FUNDRAISING FOR IMPACT IN LIBRARIES, ARCHIVES, AND MUSEUMS

MAKING THE CASE TO GOVERNMENT, FOUNDATION, CORPORATE, AND INDIVIDUAL FUNDERS

KATHRYN K. MATTHEW

ROUTLEDGE

Fundraising for Impact in Libraries, Archives, and Museums

Fundraising for Impact in Libraries, Archives, and Museums provides practical advice that will help LAMs reassess how to leverage their organizational assets in ways that support communities and help to forge productive relationships with foundation, individual, corporate, and government funders.

Drawing on the insights gleaned from interviews with more than 100 international LAM practitioners, the book examines the common fundraising challenges that LAM institutions of all types and sizes face. During today's dynamic times, when many LAMs are seeking to remain relevant and viable, Matthew emphasizes how vital it is for them to demonstrate and communicate how they benefit their communities. The book presents five frameworks used in community development and philanthropy and illustrates how they can help an institution to assess and communicate its impact, focus its mission-related activities, and effectively deploy proven fundraising strategies. Vignettes from the interviews are presented throughout, along with pointers, to illustrate actionable approaches that the reader can adapt as they seek contributed financial resources. The reader will explore various fundraising scenarios to help secure resources including appeals, special events, moves management, digital media, and corporate philanthropy.

Fundraising for Impact in Libraries, Archives, and Museums is essential reading for library, archive, and museum practitioners and fundraisers working around the world.

Kathryn K. Matthew advocates for museums, archives, and public libraries as essential contributors to resilient and inclusive communities. She brings her cross-sector experiences—in community development, museum leadership, corporate product development, national grant-making, government affairs, fundraising, and operational improvements—to her work. Currently, she is the Doctor of Design Distinguished Fellow at Louisiana State University, College of Art + Design.

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Introduction

Over the past 10 years, the dynamics of securing funding for libraries, archives, and museums (LAMs) have dramatically changed. Virtual platforms have risen in prominence, changing the nature of our engagements with the general public and our varied supporters. Giving has become more social, more about self-fulfillment, and more evidence-driven. At the same time, notions about the value that our institutions provide have evolved. An increase in the practice of impact investing, with its emphasis on social, economic, and environmental contributions, has altered much of the funding landscape. These changing constructs can challenge our traditional practices and assumptions around securing financial support, whether from private, corporate, government, or individual funders. In addition, while counts of visitors or community-program participants have been used to make the case to potential funders, such metrics do not truly reflect how LAMs change lives for the better.

The recent pressures of COVID-19, destructive natural disasters, and social justice turbulence have brought this tension to the forefront on an international scale. To remain viable we must now move beyond reducing operating budgets or refocusing programs and services to online formats (as many have since 2020). It's time for us to recalibrate. It's time to leverage our unique and often under-appreciated assets more deeply to improve community wellbeing. While this book was written to shape the recurring debates over how much and what data to collect in order to monitor operational efficiency and demonstrate programmatic effectiveness, it is especially timely in the current moment.

"Recovery" is an ever-present topic and implies returning to a prior state of affairs. However there is much discussion that, no matter where we live in the world, society is not returning to "normal" as we experienced it before. As a sector, LAMs will likely regain their supporters and revenues, but may well be restored into a different state. We need to embrace and steer those recovery steps together with our communities, boards, staff, volunteers, and funders. In addition, we need to think about those commonly used words, "relevance" and "community engagement," whose definitions change depending on who is speaking. These concepts are vague

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> *An asset-based approach, in combination with five key frameworks from the community development and social impact sectors, strengthens the case for funding support.*

The topics in this book are relevant even to those LAMs, often government or tax funded, who express that they don't need to seek additional financial resources. Whether you are a large institution located in a city or a smaller LAM in a remote region, apparent times of stability can be upended within a few weeks. We have lived through this during the past two years. Ask yourself: When our communities, patrons, audiences, and visitors undergo upheavals or experience traumas, are we ready to respond and support them in new ways? Do we know how to listen, dialog, and make decisions with them that change how and why we do our work? How can we more fully support recovery and resiliency? Do we have the institutional capacity to flex and change? Do we have strong community relationships and demonstrated community benefit to weather changes in political leadership and, with that, potential changes in priorities? This book's pointers will help you prepare for times of uncertainty as well as positive opportunities to be seized.

