

— ILLUMINATING — PERSPECTIVES

BUILDING MEANINGFUL CONNECTIONS BETWEEN DONORS
AND THE CAUSES THEY LOVE TO SUPPORT

FEATURED ARTICLE



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A dilemma wrapped in a predicament

A dilemma is a problem where none of the available solutions are good. Should charities reduce programming in the wake of lower donations or ask staff to work longer hours for less pay? Should they invest donations needed today into long-term communication programs that will help them survive tomorrow? What a dilemma!

I tackled some related issues in my 2022 article, [Charities and Nonprofits Are Between Scylla and Charybdis](#). Back then, across the charitable sector in Canada, donations were down and costs were up. Stuck between a rock and a hard place, we encouraged leaders in the charitable sector to have frank and honest conversations with their boards to find paths forward during difficult times. A year and a half later, costs are still up (for the majority of small- to medium-size charities), donations are still down, and demand for charitable services in Canada continues to rise.

It's easy to identify problems. What about solutions?

Introducing Thomas Hobson

Thomas Hobson (1544-1631) was a postman and stable owner in Cambridge, England. At that time, few people in town could afford to keep and stable their own horses. Hobson created a horse-for-hire business; think of it as a 17th century ride-sharing service. Wealthy students or merchants would rent a horse, go about their business and return it to the stable where Hobson would clean, water and care for the animal, ensuring it was ready for the next customer.

Hobson took great care to protect the investment he made in his animals – the business flourished – and he became wealthy and influential. Indeed, upon his death, he was commemorated in the poem, [On the University Carrier](#), by poet John Milton. But what Hobson is perhaps best known for is the choice he offered his customers. When would-be renters would arrive at his stables, they would be offered a choice of which horse to rent. They could either choose the horse nearest

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Can better communication between nonprofits and their supporters help close the “giving gap?”

PRACTICE SPOTLIGHT

Champions for Life

Expanding their audience by hosting live, in-person events for the business community.

REQUIRED READING

A short collection of curated articles and news from around the web. Worth reading.



RAYMOND JAMES[®]
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Lexicon Financial Group combines expertise in multiple disciplines with access to professional relationships to help manage and coordinate your evolving needs as a charity or nonprofit.

Whether creating an endowment or supporting conversations with your board or large donors, we provide no-cost, no-obligation tools and resources to help charities and nonprofits build stronger, more meaningful relationships with their supporters.

the door (the most rested animal) or none at all. This became known as Hobson's Choice.

It's time for charities to choose a horse.

The Communication Gap

According to Blackbaud Institute, "The direct market model still widely used by nonprofits today was created... when most TVs were black and white with only four channels from which to choose." Change takes time, but charities run the risk of being left in the technological dust if they don't begin investing in new approaches. That's because the tried-and-tested ways they communicate might not be as successful as they once were. Worse, they may be alienating their cause from the next generations of funders.

In late 2023, the Stephen Gyllenhaal documentary film, "UnCharitable" was released. The film has given new life to the work of Dan Pallotta and the ideas he espoused in his now-decade-old TED Talk: **The Way We Think about Charity is Dead Wrong**. According to Pallotta, there are two rules books, "One for the non-profit sector and one for the rest of the economic world... we tell the consumer brands 'you may advertise all the benefits of your product,' but we tell charities 'you cannot advertise all the good that you do.' Where do we think the consumer dollars are going to flow?"

According to public speaker and communication trainer James Morris, "The inherent goal of any communication is to bridge the gap that exists between the intentions of the speaker and the interests of the audience. Expert communicators fill the gap with information that will connect what they want with the interests of their audience." For charities and nonprofits, this suggests that Oliver-Twist-style hat-in-hand appeals for "more" are likely to miss their mark. What's in it for the donor, other than feelings of shame and guilt for not doing enough? "Charities that understand and address their donors' motivation – the 'why' behind the gifts – will do better in the long run," Morris adds. For generations, charities have been good at "the ask." Today's donors are demanding something different.

If charities and nonprofits aren't being heard, how likely is it that they will raise the funds required for them to thrive?

Raymond Gary, CEO and Founder of iDonate in the United States writes: "The answer lies with innovation. And the way businesses in every industry – not just nonprofits – innovate is by adapting to what's happening now. Breaking through the status quo for NPOs starts with a close look at today's donors, learning what defines them, and then adapting their approach to fundraising based on what they learn..."

