Foreword

by Professor Adrian Sargeant, PhD, co-founder and co-director, the Institute of Sustainable Philanthropy, UK.

Cards on the table, I have always loved this book. My love affair with it began in 1992 when as a newbie academic I was starting my PhD at the University of Exeter. I had decided to focus on donor relationships for my dissertation and *Relationship Fundraising* came highly recommended.

It was a compulsive read. Not a conventional 'how-to', the text mapped out Ken's vision for what fundraising could become and the steps that would be necessary to get us there. The reason for my affection was the gentle humour, warmth and genuine love for the profession that shone through on every page. Ken wanted readers to be proud of who they are as fundraisers and what they could accomplish through their work.

Relationship fundraising was positioned as the right thing to do for its own sake. It was deeply respectful of donor needs and their experience of giving.

I was particularly drawn to it because 'what they could accomplish' was framed very widely. Yes, fundraising could raise money for a good cause, but it could also impact donors in the most profound ways, acting as a broader force for good in our society.

My personal perspective on relationship fundraising is that it has been through three distinct iterations since Ken's original insight that donors might want or need a relationship with the causes and organisations they supported. This I've come to regard as Relationship Fundraising 1.0, which talked of building friends for life and offered ground-breaking advice on how that might be accomplished.

Relationship fundraising was positioned as the right thing to do for its own sake. It was deeply respectful of donor needs and their experience of giving, but it turned out to be a financially sound approach too because a focus on relationships raises more money. Although marketing theorists were already writing about the need for relationship marketing, Ken's thought process was independent and driven by a passion for how

Ken wanted readers to be proud of who they are as fundraisers and what they could accomplish through their work…(which can) also impact donors in the most profound of ways, acting as a broader force for good in our society.

we should behave around our friends. As the sector reflected on the insight, terms such as donor-centric and donor-centricity crept into the fundraising lexicon. And a new way of thinking about fundraising was given life.

The early 2000s saw the advent of what I saw as Relationship Fundraising 2.0. This had its roots in relationship marketing, drawing ideas from the commercial sector. It helped us define what a relationship is and how it could be experienced. Rather than look at a relationship as something created by an amalgam of fundraising actions (e.g. respectful communications, timely thank-yous, responsiveness to queries etc.) we were finally able to look at how these things were experienced holistically by our donors. We thus focused on the key concepts of satisfaction, trust and commitment (SCT) as measures of relationship success.

Satisfaction was defined as satisfaction with the quality of service provided by the fundraising team while commitment was viewed as a commitment to the nonprofit's mission. Trust was measured as the extent to which donors felt that the organisation had delivered on its promises and used donated funds appropriately.

All these concepts came to be included in donor surveys and performance data was tracked over time. The stronger and more favourable the ratings achieved the longer the resulting relationships were likely to be.

Gradually nonprofits began to move away from the assessment of their fundraising on purely financial metrics, instead incorporating SCT measures as part of a balanced scorecard. There is certainly nothing wrong in adopting this approach. Relationship fundraising should be cognisant of how relationships are experienced and SCT brings that notion to life in a very concrete way.

But the difficulty with the SCT approach was that it was an idea borrowed from the commercial sector and inserted into fundraising with little or no thought as to how best to adapt it. In short, proponents had done the very thing that Ken's original text had advised us against. Rather than look at how donor relationships are experienced, we gave primacy to how customer relationships are experienced and developed our

Wellbeing is also important. The experience of fundraising should be a pleasant one whether a donor chooses to give or not.

strategy accordingly. We focused on profitability, return on investment and lifetime value, continually refining technique to pump that financial performance with little understanding of how that exposure to technique might leave our donors feeling.

A new form of relationship fundraising that is just starting to emerge will be different, focusing explicitly on how we make donors feel when we communicate. Relationship Fundraising 3.0 understands that donors need to feel good about who they are when they give and thus who they are when they choose to love others.

Most fundraisers have a solid grasp of why people give and thus donor motivation. But understanding who people are when they give (i.e. their identity) is much more powerful. Communications can be designed to resonate with this sense of self and allow donors to explore it. The result is a greater appreciation of the meaning that can be derived from philanthropy.

Wellbeing is also important. The experience of fundraising should be a pleasant one whether a donor chooses to give or not. Psych science tells us that there are many routes that fundraisers can take to the delivery of that wellbeing, most notably, making donors feel connected with others that they love or care about. The greater the sense of connectedness, the greater the sense of wellbeing we experience. For donors it may be connectedness with the focal community that matters, or perhaps connection with other people like themselves that care passionately about ending child abuse, saving the planet or finding a cure for a terminal disease. It could also be connection with the nonprofit itself, with an outstanding leader or even (in a faith context) with a God figure. Fundraisers can identify the right form of connectedness and strive to enhance it.

The third element of this new approach to relationship fundraising is love. Perpetually driven by ideas from the commercial sector we have largely forgotten the love that is by definition at the root of philanthropy. If we consider what kind of love we want to celebrate, who should be party to that love and how that love should feel, the kind of relationships delivered by relationship fundraising can be deeply meaningful.

This new edition contains a stark illustration of what can happen when the focus is just on the money… it could happen anywhere.

It turns out that the focus on these three elements of how donor relationships are experienced can dramatically impact on giving, doubling average gift size and boosting psychological wellbeing. People give more because they experience the relationship as more rewarding for their sense of who they are.

Ken's original text had suggested caring for donor needs and wants and doing nothing that would detract from that process. Relationship Fundraising 3.0 suggests that needs can be psychological in nature and that as fundraisers we can care for these kinds of needs too. Fundraisers can certainly raise money for a good cause, but they can also steward the human capacity to love.

Alas, not everyone in our sector has heard that message. This new edition contains a stark illustration of what can happen when the focus is just on the money — vulnerable people, bullied into giving more than they could afford to causes they really had no interest in. Although Ken narrates a UK case it is easy to see how it could happen anywhere.

Cautionary tales aside the new edition includes content that sets relationship fundraising in its mid 21st century context, championing a wider role for fundraising and tracking the possible impacts of important new developments, most notably in AI (Artificial Intelligence). To whom should we be leaving the responsibility for building human relationships?

The core principles and advice remain as fresh now as when they were first written.

In his original foreword George Smith suggested that Ken's *Relationship Fundraising* text would remain highly influential for a very long time to come. Thirty years later I'm going to offer the exact same observation. The core principles and advice the text offers remain as fresh now as when they were first written. All that has changed in the intervening years is that we now have more ways to think about those principles and a broadening evidence base to demonstrate precisely why they are so important.

Adrian Sargeant
October, 2023