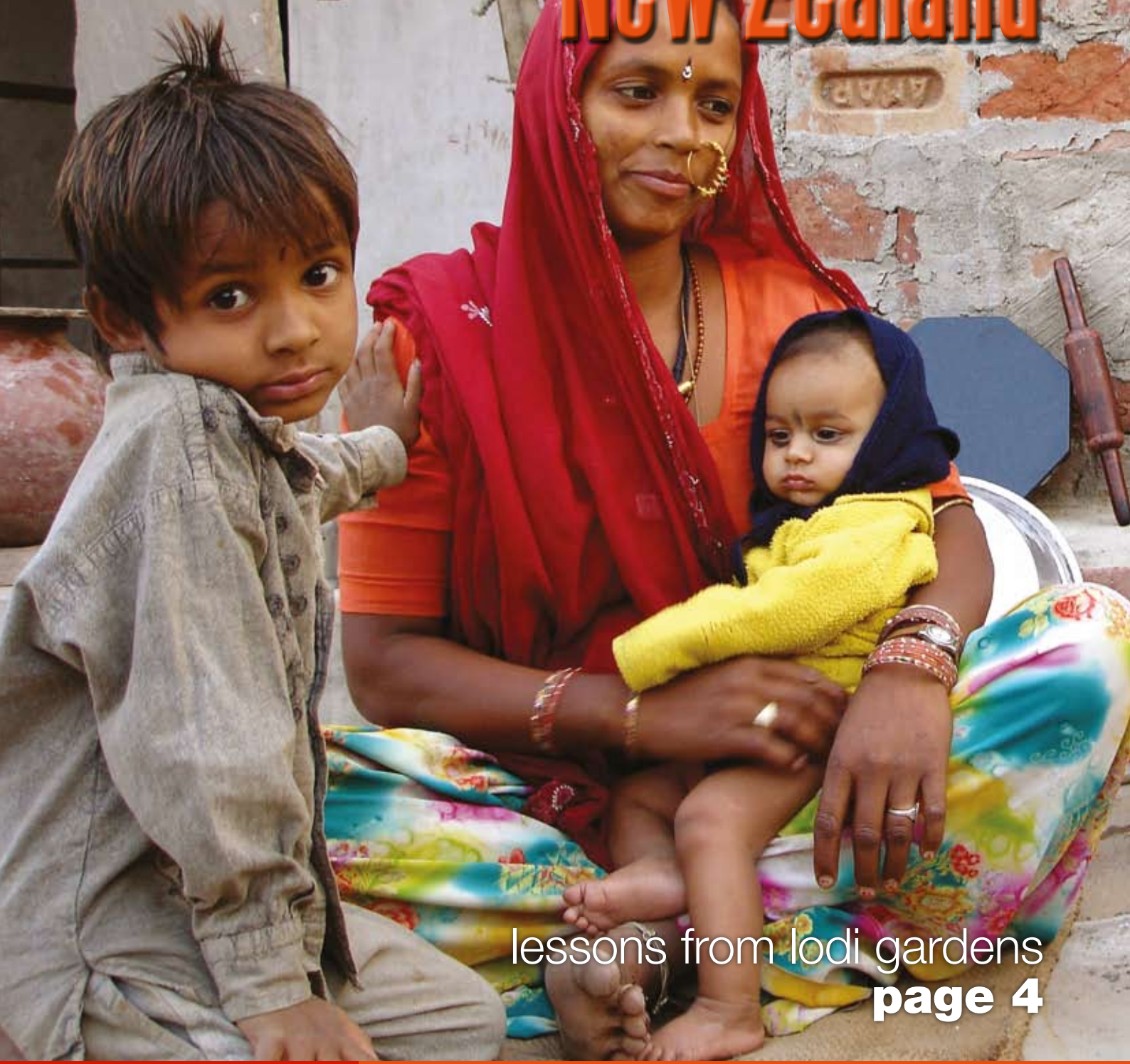


FUNDRAISING

New Zealand



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sometimes it pays to have someone to talk with, someone who has been there



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on the cover

India – background environment for much
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editorial . . .

A recent article in *The Dominion Post* (Reuters – The Times) spoke of the sluggish response of both governments and individuals to donate to the recent, and current, floods in Pakistan. After 10 days (mid August), just NZ\$26.5million had been raised by the Disasters Emergency Committee (DEC - an umbrella group which represents the biggest UK aid organisations, i.e. public donations from Brits). This had increased to around NZ\$92.8million by early September, but was still well short of the NZ\$223.2million plus donated by the British public for the Haiti earthquake disaster.

The Dominion Post article went on to suggest that the reason for the slow response included the opinion that charity and politics do not mix; that when politics is the background, an already sceptical public questions more than ever whether aid will reach its destination. Although the leading British charities iterated that the aid was getting through it remains to be seen if this is enough to persuade the public to give more. The DEC's decision to stop commissioning independent evaluations of charities' work in international crises was generally seen as a step in the wrong direction. The pressure on international aid organisations, just like those active internally within New Zealand, is to be transparent and to prove their worth. After all, we live in an age where Brits can check the GCSE results at the local school/ Kiwi's can check NCEA results at our local schools; Brits can check comparative performance indicators for their hospitals and so can Kiwi's check the same from all District Health Boards across the country, so why not the achievement of our charities, and, seeing this is a fundraising magazine, why not the fundraising performance of each of our charities?

For the record, 1600 people have died in the floods, 5 million people are homeless, around a fifth of Pakistan is underwater – an area about the size

of Italy – and 3.2 million hectares of agricultural land has been flooded.

And also, for the record, several New Zealand charities have launched appeals for 'floods in Pakistan' with the results seeming to reflect those achieved in the UK. UNICEF launched an appeal hoping to raise \$250,000 – however they expect to eventually receive around \$300,000 (somewhat less than the \$500,000 plus received for the Haiti earthquake appeal). In addition the New Zealand government have donated \$1million to Pakistan via UNICEF. Save the Children established their Pakistan appeal at \$250,000. At the time of publication they had received \$304,000 and expect close to \$400,000 (again well short of the \$960,000 they raised for Haiti). World Vision's appeal has a target income of \$500,000 – to date around \$430,000 has been collected with additional donations still rolling in.

