



The Business of Philanthropy for Nunavut Heritage Organizations

A project by



With the generous support of

Canada 

CONTENTS

Project Overview	2
A Letter from Executive Director Pamela Gross	3
Knowing Who We Are and Where We Are Going: The Importance of Strategic Planning	4
The Case for Investment	7
Prospect Research	8
Donor Proposals	9
Donor Stewardship	9
Philanthropy and Nunavut Heritage Organizations	9
References and Resources	11



PROJECT OVERVIEW

Pitquhirnikkut Ilihautiniq/Kitikmeot Heritage Society (PI/KHS) developed this resource for the Nunavut Heritage Network based on capacity building work the PI/KHS completed in 2017/2018 with the support of the Canada Cultural Investment Fund - Strategic Initiatives. PI/KHS worked closely with consultant Dianne Lister, a leading expert in the business of philanthropy, including six days of face-to-face facilitated workshops.

Our goals for this project were to strengthen the Nunavut Heritage Network, and share what we learned over the past year about philanthropy and the role it might play in stabilizing the financial situation of our grants-based heritage organizations. What we learned was first of all that a major gift fundraising program can only be initiated by an organization that has a clear idea of its identity and its unique value to its stakeholders and to society. Based on this foundation an organization can put into words why philanthropists should invest in their mission - their “case for investment”. And with the case for investment written and understood, an organization can do the research necessary to identify specific individuals and corporations who have an affinity for their mission, and the means to contribute.

A LETTER FROM EXECUTIVE DIRECTOR PAMELA GROSS

The Nunavut Heritage Network – Who are we? What are our common challenges? How could philanthropy help?

Greetings Heritage Leaders,



My name is Pamela Hakongak Gross, and I have the pleasure of leading the Pitquhirnikkut Ilihautiniq/Kitikmeot Heritage Society (PI/KHS), a Nunavut heritage organization with 22 years of experience and counting. Who could argue that as heritage organizations we have a vital role to play in the preservation and transmission of our Inuit culture and heritage. As we move into the future as a people, our heritage is the foundation that will continue to guide us on the right path.

And yet despite the important role the challenges we collectively face have not changed over the last 10 years. With no source of core funding, we are stuck in a cycle of applying to yearly funding competitions. This makes our financial situation precarious and funding levels unstable from year to year. In this environment it is difficult for us to compete in the marketplace for skilled staff, and it is difficult to retain those we do recruit. Our financial and human resource situation is related to our lack of capacity, both in terms of our skills as heritage professionals, as well as managers and fundraisers. This all adds up to a vicious cycle that makes it hard for a Nunavut heritage organization to progress and develop.

Engaging in the business of philanthropy holds a promise of helping us climb above this vicious cycle of the grants-based funding model so that we can stabilize our organizations, recruit, train and retain professional staff, and concentrate on delivering on our essential mandates. However, to be honest, what has become clear to us is the level of capacity and planning that an organization must have already attained to engage in the business of philanthropy. Even as one of the most mature Nunavut heritage organizations it became very clear that we needed to do some deep thinking and soul searching as an organization. We needed to be able to understand and articulate exactly what our priorities were, and what value we were bringing to the table. Until we understood that we would not be able to articulate to a philanthropist why they should invest in us.

So our first order of business was to complete our strategic plan for the next 5 years. We revisited our Mission and developed a clear Vision and five Strategic Priorities. From there we were able to work with our consultant to develop a Case for Investment - a document based on our Strategic Plan that communicates who we are, the urgency of our priorities, what it will cost to implement our plans, and why we are the ones to carry it out. The next step was to look closely at who was part of our greater community, the people and organizations with whom we share a geographic region, and with whom we share values. From this list we have made a short list of those whom have an affinity with our priorities and have the capacity to invest in our work.