Missions and structures, as reflections of our functions and histories, vary across LAMs, and it is easy to let our highly specialized practices lead us to believe that we can't learn from other LAMs or from outside our sector. Yet we all need to focus outwards, on the people who interact or might interact with our LAM. They seek to improve their wellbeing, whether through educational attainment, workforce opportunities and skills, feelings of belonging and security, environmental quality, civic participation, health and wellness, arts and culture, or avenues for self-fulfillment. There are many similarities in how we successfully work with communities, communicate, engage funders, develop and evaluate our work, collaborate, identify opportunities, and make trade-off decisions.

While the proportions of operational emphasis and revenue sources may be different across our sector, fundamentally all LAMs seek to improve society, support their communities' aspirations, and meet their users' needs. There is much alignment with the concept of a "social enterprise," which operates for a societal benefit while drawing upon business practices to operate effectively, efficiently, and sustainably in support of the mission. Reflecting these mission similarities, the chapters include common questions, scenarios, or challenges encountered by LAMs in their quests to secure resources.

There are other near-universal commonalities across the LAM sector. LAMs share several identified opportunity areas for further advancing their missions, including community organizing, evaluation, conveying impact, and can paint a picture of an institution uncertain about its relationship with its community. On the plus side, these concepts are elastic enough to describe a state of unfolding purpose, new meanings, stronger commitment, and enduring emotional involvement.

This book's title contains the word "impact." Creating "impact" drives many of us but can also lead us astray when seeking funders' support. Impact investing for social, economic, and environmental good emphasizes measurable performance and accountability whether undertaken by corporations or individual investors. Yet it is more difficult to measure the effects of our multilayered informal learning experiences, digital outreach services, and public gathering spaces. For example, it is hard to quantify the meaningful discovery that happens when youth examine ancient manuscripts or families discuss photographs of their city.

We hear it and see it but how do we document and understand "impact," those effects that are not about counts, direct revenues, or expenses? How do we convey "impact" convincingly to boards, governments and other funders of all sorts, as well as our potential partners and communities? How do we explain the connections between broader community improvement efforts and our programs, collections, spaces, and know-how? How do we anchor conversations about our work in a position of strength and a desire to achieve common goals with prospective funders?

Asset-based work is a way forward. This approach asks us to move beyond our LAMs' physical, conceptual, and cultural walls to equally value the knowledge, talents, relationships, spaces, and perspectives of those outside of our institution. It asks us to no longer engage and serve through transactional interactions. It encourages us to actively invite co-participation and co-creation to improve community conditions. This book offers foundational principles and tools for an asset-based approach.

The book also offers five cross-sector frameworks that strengthen our organizations' activities: power dynamics, community wellbeing, design thinking, outputs and outcomes, and collaboration. When blending an asset-based approach with the five frameworks, we can draw upon our unique assets to plan for, lead, and demonstrate positive community change. This process also yields a strong, mission-aligned case to secure funding. In the remaining chapters, we employ these constructs to explore forging connections between our community work and funder relationships. We do this by discussing common scenarios and opportunities encountered in securing funds.

You will find at the end of each chapter pointers to help you apply the concepts from the chapter and avoid common pitfalls. Throughout the text, endnotes cue you to articles that provide more in-depth content or illustrative resources (e.g., blogs, reports, guides) that demonstrate use of the tools and approaches relating to a chapter's concepts.

internal cultural change, and boards and volunteers.[1] And of course, the need to secure financial resources is always the common denominator. Throughout the conversations and interviews that the author conducted in crafting this book, frustrations about how to define, measure, and demonstrate LAMs' impacts were a frequent refrain. LAM leaders also expressed a desire for more purposeful and more equal collaboration with resident leaders, stakeholders, public officials, community service providers, businesses, and others invested in tackling systemic problems. "We are not at the table early enough" was a common reflection.