The 'charity and politics do not mix' factor may be an issue in the decision of New Zealanders not to be quite as generous for Pakistan as they were for Haiti – but it surely is a huge factor when measuring the responses from governments. Whereas the *New Zealand Herald* (30 Aug) reported government donations to the Pakistan floods at US\$443,180,000, the amount pledged by governments to Haiti was US\$2,422,202,996. ■

SMALL CHANGE

Still roaring after fifteen years, the Downtown Community Ministry (Wellington) Annual Bookfair has once again provided Wellington with one of its most colourful fundraising events. Held over two days (Saturday & Sunday) in August and filling the TSB Bank Arena on the waterfront with more than 60,000 books (collected and sorted over the preceding six months), the 100 or so mostly volunteers sold around 80% of the stock and returned \$122,000 to the work of DCM – providing support and advocacy for those in need in the inner city.



Many New Zealand fundraisers working on larger capital campaign type projects were very disappointed earlier this year to hear that the Lottery Significant Projects Fund (that had provided around \$9million in 2009/10 and \$13million in 2008/09) had been cut completely for 2010/11. What a surprise, then, to learn that the NZ 2011 Festival Lottery Fund has been established to support public events and activities associated with the Rugby World Cup, with funding of \$9.48 million.



Heard at a New Zealand conference recently – two Auckland based corporate sponsorship managers sharing their strategies, which both turned out to be, “we’re no longer just Auckland focused – we’re now looking for national activities or programmes”. So Auckland isn’t the be all and end all, after all.



Notice has just been received that the biennial 100% Pure New Zealand Winter Games (profiled in this publication in November 2009) have been confirmed for 13-28 August 2011 in and around Queenstown. This world class event that attracts more than 1000 elite athletes from around the world is focused around nine alpine events including cross country skiing, curling, winter triathlon and ice hockey.



The budget for the 2011 Winter Games is \$3.8million. Significant funding is still sourced from local and national government in the form of grants (including \$750,000 from the Ministry of Economic Development – New Zealand Major Events fund – which has an annual budget of \$3.3million for such events). Arthur Klapp of Sports Impact Ltd and co-organiser of the Winter Games said that as the event becomes more established the commercial percentage contribution will increase. It was 12.5% commercial for the \$3.2million 2009 games, will be 25% for the \$3.8million 2011 games and 40% for the 2013 games.



Beware the terminology! While sponsorship is somewhat of a dirty word these days, its replacement by the term partnership does not necessarily mean that things will get any easier. Heather Newell warns charities to beware of the real meaning from the corporate perspective. “Partnership is a quite different beast and carries quite different responsibilities which are likely to be equally as onerous on charities as the obligations in sponsorship.”



Fundraising for St John will no doubt receive a boost with the news that Jim Datson will soon move from his position as Executive Officer Central Region (St John are restructuring and Central and Midland Regions are to merge) to become the Auckland based National Fundraising Manager. Jim is a Fellow of the Fundraising Institute of New Zealand and an Institute Fundraising Award winner.



CanTeen’s annual Bandanna Challenge will be with us on 16-31 October and they now have nine retail partners selling bandannas along with numerous schools and various smaller businesses. Burger King has been a Bandanna Challenge partner for many years, and this commitment will now expand to Burger King rolling out in-built donation boxes at all restaurant counters by the end of 2010. notebookcity.co.nz an online computer, electronics and consumables retailer recently became a corporate club partner of CanTeen. A percentage of every purchase made via their website will go to CanTeen. Their aim is to raise \$25,000 per annum to support CanTeen!



lessons from the lodi gardens

by liz gibbs, ceo, save the children nz

India is a country full of surprising juxtapositions. India has a burgeoning economy which, at the time of writing, has Gross Domestic Product of 6.5% whilst the European and American economies languish. Yet 2 million children die each of year of preventable causes, which can be fixed for as little as \$3 for diarrhoea medication. The world's largest democracy is booming and is home to 50 million millionaires. Yet child mortality is still in the top 10 worldwide with 69 children out of every 1000 born dying before the age of 5, compared to NZ's 6 deaths per 1000 children born. Despite the contradiction, in my view, New Zealand has a lot to learn from India across a multitude of disciplines including best practice for NGOs.

I was privileged to work in India in 2008 and 2009 for Save the Children International, project managing the establishment of a new Save the Children India. Save the Children has been programmatically active in India for over 60 years, delivering breakthrough education, health and microfinance programmes run by Save the Children organisations around the world, but we didn't have a fully-fledged Indian run organisation with finance, marketing, human resources, policy and research functions. So, this was the task.

Within a couple of months, the new Board and CEO were appointed and walked Delhi's Lodi Gardens to start developing the strategy. They set themselves the target to be the most professional NGO possible taking the best from the corporate and NGO worlds. Specifically, the robust management, discipline and structures of the corporate world coupled with the passion and commitment of the NGO world. Save the Children India had the vision that these two worlds combined would create a world

class NGO. The Board and management focused on the following areas:

- **Governance** – appointing the highest calibre people with business skills that cover all the corporate disciplines and are complementary.
- **Strategy** – clear, concise, ambitious and competitive.
- **Programme delivery** – at scale with measurable outcomes.
- **Management** – effective, creative and innovative.
- **Investing in research & development** – for programmes, policy and marketing ensuring that new thinking is consistently being scoped and developed.
- **Robust systems** – including financial and human resources management.
- **Clear accountability** – tangible benefits and outcomes to demonstrate value added.