This exercise has been an enormous learning opportunity for our organization. It has pushed us to understand ourselves, and the importance of our work better so that we can communicate the urgency of our work to prospective investors. I hope you enjoy reading this guide, and please don't hesitate to contact our organization directly with your questions. We are proud members of the Nunavut Heritage Network.

Quana,
Pamela Hakongak Gross



KNOWING WHO WE ARE AND WHERE WE ARE GOING:

The Importance of Strategic Planning

Before we start trying to convince individuals and businesses that they should invest in our work we need to understand and communicate who we are as an organization otherwise our lack of understanding will become quickly evident.

The first order of business was to sit down as a team and discuss our Mission, Vision and Values.

MISSION - what we do and with/for whom;

VISION - how we see ourselves operating;

VALUES - what are our core values that will guide how we function as an organization.

It may be helpful to look at what we came up with:

MISSION

To preserve and renew Inuinnait knowledge, language and culture for the benefit of all Inuit.

VISION

To concentrate and connect the resources, expertise and technology critical to Inuinnait cultural and linguistic survival.

VALUES

Inuinnait Immersion – We commit to playing a leadership role in Inuinnait revitalization. To accomplish this, we provide an immersive Inuinnait environment in our facility through the Elders in Residence program and the building of Inuinnait capacity in all of our staff.

Inuinnait Governance – We advance the level of Inuinnait governance in research through our Inuinnait board of directors, staff and Executive Director. Inuinnait consultation is the basis for our mandate to lead cultural and linguistic renewal.

Flexibility and Innovation – We are always learning, changing and adapting to best achieve our mission. We embrace new technology and ideas, as well as change and adapt them for Inuinnait use.

Collaboration – We increase our expertise and impact through partnership networks with community and Inuit organizations, government, Inuinnait experts, academic researchers, and all parties interested in preserving and renewing Inuinnait culture.

Community Wellbeing – We are committed to the preservation and mobilization of Inuinnait knowledge with the goal of supporting traditional methods of cultural renewal that contribute to community wellness.



Doing the work of establishing your organization’s Mission, Vision and Values allows your staff and board to communicate with precision about who you are and provide a detailed profile to which future investors can relate.

The next step we took as a group was to establish a short list of our top Strategic Priorities. This was a difficult exercise as we have a history of working in many different areas. However, the work we did on our Mission and Vision helped us to prioritize. Once our list was complete, we looked at what human resources, training and finances we would need to deliver on those priorities. This was a very important exercise for the PI/KHS because we have been guilty of spreading ourselves too thin and letting grant opportunities determine our programming. Our Strategic Priorities focus our effort and our fundraising and demonstrate to potential donors that we have done our homework.

Finally, as part of the strategic planning process we did an “environmental scan”. We looked at the political environment, the government grant environment, and we looked at who else might be doing something similar to us and at what scale. By doing this we were able to identify our position in the Nunavut heritage landscape, and we are able to describe what makes us special in that context, and why we are only organization that can deliver on our mandate. We refer to this as our unique value proposition.

Before considering becoming involved in the business of philanthropy, a Nunavut heritage organization must embark on the development of a strategic plan. Communicating with investors, partners, and collaborators requires a robust long-term strategy with identified objectives and measurable goals. As organizations, this process helps us understand our needs and determine our priorities and direction. Outwardly, a plan demonstrates to supporters and donors that an organization is committed to meeting goals and delivering outcomes.



THE CASE FOR INVESTMENT

A Case for Investment, sometimes called a Case for Support, is the document that clearly communicates the initiative in need of investment and anticipates and answers all the questions a potential donor may have. The Case for Investment needs to present the urgency of the situation, and the details of how your organization will provide solutions. The document (or multimedia presentation) provides all the factual and budgetary details of the initiative, but it also invites the potential donor to understand the situation of those affected and invites them to join the organization in delivering solutions.