The strategies and tools of community development, philanthropy, impact investing, and fundraising are woven together with insights gleaned from interviews with over 100 international LAM practitioners. The author conducted live virtual interviews and occasional written correspondence between July 2020 and August 2021. Each chapter contains vignettes of varying lengths drawn from a subset of these interviews. The vignettes illustrate the essential connection between prioritizing our work with communities and effectively securing funds. They also bring to life the fact that no matter what the funding source or geographic region, the questions to be resolved are universal: How do we know we are having an impact in working with our communities? How does that inform our strategies? How do we convincingly convey our value to our funders through our unique abilities to achieve impact? How do we partner with funders while staying mission aligned? These "voices of impact" illuminate a core thesis of this book: that a LAM's value proposition is predicated on effective use of its assets; specifically, how its expertise, relationships, spaces, objects, information, and virtual networks can benefit its community and society.

> *"Fundraising" is defined broadly: securing the financial resources necessary to achieve institutional vision, whether from foundations, trusts, governments, corporations, or individuals.*

As much as LAMs seek to improve society, support the aspirations of their communities, and meet the needs of their users (as mentioned earlier), so do funders. Speaking the same language as current and potential funders will result in more productive conversations about how to achieve those goals together. The asset-based approach, along with the five adaptable frameworks, will support your efforts to seek resources from government, corporate, foundation, and individual sources. These are derived from funders' practices as well as from community-development and social-impact work. Reflecting this, many of the reports, blogs, and guides listed in the endnotes are intentionally drawn from outside of our LAM sector. Some resources

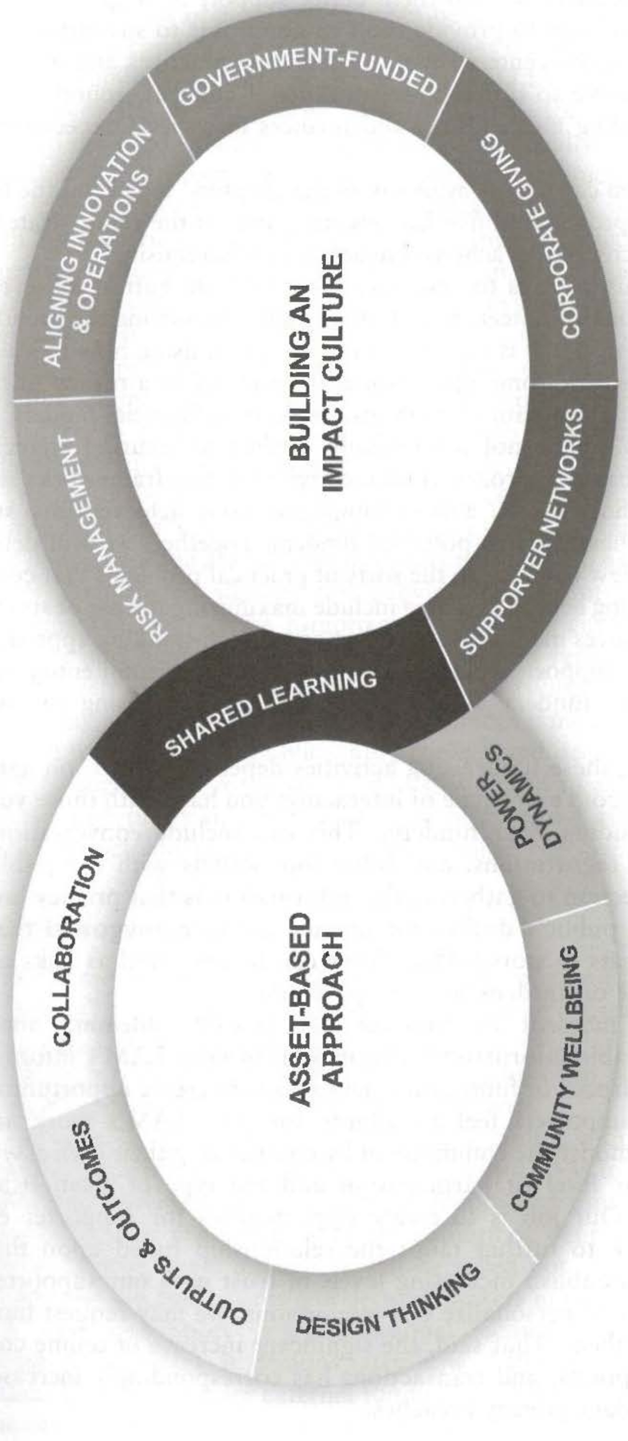

Figure 0.1 Fundraising for Impact Conceptual Overview (created by author).