Three years on from that walk in the Lodi Gardens, Save the

Children India has delivered spectacular results. A world class Board, until recently chaired by the Managing Director of Boston Consulting Group, and a professional, effective and efficient management team, have delivered real and lasting improvements to the lives of millions of children in India. The revenue is over US\$25 million per annum, from a broad range of corporate partners, direct marketing activities, digital marketing and institutional donors. Effective advocacy, research and policy work has meant that the Indian government is now committed to providing free education to all children up to the age of 12 years old. Save the Children has established a cutting edge child rights research institute in partnership with Delhi University which will help inform future improvements in policy.



So what's this got to do with New Zealand NGOs? I think there are real learnings that can be gained from this brief case study. According to Statistics New Zealand's 2005 research, there are over 97,000 active not for profits in New Zealand and as at March 2010, the Charities Commission register for charities totalled 24,814. And, our population base is currently just over 4 million. There are a huge number of not for profits, many of whom are undoubtedly doing great work, in a country with a small population base. In short, in the current economic climate, being a successful not for profit delivering real improvements for stakeholders, and securing the donor dollar, is an increasingly competitive business. Some of the critical factors for success are:

Strategic perspective and growing new leaders

– invest time in developing a concise strategic focus with clear objectives and outcomes, linking the delivery of the strategy directly back to staff through their Performance Reviews and Key Performance Indicators. Develop strategy both top down and bottom up to ensure that everyone contributes and is committed to the strategy. This technique enables high levels of ownership and the strategy becomes living and breathing, with every staff member having some responsibility for developing and delivering their part of it. This starts the process of developing new leaders in every part of the organisation who are inspired by mission focused, values led strategy which lead to results.

Know your own business – many organisations are mainly problem focussed. The godfather of modern management, Peter Drucker, writes brilliantly on the “exploitation of success”, observing that some of the world's highest performing organisations generate success, analyse it and then build upon it, such as Sony. Building and learning from success, demanding it from everybody in the organisation and rewarding it in appropriate ways, creates a receptivity for organisations to be opportunity focussed rather than problem led.

Investment in innovation – there is some truth in the old adage that if you continue to do the same things in the same way, you'll get the same result. This trend, coupled with the significant changes projected for New Zealand's population to 2020, highlight that innovation is critical to future proof organisations. Many of our organisations have


used the same fundraising and marketing strategies, tactics and tools for many years. My perspective is that to maintain and grow any organisation, it is critical to invest in research, development and innovation. There is an actual cost to this in the short term, but over the life of a 3 to 5 year business plan, this investment in innovation will enable net growth and a tangible long term return on investment. Without the investment and innovation focus, organisations run the risk of becoming stagnant and diminishing their ability to be fit for the future.

Accountability – understandably, private and public donors require accountability for the effective use of their donor dollar. My view is that this trend will increase due to a range of factors including the economic downturn, recent high profile charity fraud cases in New Zealand, and donors utilising new technology to make informed choices about the best use of their donation. Therefore, demonstrating that your organisation delivers clear, tangible and sustainable outcomes is going to become even more vital.

Not for profits deliver incredible work every day across all parts of Aotearoa. I welcome the opportunity to learn from other organisations' experience and success, like Save the Children India's. The more successful we are, the more we can all deliver for our stakeholders and create the world we want to see. ■

In the UK, Liz Gibbs worked in books and magazine publishing in both editorial and marketing roles, developing new academic non-fiction lists for sales and distribution across US and European markets. Since moving to New Zealand in 1996, Liz has worked in the not for profit sector, initially establishing the NZSO Foundation, Save the Children New Zealand as Marketing Manager and more recently as General Manager Marketing and Strategic Funding for the Royal New Zealand Plunket Society. From 2008 to 2009 Liz project managed market and organisational development for Save the Children International in India, Canada and Australia. In October 2009, Liz was appointed CEO of Save the Children NZ.





the line between governance and management

by graeme nahkies

director, boardworks international

It is commonplace to hear both boards and management talking about ‘the line’ between governance and management. Such discussions are most likely to occur when there is a sense that one of the parties has strayed too far into the other’s (jealously guarded) territory.

The thinking behind these types of conversation is based on the assumption that the roles and responsibilities are clearly distinguishable. A parallel assumption seems to be that the roles reflect universally established and accepted norms and expectations that everyone should recognise and respect.

There are several good reasons why there is no sound basis for such assumptions.

The role of chief executive is subordinate to that of the board

With the exception of certain statutory references to the chief executive being the employer of other staff (e.g. in the health, education and local government sectors), it is rare to find any organisational constitution that even refers to, let alone specifies, the role of chief executive. Invariably organisational constitutions prescribe the ultimate accountability of the board to certain stakeholders for the performance and well-being of the organisation. Depending on the type of organisation these will be, for example, shareholders or members. In relation to the employment of any staff the constitution is usually permissive. Typically it is a case of a phrase like “the board may employ a chief executive”. The board, therefore, is required to determine what sort of assistance it requires, when, and from whom. If it does appoint a chief executive (or an equivalent) that position is clearly subordinate to the board. As a consequence it is the board that determines where ‘the line’ is.

The role of chief executive is sequential to that of the board

Functionally, the board determines where the line is through its policy making and delegation processes. A chief executive does not have a job until the board has delegated

some of its (ultimate) authority to the position holder. The chief executive’s role (and all of those roles and positions sitting below that position) is, therefore, no more than a reflection of the extent to which the board has decided that it needs assistance in discharging its responsibilities. The board considers its own job - what it must, and is capable of, achieving - before it considers the engagement of additional assistance. It will always be the case that the board must decide what its own job is first. Definition of the chief executive’s role can then follow.

The extent of the delegation to a chief executive depends on the historical evolution of the organisation

In a newly formed organisation, whether commercial or not-for-profit, it is highly likely that board members will not only do the governing but they will also perform many, if not most, of the operational tasks. In a company, for example, they will likely be executive or working directors. They will both govern and execute. Similarly, in a not-for-profit organisation, board members will also be volunteers (unpaid staff) undertaking much of the work that has to be done.

