

Implementation Tips for USAID Partners

Sharing Resources and Knowledge Among the Global CSO Community

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Definitions

Donor—Source of funding for an organization's program activities or operations. Typically, funding is for a specific intervention with a specific timeframe and budget. A donor may be:

- an individual or group
- a large agency, such as USAID
- a multinational agency, such as the Global Fund to Fight AIDS, Tuberculosis and Malaria
- a corporation, such as Nike

Deliverables—Products or outputs that must be completed and presented to the donor under the terms of an agreement or contract.

Communication Protocol—A set of rules governing what information (finance, programs, technical) is to be shared, how (email, phone) it is shared, and who at the organization manages that interaction.

References

[Fundraising for Success - A Guide for Small and Diaspora NGOs](#)

[The Resource Café](#)

Managing Your Relationship with Donors

Q. How do we strengthen our relationship with donors?

A. Maintaining good relationships with donors is critical to the survival of your organization. If you are like most civil society organizations (CSOs), you need to secure sufficient resources to achieve your goals and fulfill your mission. This is an ongoing need that will likely be met by a number of donors over time. It is through your relationship with donors that your organization becomes connected with potential funding. The deeper the relationship, the stronger that connection and the more likely that donor will support your organization and its mission.

Just because a donor supported a program once, however, does not mean it will do so forever. Donor loyalty and trust must be earned again and again. How do you earn these? Comply with the rules for funding, demonstrate effectiveness of your interventions and communicate, communicate, communicate. Below you will find tips on communicating effectively to strengthen your donor relationships and maintain their support.

What Donors Need

Whether the donor is the U.S. Government (USG), a national or local government agency, a foundation or a business, a donor is an “investor” who helps you achieve your mission. Like you, donors are held accountable and must show results to their funding sources. Therefore, when you get results, donors do, too; when you succeed, they succeed.

When communicating with donors, keep in mind three main concerns because they shape a donor's perceptions and willingness to continue to support your program.

Donors want reassurance that your organization is:

1. *using its funds effectively and efficiently for the purpose originally intended,*
2. *effecting positive change in the lives of the individuals or communities the donor aims to serve, and*
3. *reflecting positively on the donor through a good image and reputation.*

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Establish a Positive Relationship with Donors from the Start

Your relationship with a donor likely began with the development of a proposal. During that process, you demonstrated that you understood the issues and needs to be addressed and showed that you had feasible, cost-effective solutions and systems in place for managing financial resources. When you won that support, your relationship took on new meaning. There are a few basic steps that will help the relationship get off to a smooth start.

Conduct a Launch Meeting

It is good practice to hold a “launch meeting” with a donor as soon as possible to review the terms of your agreement; establish key contacts; discuss roles, responsibilities and program activities; and share expectations. During this meeting, clarify terms of the agreement you find confusing. Ask questions. Where possible, share the timeframe for start-up activities, your initial program objectives, and solicit your donor’s feedback and questions. If both organizations have a clear initial understanding of each other’s expectations for the program, this will set a strong foundation for open communication and collaboration and may reduce the likelihood of future misunderstandings.

Build Regular Communication into your Workplan

Learn how the donor wants to hear from you and how often—monthly, quarterly, every six months. Ask what form of communication the donor prefers (email, phone) and what issues/ results are of greatest interest.

Develop a Donor Communication Protocol

Create a list of the staff within your organization (finance, program, technical) who may be called upon to communicate with a donor. You may wish to refer the donor to different people on your team to address specific issues, or you may decide that one person should be the gatekeeper for all donor communications.

As part of your larger Communication Plan, develop a set of rules (a protocol) stating what information is shared with donors, how it is shared, and who at the organization manages the interaction with donors. Once decided, create written guidelines to discuss and share with your staff. Present this information to your team to create mutual understanding and expectations about the donor.

The initial stages of the donor relationship are crucial to establishing strong and open communication that will be important throughout your entire award.

Ten Tips for Maintaining a Strong Relationship with Donors

As with any mutually beneficial relationship, it is easier to nurture and build on an established connection than to start from zero. Below are a few tips to reinforce your rapport with major donors.

1. **Communicate effectively.** Be as clear, direct and honest in your communication as you can, verbally and in writing.
2. **Follow up after donor meetings.** After key meetings or conversations between the leadership of your organization and the donor, send a written summary of key issues discussed and follow-up actions. This creates a record of the meeting and clarifies decisions and actions that will be taken in the future.
3. **Be responsive to donor requests.** When a donor requests information, respond quickly. Ask questions to ensure you understand what is being requested and when it is due. If a request is unrealistic, be honest and explain why. If it will take you some time to compile the information requested, be clear about when you can submit it.
4. **Make realistic promises and deliver on them.** Be careful not to compromise the quality of your work for the sake of speed. Thus, when facing a deadline, ensure you can deliver what you promise with a worthwhile product. If this is not possible, be honest about it.
5. **Use donor funds as expected.** Implement your program as described in your proposal; that is what your donor “bought.” Notify the donor of any needed alterations (for example, changes in scope, location of work, target audience) to your work right away to get guidance on how the donor would like you to proceed.
6. **Submit accurate, complete program deliverables on time.** Reports and other deliverables document your program accomplishments and successes. Therefore, it is critical that deliverables are clear, well-written, and without errors so that they reflect well on your organization and may be shared with other funders and stakeholders. Emphasize quality over quantity. Meet the deadlines set by your donor. This demonstrates your professionalism, reliability and responsiveness. Know your donors well enough to link their support with your organization’s activities, progress and results they find most meaningful.
7. **Do not surprise donors.** Be open and truthful about challenges and barriers in your program as well as successes throughout the period of performance. Setbacks and missteps are normal and most donors understand the challenging environment in which you work. If you maintain an open and collaborative relationship, there should be no surprises when your donor receives your deliverables.

Accountability and trust are keys to building relationships with donors who will sustain the long-term financial health of your organization.

For More Information

For this or other issues of *Implementation Tips*, please visit www.NGOConnect.net. The Web site is a dynamic and interactive portal dedicated to connecting and strengthening CSOs, networks and CSO support organizations worldwide.

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8. **Share your achievements.** Recognize and give credit to donors. Tell your organization's story and disseminate program results broadly and through a variety of media—newspapers, radio, websites, social media, conferences, meetings, special events. Make sure your donor's support is always acknowledged in accordance with your marking and branding plan as necessary and always thank the donor for their support. In addition, you may wish to invite your donor to participate in events, conferences or meetings where you present program findings and results.
9. **Take solutions a step further.** Suggest ways in which you can eliminate a problem and articulate how you can share new knowledge with other stakeholders to support lasting solutions. Identify gaps in your present program or interventions, and recommend a new direction or strategy for greater effectiveness. Also, take time to reflect on the approaches that did not have the intended result and note them along with other "lessons learned" that you can compile at the end of the program. These types of proactive approaches may influence donor priorities in future years.
10. **Prepare for visitors and opportunities to showcase your program.** Your local and global reputation and image can be affected by the impressions made in planned and spontaneous interactions with high-level officials, international and local visitors and new staff. A well-organized and informative introduction and site visit with program stakeholders is an important way to communicate your successes and needs. Always plan ahead and have strong spokespersons available to showcase your work to visitors, potential donors and advocates.

When you communicate effectively, a donor will see you as a reliable and trusted partner and may become both an important advocate for your organization and instrumental in sustaining its long-term financial health. Building a strong relationship through open, two-way communication is key to making this a reality. The confidence people have in an organization has much to do with their loyalty to it and their willingness to support it.