AN EXAMPLE OUTLINE FOR A CASE FOR INVESTMENT

1. TITLE
2. INTRODUCTION – The urgent need and what your organization is going to do.
3. WHO ARE WE? – Mission, Vision, Values, Priorities
4. THE URGENT NEED – Details, references and documentation. Who benefits?
5. WHY US? – Our unique value proposition. The strength and track-record of our organization.
6. WHY NOW? – Why is this the right time for the proposed project.
7. WHAT NEEDS TO BE DONE? What are the specific initiatives being proposed?
8. HOW MUCH WILL IT COST? Where will the money come from? How much are we seeking from donors?
9. WHAT IS THE PLACE OF THE DONOR? How can they contribute?
10. CONCLUDING STATEMENT – Reinforce the urgent need, and the commitment of the organization to fill that need.

Once written the most obvious use for the Case for Support is in communications with potential donors, but it also has other functions. The document is important internally to sharpen the understanding and awareness of management, staff and board members of the top funding priorities of your organization. It is also a resource that can be used to inform and recruit ambassadors for your organization who can make introductions and make important connections that lead to direct contact with potential donors.

PROSPECT RESEARCH

Prospect research refers to the process by which we search for, identify, and qualify the individuals or companies that share our interests and values, and have the capacity to make significant investment in our initiative. The book Prospect Research in Canada is an invaluable resource for organizations (Church and Rejman 2016).

CAPACITY

Prospective donors must have a level of wealth that allows them to engage in philanthropy, and more specifically to give the size of gift sought in your funding initiative. These days there is abundant information publicly available on the internet that can provide indicators of the wealth of individuals. Some important indicators are published income, real estate holdings, investments, job title/employer/profession, family background, and of course past donations (Mckinley 2011).

AFFINITY

Prospective donors must have an affinity for our organization, our mission and our programming. They must have an understanding and strong feeling for the work. This relationship may already be expressed through their involvement with the organization as a donor, volunteer or ambassador, or it may simply be that they have shown interest in organizations and activities that resemble ours. In the case of Nunavut heritage organizations, we are looking for people who care about the North, the Arctic, its people, history, culture and languages.

CONNECTOR(S)

In addition to affinity and capacity we must have some way to get the attention of a potential donor. Ideally the person is already known to a person affiliated with the organization. Can we get an introduction through someone who is trusted by the potential donor and can vouch for our credibility? Can we get a phone call? Can we get a meeting? Even if the level of capacity and affinity are high, we may be in a position where we are trying to get the attention of a very busy person with letters, emails and cold calls.

PROSPECT RATING

Once we have a long list of potential donors it is an important exercise to rate them to see who is more likely to consider investing in our organization. We do this by giving a rating to each of the criteria discussed above, with some extra points for those who have already donated.

PROSPECT RATING TOOL	
Capacity	/10
Affinity	/10
Connector	/10
Past Supporter	<u>/5</u>
Score	/35

DONOR PROPOSALS

When it comes time to make a proposal to the potential investor it is important to take a donor-centred approach. What are the specific interests of the donor? We need to match up the donor with the right project for their interests. What is the right amount for the donor according to their capacity and the stage in their relationship with your organization?

A donor proposal is a document that is based on the Case for Investment but is a brief proposal tailored to the donor. The proposal will focus on one project or provide an appropriate list of options for support. The investment requested is put in context of the budget for the activity and the impact of the investment is detailed. The outcomes and outputs of the activities supported are specified providing a framework for reporting back to the donor.

The donor proposal should be presented an exciting investment opportunity - a chance to make a real difference where there is an urgent need.

DONOR STEWARDSHIP

RECOGNITION

It is important to demonstrate to donors that we know who they are (including their interests, the goals of their support, and their relationship to the organization), and what they have done for our organization – including the impact of their gift, and the good work that was done with their money. We recognize donors in a sincere, authentic and timely way, both publicly and privately, by various means that provide the donor with privileged access to information/experiences that make clear (and real) the impact of their gift and the nature and importance of their relationship with the organization.