As an organisation grows and matures it becomes less and less possible for the comparatively small number of board members to not only fulfil the governance responsibilities but to implement the board’s own policies and business plans. Over time, therefore, the board will have the opportunity to consider a greater division of labour. Consideration can be given to redefining the ‘governance’ compared to the ‘operational’ aspects of the board’s role. Anchoring its choices must be the recognition that a board can never delegate its governance responsibilities. The initial responsibility it had for also carrying out the work of the organisation can, however, be progressively passed to others.

In a dynamic operating environment the board must necessarily reassess the extent of its delegation

Even if there is a 'line' it is not straight and it is not fixed in one uncontroversial position. As indicated above, organisational growth, in particular, will suggest a trend of an increasing delegation of responsibility to employees via the chief executive. Within such a trend, however, there may be times when the board considers that its delegation should be tightened rather than loosened. Commonly, this will occur where a board considers that risk to the organisation has increased and that it should take greater responsibility itself for a particular judgement or decision. In New Zealand, for example, it might be suggested that the recent intense media scrutiny given to the use of corporate credit cards (on the back of English Parliamentary expenditure scandals) will lead to tighter delegations.

The twin components of effective delegation

This analysis helps to explain why the process of corporate governance is essentially about the assignment of decision-making rights. A great deal of the tension that can occur between boards and their chief executives is a reflection that the process of assigning decision-making rights has been unclear or is incomplete.

Successful delegation (or, in other words, a clear description of where 'the line' is) depends on a board consistently getting two, complementary, things right:

- 1 A clear prescription of the results to be achieved (e.g. 'achieve a fundraising target of \$200,000 in the 2010/11 financial year'); and
- 2 A clear proscription of situations and circumstances to be avoided (e.g. 'in seeking to fulfil any fundraising target the chief executive shall not increase the organisation's dependency on government funding').

These twin approaches are essential 'book-ends' to a successful definition of decision-making rights. In effect, what this two-pronged approach does is to establish what is to be achieved while at the same time defining the boundaries within which the chief executive must work.

The second part of the process is needed because of the old adage that the ends do not justify the means. While, necessarily, the proscription is couched in a negative format, it is actually a very powerful form of empowerment. Chief executives are free to choose whatever means they like – provided they remain within the boundaries. This reduces the risk that boards will be seen as 'interfering' because there is no need to tell their chief executives how to achieve the desired results.

Where are we on the ladder?

Notwithstanding, however, that an apparently clear delegation exists, it is seldom a completely black and white situation. Chief executives, in particular, would do well to understand this. A very useful conceptual tool in this regard is 'the ladder of responsibility'. On the bottom rung of the

ladder it is entirely the board's decision. The board requires no input from the chief executive at all. On the top rung of the ladder the decision is totally the chief executive's with no further reference needed to the board. (Chief executives who would like to think that this is the most desirable position would also do well to ponder how stable it is on the top rung of any ladder!)

In a practical and pragmatic sense there are many intermediate positions along a continuum between these two extremes. Boards and chief executives that work well together are adept at ensuring they know where they are on the continuum. Regardless of which party has the primary responsibility for a particular decision, they constantly check any expectations the other has of some input to that decision.

For example, under the board's delegation a certain decision may belong to the chief executive. The board may still wish to satisfy itself, before the decision is finally taken, that the chief executive has recognised and taken into account certain considerations that are important to the board. A smart chief executive would find a way of identifying and understanding those considerations and of factoring them into his or her decision. He or she would then communicate the outcome to the board in a way that provided the desired level of assurance. Boards have to be equally smart at integrating the chief executive into decisions that belong primarily to them.

Because the two parties (that Robert Greenleaf once described as the external (board) and internal (management) leadership of an organisation) are mutually interdependent, success in this interplay is essential to maintaining mutual trust and confidence between a board and its chief executive.

The issues traversed in this article demonstrate why there is a very high premium indeed on effective and continuous communication between a board and its chief executive. The two do not work in their own carefully defined – and separate – silos but partner together in the best interests of the organisation. An understanding of these issues will help to ensure that the best possible decisions are made by these two different components of an organisation's leadership without compromising their respective responsibilities and accountabilities. ■

Graeme Nahkies is a founding Director of BoardWorks International – a consultancy that specialises in enhancing the leadership potential and effectiveness of governing boards. BoardWorks International is also the publisher of the on-line periodical Board Works. To subscribe go to www.boardworksinternational.com.



in this environment “more of the same” will not cut it!

In a recent speech to charity chief executives Dalton Kelly, CEO of the Cancer Society of New Zealand, urged charities to be more efficient about their business during tough times.

The CEOs had been brought together in Wellington by Heather Newell, Dwyllis Brown and Gaylene Hughes to raise their awareness of the theme that fundraising is as much about financing as it is about philanthropy.

Attending the presentation were senior representatives from Arthritis, Leukemia and Blood Foundation, Scouting, Wellington Free Ambulance, Mary Potter Hospice, Plunket, Partners Porirua, the Cancer Society amongst others.

In this issue of *Fundraising New Zealand* we present Part One from Dalton’s advice and comment on the opportunities presented to the sector by the current economic climate. Our next issue will feature the follow-up Part Two.

Dalton started his presentation by reminding the attendees that “compared to the average size of New Zealand’s small to medium businesses – unsurprisingly very small by world standards – our bigger not-for-profits frequently have more employees and bigger balance sheets. Yet their governance is often largely or wholly voluntary and may be more comfortable with the historical activities of the organisation in their home region than with the challenges of setting national strategies or in ensuring effective management.”

Dalton went on to outline the challenges of some of our charitable structures and the impact those structures have on chief executives. While there may be a desire to jump into structural change to achieve efficiency and effectiveness Dalton counsels against such radical solutions.

“Much energy can be consumed in proposing wide-ranging, substantial change that has only a modest prospect of implementation but more certain negative impacts on the organisational capacity to achieve current business plan goals. There is therefore, in my view, often a better case for non-profits to target more limited incremental change and the utilisation of ‘crisis opportunities’, those issues that suddenly take the spotlight and accrue a clear mandate to deal to them.”



