** – Specify the amount of funding or in-kind resources to be raised through each approach (e.g., foundation grants, public agencies, special events, volunteer drive). This should include the amount of money to be raised from various types of sources (for example, to raise \$15,000 from a local corporate funder, or to raise \$75,000 from a national foundation), as well as in-kind objectives such as the number of new volunteers you will recruit from a particular source.
  - **Capacity-building objectives** – Specify objectives related to building resource development capacity, such as establishing an active Resource Development Committee, ensuring that the entire Board receives training in special events fundraising, or obtaining computer software to track donations.
  - **Tasks and steps** – List the tasks that must be completed in order to fulfill the outcome objectives. For example, to identify 15 local corporations that are potential funders.
  - **Responsibilities for carrying out each task or step** – List the individuals – staff, Board, or volunteers, who will be responsible for each task. Remember: if several people share responsibility, no one person will feel primarily responsible. Try to identify one key person or committee responsible for each task and also indicate who will assist. Be sure to clearly identify Board responsibilities, from making contacts and participating in meetings with potential funders to taking major responsibility for special events or fundraising from individuals.
  - **Time deadlines for completing each task**, so that each task leads to the next, and the entire work plan is carried out on schedule.
  - **Where necessary, an explanation of how you will judge task completion** – For example, a Resource Development Committee has been “established” when it has at least five members, has met once, and has developed a meeting schedule for the next six months.

## **A Sample Resource Development Plan**

Following is an example of a resource development plan for a community-based nonprofit organization.

### **Funding Needs**

**To carry out its program priorities, Organization X will require funding of \$xxxxxx in 2010.** This includes the following:

- **Flexible funding:** \$xxxxxx in 2010.
- **Project X:** \$xxxxxx in 2010.
- **Project Y:** \$xxxxx in 2010.

The organization's other projects have multi-year funding and will not require additional fundraising during 2010. Continuation proposals will be submitted to the current funders, but funding has been committed through 2010.

## **Resource Development Objectives**

Organization X has identified the following objectives related to resource development and related organizational development:

### **Fundraising Objectives:**

1. To raise \$xxxxxx in flexible funding for 2010.
2. To raise funding of \$xxxxxx by mid-2010 to initiate Project X.
3. To raise \$xxxxx by XXX month of 2010 to support Project Y.
4. To raise at least \$xxxxx of the required core funding through a fundraising event in 2010.
5. To have the Board generate at least \$xxxxx in funding for Organization X, through contributions and other fundraising assistance. These funds should be used wherever they are most needed.

### **Other Resource Development and Related Organizational "Process" Objectives:**

1. To develop an updated organizational vision and mission statement for resource development use.
2. To revise the organization's mission statement, with Board approval obtained at the spring meeting.
3. To establish an Advisory Council by the end of 2010. The Council will consist primarily of funder representatives from corporations, foundations, and small businesses.
4. To obtain at least one significant multi-year public or private grant totaling at least \$xxxxx per year, by the end of 2010, to initiate a new project to do X.

5. To obtain funding from at least three foundations by the end of 2010.
6. To add at least three new corporate funders in 2010.
7. To have 100% of Board members make contributions to Organization X.
8. To have a Board-focused resource development plan for the year with approval at the winter meeting at the beginning of the year.
9. To have every Board member provide some form of resource development assistance on behalf of Organization X this year.

## Tasks and Timeline

Following is a sample workplan for resource development, including major tasks and completion dates.

### Resource Development Workplan, 2010

Task	Complete by:	Ongoing?
<b>Establish an Advisory Council</b> <ul style="list-style-type: none"> <li>◆ Establish Board task force to determine structure, roles, and responsibilities, and recruit members</li> <li>◆ Obtain Board approval of plans</li> <li>◆ Select and obtain agreement to serve from at least five members</li> <li>◆ Hold first Council meeting</li> <li>◆ Hold periodic meetings</li> </ul>	<b>December</b>  January April June  September Twice annually	✓
<b>Prepare an organizational vision and mission statement for use in fundraising</b> <ul style="list-style-type: none"> <li>◆ Discuss the long-term vision for Organization X</li> <li>◆ Revise Organization X's mission statement</li> <li>◆ Obtain Board approval</li> </ul>	<b>March</b>  January March April	
<b>Implement an ongoing public information and visibility effort</b> <ul style="list-style-type: none"> <li>◆ Prepare a fact sheet for immediate use</li> <li>◆ Develop a communications plan with Board assistance</li> <li>◆ Complete and disseminate brochure</li> <li>◆ Publish annual report</li> </ul>	<b>June</b>  February  April June April of year following	✓
<b>Have 100% of Board members contribute to Organization X each year</b> <ul style="list-style-type: none"> <li>◆ Announce/implement policy</li> <li>◆ Obtain 100% participation</li> </ul>	<b>December</b>  January December	✓

Task	Complete by:	Ongoing?
<p><b>Have every Board member provide some form of resource development assistance on behalf of Organization X each year</b></p> <ul style="list-style-type: none"> <li>◆ Agree on resource development plan for the Board</li> <li>◆ Identify funder contacts on potential and current funder chart provided by staff</li> <li>◆ Prepare donor packets for Board use</li> <li>◆ Develop fundraising committee to include Board members and external volunteers</li> <li>◆ Include fundraising interest and capacity as a priority for new members during nominations</li> <li>◆ Specify Board fundraising expectations to include in new Board orientation</li> <li>◆ Provide Board session to enhance fundraising skills and involvement</li> <li>◆ Have the Board raise a combined total of \$xxxxx each year for use wherever it is most needed</li> </ul>	<p><b>December</b></p> <p>January January and July January and July January</p> <p>February</p> <p>April</p> <p>July</p> <p>December</p>	<p>✓</p>
<p><b>Publish <i>Organization X News</i></b></p> <ul style="list-style-type: none"> <li>◆ Obtain additions to mailing list from XXX sources</li> <li>◆ Publish newsletter</li> </ul>	<p><b>Ongoing</b></p> <p>February and June</p> <p>January, April, August, November</p>	<p>✓</p> <p>✓</p> <p>✓</p>
<p><b>Hold one special fundraising event</b></p> <ul style="list-style-type: none"> <li>◆ Test event in 2010</li> <li>◆ Revise/expand event in future years</li> </ul>	<p><b>October</b></p> <p>October</p> <p>Annually</p>	<p>✓</p>
<p><b>Have Executive Director complete three fundraising trips per year</b></p> <ul style="list-style-type: none"> <li>◆ Identify key cities/states</li> <li>◆ Make visits in association with training sessions, other events</li> </ul>	<p><b>November</b></p> <p>January</p> <p>Ongoing</p>	
<p><b>Obtain at least one significant multi-year public or private grant (\$xxxxx per year or more)</b></p>	<p><b>December</b></p>	
<p><b>Obtain funding from at least three small businesses</b></p> <ul style="list-style-type: none"> <li>◆ Obtain names and contacts from Board and members</li> <li>◆ Solicit potential funders with Board and member assistance</li> </ul>	<p><b>December</b></p> <p>January and July</p> <p>March and September</p>	
<p><b>Add at least new corporate funders each year</b></p> <ul style="list-style-type: none"> <li>◆ Obtain xxx assistance in identifying potential corporate funders</li> <li>◆ Obtain assistance from Board members in contacting potential corporate funders</li> <li>◆ Hold meetings with potential corporate funders</li> <li>◆ Provide information and proposals to potential corporate funders</li> </ul>	<p><b>December</b></p> <p>February</p> <p>April</p> <p>May - September</p> <p>May - October</p>	<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>