Some examples of questions that can be prompted by this discussion are: If we need to capture any information such as credit card numbers or social security numbers, are they encrypted and held in third-party systems that are hosted? Do we allow users "the right to be forgotten"? Do we allow them to opt-in to email lists rather than automatically signing them up? Do we allow users to opt-out as part of any e-communications? Do we have protocols in place to protect data handling and data sharing? Do consult with an expert in data privacy, compliance, protection, and security. Important considerations include: putting in place business practices to allow your users to control the amount of their personal information that they share, establishing and following policies for data protection, and selecting secure technical platforms. Another equally important shift is building an internal culture that values data protection and confidentiality. All of these changes are in alignment with our increasing user- and supporter-centered focus (Chapters 4 and 7).

Trust is at the heart of engaging with the community and LAMs already enjoy a high level of trust in the eyes of their publics. Simple approaches can ease concerns when asking for users' information such as using email opt-in rather than forced signup, and providing easy opt-out and ultimately honoring the right to be forgotten. Privacy and confidentiality can feel complex and high-risk to LAM operations and reputations. Compliance can be seen as a burden. However, by not asking for any personal information at all, as an institutional protective mechanism, we lose the benefits of offering our publics more choices and deeper and more diverse ways to engage and reach shared goals. We need to ask ourselves, are we taking opportunity off the table by not offering the public many ways to deeply participate, cocreate, and have a voice?

Terminology

Let's review the working terminology used throughout this book.

"Assets" are enduring things of value held by an organization, individual, or group, especially monies, but also space, knowledge, objects and documents, expertise, and relationships. Relationships can be with potential or current funders, partners, and those of influence.

The term "board" encompasses governing groups with fiduciary and mission responsibility; advisory groups convened by a LAM to serve as a sounding board and provide community representation; and those groups appointed through local or regional government authorities. Where appropriate to the specific context, these differences will be called out. "Board members" are people who are participants and decision-makers in those groups.

A "case-for-support" is a foundational document that sets the stage for prospective funders. It demonstrates how a strategic plan is turned into actions that may require external funding to achieve community outcomes. The case-for-support also demonstrates your institution's unique assets and speak directly to funders to help them better support their grantees and communities. Others aim to provide tools to nonprofits to strengthen and sustain their community-centered work. These new practices and ways of thinking are adaptable to different organizational cultures, country- and region-specific funding mechanisms, and nuances in societal expectations for philanthropy.

In Figure 0.1, you can see an overview of the chapters' topics; on the left the asset-based approach and five frameworks, and on the right, strategic and operational activities to achieve impact-driven fundraising.

The intent of this book is to empower you and your staff at all levels, your board, and your volunteers in re-thinking and articulating the broader benefits of what you do. It is not meant to be a fundraising how-to guide (although it can provide some tips). Nor is it meant to be a review of the literature concerning program evaluations, marketing, financial models, or fundraising tactics. While not traditionally applied to securing financial support, an asset-based approach combined with the five frameworks will enable you to define, assess, and communicate your achievements and progress more authentically to potential funders. Together, we will deliberately apply this new thinking to the sorts of practical problems that come up during fundraising activities. These include maximizing the use of special events, adapting moves management as part of a design-thinking approach, securing corporate support, seeking funding as a governmental entity, navigating changes in funders' interests, and linking fundraising to your overall strategies.

Effectively using these fundraising activities depends, in part, on gathering information from every type of interaction you have with those your LAM serves (including your funders). This can include conversations, surveys, program registrations, and other interactions with the public. One common objection to gathering this information is that privacy laws are changing, the public's desires for privacy are increasing, and there are escalating threats to stored data. These can be perceived as risks too difficult to manage or burdens on our operations.

Let's spend a moment to consider this possible dilemma about Personally Identifiable Information (PII) in light of your LAM's information needs. The purpose of fundraising activities is to create opportunities where potential supporters feel an affinity for your LAM's work and where they can demonstrate commitment by contributing their own assets. They control their level of participation and the type of relationship with your LAM. Our job is to create opportunities for supporter engagement and seek to further tailor the relationship based upon their responses. As we establish increasing levels of trust with our supporters and users, in order to personalize our interactions, we may request more information from them. That said, the significant increase of online consumption, subscriptions, and transactions has correspondingly increased the real threat of data privacy breaches.

track record of delivering on those outcomes. It conveys what your organization intends to accomplish with the funder's financial support and how those intentions align with other strategies and revenue-generating activities. It includes tools such as a theory of change and logic model to help paint an all-encompassing picture.