People happy to participate in Relay For Life 2010.

In the current recession there is an opportunity. “Managing a not-for-profit in a recession produces in all key respects no different challenges than those faced by most businesses: in essence only the smartest and best focussed entities will emerge more or less in good shape. There must be sound business strategies for the short to medium term – the ‘survival strategies’ – and for the medium to longer term. ‘More of the same’ or ‘standing still’ simply will not cut it. Of course funding will take a hit and there would be few charities in New Zealand or globally that have achieved their funding targets over the last year or so.”

With some caution Dalton argues that the recession still has some way to go and that the pathways back to growth are likely to be anything but smooth whether at global, national or sector levels.

“I think it reasonable to assume that fundraising will continue to be difficult while costs will rise and demand will grow; cancer is, alas, immune to economic fluctuations as some 19,000 Kiwis each year will attest. It seems to me to be a no-brainer that competition for discretionary dollars or sponsorships will become even more intense. Consequently, the list of projects that have to be put to one side until they are able to be resourced will continue to grow even for those not-for-profits with substantial reserves.”

Similarly, there is and will remain at least as much pressure on obtaining ‘value for money’ as, say, the retail sector in



Survivors and carers complete the first lap of the Cancer Society's 2010 Relay For Life in Wellington.

the wider economy is currently experiencing. Sponsors will expect to receive greater value from their participation. Delivering this may put pressure on some organisations' values. For major sponsors there will likely be an expectation of consistent national implementation rather than locally focused activities. In another context, it may be assumed that the Charities Commission will gradually increase the requirement for fundraising overheads to be at least transparent and easily accessed. New regulatory standards, as elsewhere in the economy, may emerge.

Dalton argues that of course there is little we can achieve to affect the course of the recession, but he identifies that the recession both delivers a strategic opportunity and underscores how important it is that this opportunity be seized and then effectively implemented.

In other words, in tough times, the comparative cost of quality strategic planning is low – and is thus relatively affordable - while the benefits of positioning the organisation concerned to first survive then resume its development are critical. This is the fundamental significance of quality strategic planning for which governance and management have defining roles. The intended outcomes must be very similar to the strategies under review across business: efficient and effective governance and management, structures that are fit for purpose, consistent and credible branding underpinned by quality communications and processes to assume real growth of financial resources.

For the reasons I argued earlier, however, business may be rather better placed than many not-for-profits to achieve these outcomes as their choices are starker; they cannot usually rely on volunteers to help prop up ailing parts of the business or the goodwill of major sponsors with deep enough pockets to provide support through good times and bad. Business may therefore be quicker to adapt to changing circumstances and to do so more radically than not-for-profits.

Despite these differences, and maybe over different time

frames, both sides may follow similar pathways according to Dalton, and this illustrates a growing convergence.

His example at the Cancer Society is the employment of professional business development managers who are similarly qualified and experienced as their counterpart sponsorship managers in the corporate world; they speak the same language. Both sides know the value of their respective brands and how well they serve their respective values and both know what the other expects from a sound relationship.

The Cancer Society has also established separate commercial entities such as the marketing of SunSmart products that meet the Society's values in terms of cancer education and prevention and credible, quality product as well as being a fundraiser in its own right. "To an increasing extent, such entities enable a not-for-profit to combine the best attributes of both sectors."

Dalton also notes that many key responses to the recession are the same across the sectors. For example, the Cancer Society has under active review many of the same strategies for tough times as do many of the businesses. These include:

- strategic planning with a sharper edge to it that includes debate on issues that might in other circumstances have been regarded as too controversial;
- keeping under review policies for the use of financial reserves to enable operational targets to be met;
- utilisation of current resources is subject to rigorous value-for-money criteria;
- active exploration of collaboration or partnership with similar organisations to minimise duplication or overlap and to achieve all possible efficiencies;
- new areas of fundraising while developing marketing and brand profile strengths; and
- a much higher profile for risk management policies.

In next month's publication we will bring you Dalton's views on how "co-opetition" might be a cost effective and efficient strategy during tough times. ■



NAME: Stephanie Maitland
POSITION: Director
Maitland and Associates
Fundraising Consultants

1 Fundraising New Zealand: What ‘one liner’ would best describe you?

Stephanie: I’m probably not the best person to answer that one! I asked Jill Eagle, Director of Fundraising at Laura Fergusson Trust, who has been a client since November 2006, and her response was – “Stephanie is a person who gives 100%. Her passion, expertise and knowledge of fundraising and her integrity, compassion and love of people are genuine.”

2 Fundraising New Zealand: How long have you been in fundraising and who have you worked for?

Stephanie: I started my fundraising career in April 1989 with the Ambury Park Riding for Disabled Centre (now Ambury Park Centre for Riding Therapy) in Mangere Bridge. From there I joined New Zealand Red Cross – Midland, based in Hamilton, before returning to Auckland for a role with the South Auckland Hospice. After six wonderful years at the Hospice I went to work with IHC New Zealand where I remained until my Regional Manager’s role was disestablished during a restructuring. IHC was fantastic but the new role in the new structure didn’t really appeal so after considerable thought I decided to go into business on my own and Maitland and Associates was born. I have been self-employed since June 2003.

3 Fundraising New Zealand: What work did you do before fundraising?

Stephanie: I was a Site Clerical on a high rise building project in Newmarket. It was a lot of fun and actually where I met my husband. I often drive by that building and think that I helped (in a minor way) to put it on the map.

4 Fundraising New Zealand: Tell us what author, movie, person and event, has inspired you the most in your life and whose words of wisdom do you listen to?

Stephanie: Having worked with three Hospices so far I am well aware that life is precious; you simply never know what is going to happen and when. You really need to treat every day as if it’s your last and every day you should tell those special people in your life that you love them.



Stephanie with her daughter Amy.