Innovation is also a key for David Arsenault, Executive Director of Montreal-based Champions for Life Foundation. He doesn't rely only on websites, word-of-mouth, or newsletters to promote their cause. "We've created interactive workshops for corporate and business clients that – through storytelling and reflection – teaches collaborative strategies to overcome personal or team challenges." Offering these programs for a fee brings additional revenue into the charity. "The workshops help teams build trusted relationships and celebrate their progress, which is tremendous. But every presentation broadens our reach and allows us to tell our story to a new group of potential donors and supporters. These experiences actually create unscripted stories for participants to share within their networks, spreading our message."

As I wrote in **Think Fundraising Is Hard, Try Communicating**, letting others tell your story by sharing their experience can be a powerful tool to build an audience. That's because stories don't have to be finely scripted, polished pieces. Arsenault and the Champions for Life team know that participants will share their experience about using taekwondo to break wooden boards in front of their colleagues with family and

Worth Reading

The Slant: A Newsletter About Giving

The Slant is the official newsletter of the Robert Kerr Foundation, and an excellent example of a communication strategy that builds meaningful connections between the charity and its varied stakeholders.

The Giving Report 2023

Canada Helps' annual honest and sobering data-driven look into the challenges facing Canada's charitable sector.

Charities mastering the art of storytelling

Charity Digital in the UK provides examples of five charities that are using a variety of storytelling techniques to highlight their mission, values, and impact.

Best Practice Spotlight



Champions
For Life · Pour La Vie



David Arsenault,
Founder and Executive Director
Champions for Life Foundation

championsforlife.ca

Montreal-based Champions for Life Foundation helps children in the early years of development acquire basic fundamental movement skills, equipping them with the tools to play and be active throughout their lives.

Their programs have a positive impact in places where children have difficulty accessing health education and have limited opportunities for physical activity.

Founder David Arsenault is a former National Taekwondo champion. He hosts live demonstrations for business and corporate clients that are based around his experience at the highest level of sport.

The group's BREAKTHROUGHS! workshops guide participants through an exploration of the fears and challenges that might be holding them back, and then delivers techniques to help overcome them on the road to achieving success. These events have proven to be an effective way to expand the network of potential supporters and donors.

If your event strategy is constantly putting fundraising first, consider events that focus on building awareness for your cause. Explore how corporate and business groups might be a way to increase your reach.

friends. Participant testimonials support the cause. Champions for Life doesn't have to write them, they emerge naturally from the curated experience.

If charities and nonprofits messages aren't being heard and shared, how likely is it that they will raise the funds required for them to thrive? Nonprofit leaders need to diversify their marketing and communication strategies. Many aren't even trying, trolling the same old contact and donor lists time after time, expecting different results.

Boards need to evaluate their current communication strategies and determine if they are advancing their overall objectives.

- identify the segment of the population most likely to support your cause
- determine how they like to receive communication. Podcasts? TikTok? Newsletters?
- leverage all available strategies to reach your audience, including introducing new ideas and building new networks

- measure and report how successful your messaging is in being received by your target
- repeat

On the surface, it doesn't sound difficult. But it can be. Consider hiring a professional to help guide you through the process. Businesses do it all the time, so why can't charities? It often takes a third party to identify an opportunity that may make a meaningful improvement to your overall approach.

Change Is Difficult

Three centuries after Hobson, Henry Ford proclaimed that customers **could have their car in any colour they wanted, "as long as it's black."** Charities need to make a difficult choice of their own: find new ways to communicate with and engage their audience, or not. Unfortunately, when organizations fail to innovate, invariably, it isn't long before they fail to operate.

Craig Swistun is a Portfolio Manager with Lexicon Financial Group (www.lexiconfinancialgroup.com) at Raymond James Investment Counsel. The opinions expressed are those of Craig Swistun and not necessarily those of Raymond James Investment Counsel which is a subsidiary of Raymond James Ltd. Statistics and factual data and other information presented are from sources believed to be reliable but their accuracy cannot be guaranteed. It is furnished on the basis and understanding that Raymond James is to be under no liability whatsoever in respect thereof. It is for information purposes only and is not to be construed as an offer or solicitation for the sale or purchase of securities. Raymond James advisors are not tax advisors and we recommend that clients seek independent advice from a professional advisor on tax-related matters.