"Charity" refers to both a tax-exempt status that denotes eligibility for tax-deductible donations in many jurisdictions, and a philosophy of how to address community needs. There is no well-defined difference between charitable giving and philanthropy. Some might view charitable giving as more focused on direct, immediate responses to people who require rescue or disaster relief. And to others, philanthropy can be viewed as tackling bigger picture, societal issues. However, as Holmberg[2] points out, acting charitably does not preclude engaging in collaborative systems-change efforts that a LAM could not tackle alone. Having charitable goals does not conflict with operating in a financially sustainable manner or using accepted business practices.

We all recognize that a "community" is not monolithic. In considering the recommendations in this book, of course context matters. Community can be conceptualized as a physical place that anchors many relationships and histories. The Tamarack Institute[3] offers a helpful definition of community members as "context experts": they "are people with lived experience of the situation, including children and youth. They are the people who experientially know about the issue. These are the residents who know the area well and whose lives may be directly impacted."

A "funder" can be a person or entity that provides financial support through a gift, grant, or government appropriation. A funder can also be a supporter, stakeholder, user, community member, volunteer, or board member. Individual funders are often called "donors."

"Fundraising" is the process of securing the financial resources necessary to achieve an institutional vision or a specific goal. It refers to both governmental or private sources. Fundraising can also secure nonfinancial items or services of tangible value, such as meals, supplies, materials, equipment, accounting reports, or legal reviews. This type of "in-kind" support helps offset planned operating or program expenses, thereby having a financial benefit to your LAM.

A funder "prospect" is an individual or institution who has the ability to provide significant financial resources. Often, prospects are asked for support personally after careful planning, coordination with those who know them well, and finely-tailored communications. We categorize them as a prospect once we know their capacity and ability to give as well as their affinity for causes similar to your LAM's areas of work. An essential ingredient that motivates a prospect to become a funder is their current connection to, familiarity with, or prior meaningful interactions with your particular organization.

"Resources" are typically financial but also may also include tangible materials (such as meeting space or meals), services, information, technology, or personnel that our organizations use to do our work.

"Stakeholders" are those individuals essential to the success or failure of your work. Their ability to shape your success comes from their influence, networks, control of resources, expertise, or position within an organizational hierarchy. Importantly they may or may not be affiliated with your organization as a volunteer, board member, staff member, funder, supporter, institutional collaborator, or community resident. Stakeholders' influence may be due to their positions within community networks or coalitions.

The term "supporter" encompasses advocates, enthusiasts, volunteers, partners, community influencers, and others externally who express confidence in and lend endorsement for a LAM's activities. A funder may also be a supporter. We want users to be motivated to become supporters.

"Users" means patrons (e.g., in libraries and archives), audiences (e.g., in museum programs or artistic performances), and visitors (e.g., in museums, historic sites). They seek and consume services, resources, programs, events, and information provided by LAMs. This term "users" can bridge terminology differences. "Customer" or "consumer" is not sufficient to encompass the many scenarios under which individuals and groups seek to engage with our organizations: while users also seek value, an engagement will not always result in a financial exchange and relevant LAM metrics are not solely financial or based in market share.

Notes

1 Michael Norton and Emily Dowdall, "Strengthening Networks, Sparking Change: Museums and Libraries as Community Catalysts", Institute of Museum and Library Services, 2016, https://www.imls.gov/sites/default/files/publications/documents/community-catalyst-report-january-2017.pdf.

2 Mark Holmgren, "Thinking about the Charity Model and Systems Change Debate," The Latest (blog), The Tamarack Institute, November 30, 2016, https://www.tamarackcommunity.ca/latest/thinking-about-the-charity-model-and-systems-change-debate.

3 "Community Engagement for Developing a Neighborhood Strategy", The Tamarack Institute, 2019, https://www.tamarackcommunity.ca/hubfs/Resources/Publications/Guide%20-%20Community%20Engagement%20for%20Developing%20a%20Neighbourhood%20Strategy%20.pdf?hsCtaTracking=23cbf98f-5c1d-4678-88c2-26a553792647%7Cf3dabb63-3d89-4c27-8a6e-ebadd8075629.