5 Fundraising New Zealand: What has been your greatest success in fundraising?

Stephanie: A \$1.15 million donation from the ASB Community Trust to “turn houses into homes” for IHC. It enabled a huge variety of items to be purchased e.g. pictures, rugs, assorted indoor and outdoor furniture, BBQs, etc. The difference the money made to the many residential homes throughout Auckland and Northland was fantastic to see and to be a part of. I am also particularly proud of a bequest to an organisation I worked for that originally was to be 33% of the Estate, then was changed to 50% and then changed to 100%. Simply by keeping in touch, dropping off a Christmas card or Easter egg, taking key people from the organisation to visit, etc. – really just doing the basics. Unfortunately (or fortunately) the other two well-known organisations didn’t do that at all, one even failed to follow up the original phone conversation advising them of the bequest, the other just sent a letter thanking him and that was all. The gentleman died recently and the last statement of account showed his Estate was worth in excess of \$700,000.

6 Fundraising New Zealand: What do you do to relax away from fundraising?

Stephanie: Spending time with my family is important to me. My husband is a keen league fan so we often go to watch the Warriors. I also enjoy volunteering and I’m on the PTA of my daughter Amy’s school, on the Board of Alzheimers

Auckland and deliver meals on wheels on a fortnightly basis.

7 Fundraising New Zealand: Who has influenced you the most in your development as a fundraiser?

Stephanie: Although it's a What, than a Who – the Fundraising Institute of New Zealand (FINZ) has been very influential. Through FINZ, I've been lucky enough to learn from many who have very generously shared their time and expertise at workshops, conferences and monthly meetings. I've also met some very special people who will be life-long friends. As a result, it is very important to me that I pay that back and help others, it seems only fair.

8 Fundraising New Zealand: What fundraising experience or related training has had the greatest influence on your development as a fundraiser?

Stephanie: I was lucky enough to have Hank Rosso, who wrote "Achieving Excellence in Fundraising" which is often referred to as the fundraising bible, teach the 101 and 201 fundraising courses that I attended and his knowledge, enthusiasm and the fact that he sincerely wanted those attending to be great fundraisers, was inspirational.

9 Fundraising New Zealand: Do you have a favourite fundraising quote?

Stephanie: The need for organisations to look professional not profitable.

10 Fundraising New Zealand: What do you particularly like about your current job – and what do you dislike?

Stephanie: I like the flexibility, the variety of projects, the wonderful people and organisations I get to work with. The flexibility allows me to drop Amy at school each



Jill Eagle, Director of Fundraising at Laura Fergusson Trust, and Stephanie at Government House for a function to farewell George Fergusson, the British High Commissioner to New Zealand and Patron of LFT.

morning and pick her up again most afternoons. I want to make the most of this as the time will come when she is no longer happy to be seen with her mother and wants to be dropped off around the corner from school!

I get to organise a range of special events, write direct mail letters, complete trust applications, prepare fundraising plans and help up-skill people potentially all in the same day – which is great and really I wouldn't change a thing.

I'm very lucky, I work with some amazing organisations, fabulous people and hope that I'm helping them to make a real difference.

11 Fundraising New Zealand: Do you have a fundraising horror moment – that you can laugh about now?

Stephanie: Being at an event that hundreds of thousands of people were expected to attend and having 20,000 raffle tickets to sell, then being told we weren't allowed to approach people, that we had to take our signage down and stand there with clip board in hand and wait for people to come to us to ask what we were doing/selling. Like that was going to work!

Even showing the paperwork to the person who was ordering us about that clearly showed the agreed terms and conditions that their Manager had signed, and that everything we were doing was within those, didn't make an initial difference. It all worked out in the end but it was a little stressful at the time!

12 Fundraising New Zealand: Where do you want to be/what do you want to be doing in five years?

Stephanie: Hopefully I'll be doing exactly what I'm doing now. ■



Wayne Billings from Waipuna Hotel and Conference Centre and Stephanie planning an upcoming event.

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Foresee's director Heather Newell, CFRE, is a leading commentator in New Zealand's sponsorship and fundraising industry. Heather set up Foresee Communications in 1993 in response to a need in the marketing and communications industry for a specialist fundraising and sponsorship consultancy.

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tax credits from donations on the increase

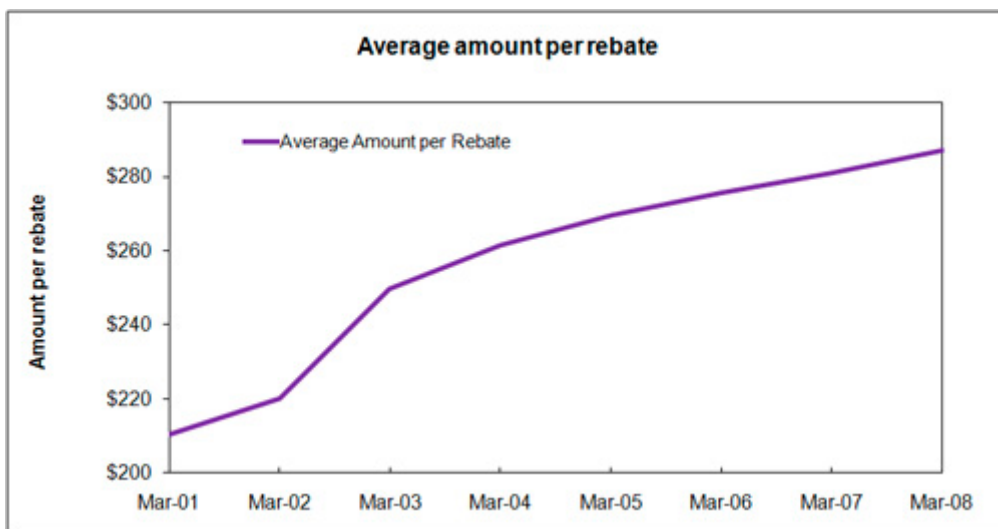
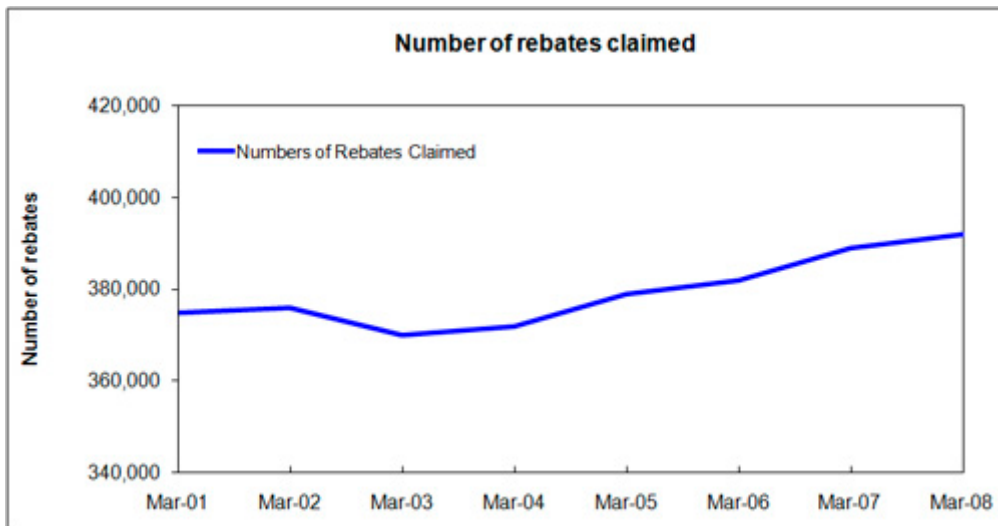
Donors claiming tax credits from Inland Revenue are getting more money back following last year's changes to tax legislation. Individuals have been able to claim tax credits of 33.33%, up to the value of their annual income, for donations made in the 2008/2009 tax year onwards. Similarly, companies and Maori authorities have been able to claim tax deductions for donations up to the level of their net income (before taking into account the donation deduction).

Inland Revenue figures for the 2008/2009 tax year show a big leap in the amount of money credited to donors - even though the number of people making a claim dropped slightly.

- For the year ending 31 March 2007, 393,800 donors received tax credits totalling \$110.5 million

- For the year ending 31 March 2008, 401,100 donors received tax credits totalling \$114.8 million
- For the year ending 31 March 2009, 377,500 donors received tax credits totalling \$187.4 million
- With the tax credit now equaling one third of the donation amount, this means the 2009 claims represent donations totalling at least \$562.2 million.

Inland Revenue says claims can still be made for previous years if you have the donation receipts, but the tax credit for individuals is limited to \$1,890 for donations made prior to 1 April 2008. Tax credit donation claims are processed separately from other income tax returns, so you can put in a tax credit claim without having to complete any other tax documents. If you don't want the tax credit for yourself, you can provide the bank account details of an organisation and they will get the money. ■



new project to fix payroll giving challenges

New Zealand's first payroll giving intermediary which puts charities first is underway with almost 20 charity members. Encouraged by the new payroll giving legislation introduced earlier this year, the Payroll Giving Foundation is ambitiously setting out to raise money with non-profit organisations from employee and employer contributions. The Payroll Giving Foundation has been developed and promoted by David Living, a social entrepreneur.

Fundraising New Zealand publisher and specialist in business/non profit relationships, Heather Newell, is also working with the Payroll Giving Foundation as the Wellington representative and charity expert.

The Foundation's initial charity partners, including Barnardos New Zealand, CCS Disability Action, Forest & Bird, Unicef New Zealand, VSA (Volunteer Service Abroad) and WWF New Zealand, agreed to work together to advise the Foundation on matters relating to charity involvement and represent the interests of the charitable sector.

The objective is to have members from all sectors of the charitable market so that employees can have a good choice of where to place their payroll donations. So far members represent arts, environment and conservation, youth, health and research, international aid and sports. Approaches to employers will begin in September.

Significant effort has been put into introducing payroll giving to New Zealand. However, it is early days and the country still has some way to go to create a culture of payroll giving. Initial research undertaken by the Payroll Giving Foundation has shown that out of 500 telephone calls made to businesses, fewer than five percent had considered payroll giving; however, 74% of these decision-makers asked to be put on a newsletter mailing list about developments in payroll giving. Once companies learn more, it is anticipated that New Zealand will build the payroll giving 'habit', just as overseas companies have.

Payroll Giving Foundation Director David Living is up for the challenge and applauds the introduction of the legislation



and sees it as an opportunity for New Zealanders to make a real difference in the community.

“While payroll giving (also known as workplace giving and give-as-you-earn) is still in its infancy in New Zealand, it provides a great platform for growing a truly giving culture.”

One of the first promotional activities is the launch of the Foundation's new project website, DonorView, designed to seek discussion on how employer and charity software systems can communicate with each other in the most efficient way. DonorView is designed to standardise donor information and move it between the disparate systems of employers, charities and payroll giving intermediaries.

One of the key benefits will be that when an employer sends information to a charity about a payroll giving donation, the charity can easily transfer this information to its own donor database without having to re-enter the data manually. This is one of the many challenges that New Zealand (and overseas) payroll giving systems have to overcome to provide a seamless, end-to-end solution for all key parties, including donors.

DonorView has achieved early support from some of the industry's main players in the donor database field.

According to Heather Newell, CFRE, and publisher of *Fundraising New Zealand*, the payroll giving industry has some way to go to understand the needs of charities. “There is little understanding from the business sector that

fundraising is a professional activity which raises about \$1 billion a year from donations made by ordinary New Zealanders. It's certainly much more than the small-change contribution that many think is needed by the charitable sector. Managing this amount of money, and a large number of donors, requires highly efficient systems and processes to ensure that the most money possible goes towards service delivery."

Helping charities be as efficient as possible is one of the reasons for the DonorView launch, which is expected to assist with donor data management. David Living said that payroll giving was a new tool for charities to build relationships with its supporters but it wasn't without challenges. "Many charities are concerned that they won't know who is supporting them and won't be able to build long-lasting relationships. They are also concerned that their charity may not be properly recognised and that funds may be sent to the wrong charity unless there is a mechanism for reporting back to employee supporters."

DonorView can alleviate some of those issues by introducing data standards on donor information stored by payroll software systems, and to allow donors and their chosen charities to connect more easily by giving the donor the ability to select what personal information is passed on.

Minister of Revenue the Honourable Peter Dunne was instrumental in introducing the payroll giving legislation and says, "This is important news at this early stage to see a New Zealand payroll giving intermediary teaming up with

leading charities to embrace payroll giving with a long-term vision."

The Payroll Giving Foundation's goal is to have 20% of working New Zealanders donating to one or more charities through payroll giving by 2020. Early signs are encouraging: already this year, according to figures from IRD, payroll giving donations have been growing steadily every month to over \$170,000 for the month of June.

For more information on the Payroll Giving Foundation and DonorView, visit www.payrollgiving.org.nz or www.donorview.org or contact David Living on 021 855-910 or email dave@payrollgiving.org.nz ■

David Living
– Director of the Payroll Giving Foundation

With over 20 years of business experience, David Living tasted 'cause-related' marketing in the 1990s, when his company at the time was engaged to launch the Cancer Society Sunscreen into the New Zealand market. Having completed a Bachelor of Science (Zoology and an MBA), he has been a commercial entrepreneur but in recent years has gravitated to the wider cause of philanthropy as a way to make a difference through social entrepreneurship.



philanthropy nz follows usa lead

Philanthropy New Zealand is asking Kiwis to think about how much they can give in the wake of the successful launch of the USA's Giving Pledge.

Forty of the wealthiest families and individuals in the United States have committed to returning the majority of their wealth through charitable causes by taking the Giving Pledge. The announcement was made by Warren Buffett just six weeks after kicking off the long-term charitable project with Bill and Melinda Gates.

Philanthropy New Zealand's CEO Robyn Scott says the Giving Pledge is a brilliant initiative for the USA that relies heavily on philanthropic funding. "We have a different set up here, but the idea behind the Giving Pledge is still something we can emulate."

The Giving Pledge takes its inspiration from people of all financial means and backgrounds, who have set the example by giving generously (and often at great personal sacrifice) to make the world a better place.

"You do not have to be wealthy to give. We are a generous nation, and respond very well to disasters as they happen, but we could do better at thinking about how we give, who we give to and how much we give."

Robyn Scott is delighted that the one of the Giving Pledge's goals is for more people to talk openly about giving to create an atmosphere that can draw more people into philanthropy.

"This is a real issue for New Zealand. We know that by talking about giving it'll encourage others to give, but Kiwis are generally reluctant to reveal their generosity. We want giving to be a topic that is talked about as freely as the latest rugby test. Giving is something we should be proud of.

"Every day, someone's generosity is making a lasting impact on the lives of other New Zealanders. I would urge all New Zealanders, regardless of their financial situation, to spend some time today thinking about their giving, and to make their own Giving Pledge." ■

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the fundraising ferret



The **North Shore Hospice** (Auckland) has recently appointed **Ginette Lee** to the position of **Event Manager**. Within this established position the main focus for Ginette is to maintain a calendar of major Hospice fundraising events, including Vintners' Brunch, Homes Tour, Race Day, Golf, Bowls and Tennis tournaments and other fundraising events. Responsibilities around this activity include research and feasibility studies to identify new event opportunities; work with external groups on event projects where Hospice is a partner or a recipient of proceeds; negotiate agreements with external providers to ensure lowest cost and highest quality of service; work closely with internal and external event planning committees to define event goals, objectives and specific implementation plans that promote Hospice; and when managing an event, take responsibility for sponsorship, timetables, cash flow, resources, marketing, publicity and promotion through Hospice, newsletter etc.; account management, sourcing and administration of event venues and all follow up after the event. Prior to joining the Hospice Ginette was Event Manager of Look Good Feel Better, a free service offered to women undergoing treatment for cancer and, prior to that, Personal Assistant to Directors of Goode PR/Events. "What excites me about this new position is the opportunity to once again utilise my project management, organisational and relationship skills, including the capacity to work well under pressure and manage a heavy workload within tight timelines and budgets. Annually it costs North Shore Hospice over \$6.5 million to provide services. After 60% government funding we still need to fundraise around \$2 million," says Ginette. ■



Ginette Lee

Amy Sinclair has recently been appointed to the newly created part-time (three days per week) position of **Fundraising and Friendraising Coordinator** at Auckland's **Q Theatre**.

Prior to joining Q Theatre Amy worked with the New Zealand International Arts Festival as Arts Liaison in Wellington. Before that she had ten years in arts and festival management in the UK and Australia working with the likes of the Bristol Easton Community Centre, the Glastonbury Festival of Performing Arts and the Woodford Folk Festival. Amy's other two days per week are taken up with assisting Heidi Hughes move the Jambalaya Festival from Rotorua to present in Auckland in March 2011. At Q Theatre Amy is responsible for preparing, lodging and tracking funding grant applications, managing the effectiveness of the data management system, and researching and developing new ongoing fundraising initiatives. She also assists with management of prospects and donors. Friendraising duties commence in February 2011. Amy says, "Raising funds for Q Theatre is exciting as it is such a fantastic project. So many wonderful people are involved in creating this space into a brilliant arts hub and I am thrilled to be involved. This is an amazing community resource and one I think will play a significant role in arts development in New Zealand. I want to find innovative ways to raise money and awareness of the theatre to ensure everyone in Auckland has access to the very best and most inspiring performing arts." ■



Amy Sinclair

The Editor of The Fundraising Ferret is always pleased to hear who is new to fundraising and who has moved within the industry. All leads to The Ferret at tony@tpassoc.co.nz

"We're providing knowledge and learning that people can use regardless of the level of fundraising they're at."

Heather Newell

"Not only do I talk to the most inspirational people but I also constantly expand my own fundraising knowledge."

Tony Pilalis

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