STEWARDSHIP

Stewardship is trust, responsibility, liability, accountability, integrity, faith and guardianship (Moreau 2011). Donors need to know that we treat their money with respect and that we deliver on what we said we would do, and that we get the desired results. To do this the accountable organization freely and accurately shares information about its governance, finances and operations (Moreau 2011). Stewardship activities assure the donor of performance and integrate them into the organization (the family) where they will feel truly thanked and connected (KCI 2012).

PHILANTHROPY AND NUNAVUT HERITAGE ORGANIZATIONS

What has become clear to us at Pitquhirnikkut Ilihautiniq/Kitikmeot Heritage Society (PI/KHS) is that we were not ready to engage in the business of philanthropy when we started this project. The level of strategic planning necessary to produce a focused Case for Investment, and the keen, collective sense of our mission, vision and priorities was not yet where it needed to be. However, through this exercise,

and through the hard work we have done with an expert in the field, we are now ready to make our first approaches to investors. We have written our Case for Investment, and we have our first donor proposals drafted.

The point we come away with, as arguably one the most mature and active heritage organizations in Nunavut, is that a Nunavut heritage organization must already have significant capacity before considering engaging the business of philanthropy. It takes the consistent and stable leadership and the right human resources in the form of staff and consultants. It takes significant organizational and financial management capacity. And, it will require dedicated human resources for the organization's philanthropy program whose sole focus is prospect research, donor proposals, donor recognition and donor stewardship.

Many of our Nunavut heritage organizations are operating on small budgets and are seasonally run organizations. Without multi-year, core funding we are not able to compete for leadership and staff we need. We are at the stage of operating using a competitive grants-based funding model. If we can overcome these challenges and get into a position to enter the business of philanthropy it is an area of investment that is very underdeveloped in the Arctic. As a sparsely populated territory we are in a situation where the nation's wealth is concentrated in the south of the country. Our challenge is to find those individuals with an affinity for our Arctic people, culture and languages, and to build a community of investors supporting our precious Nunavut Heritage.



REFERENCES & RESOURCES

Books & Articles

Bryson, John M. 2011. *Strategic Planning for Public and Nonprofit Organizations*, 4th Edition. San Francisco: John Wiley & Sons, Inc.

Church, Tracey and Liz Rejman (Eds.). 2016. *Prospect Research in Canada*. Toronto: Civil Sector Press.

KCI. 2012. *Philanthropic Trends Quarterly*, 2012, Issue 4: The Recognition Issue

Guy Mallabone (Ed.). 2011. *Excellence in Fundraising in Canada (Volume One)*, Civil Sector Press, A Division of The Hilborn Group Ltd.

Guy Mallabone (Ed.). 2014. *Excellence in Fundraising in Canada (Volume Two)*, Civil Sector Press, A Division of The Hilborn Group Ltd.

Mckinley, Peter. 2011. Chapter 4: Prospect Research in Guy Mallabone (Ed.), *Excellence in Fundraising in Canada: Volume One*. Toronto: Civil Sector Press.

Moreau, Luce. 2011. Chapter 16: Stewardship in Guy Mallabone (Ed.), *Excellence in Fundraising in Canada: Volume One*. Toronto: Civil Sector Press.

Web Resources

Association of Fundraising Professionals

(<https://afpglobal.org/> – its mission to empower individuals and organizations to practice ethical fundraising through professional development, networking, research and advocacy.)

Corporate Knights

(<https://www.corporateknights.com/> – a magazine about sustainable corporations that produces a corporate ranking. An important resource for prospect research.)

KCI Philanthropic Trends Quarterly Publications

(<http://kciphilanthropy.com/lang/en/> – a library of fundraising resources available online)

Imagine Canada

(www.imaginecanada.ca – Resources for Canadian charities)

Philanthropic Foundations of Canada

(<https://pfc.ca/> – provides a voice for organized philanthropy, assists in building a professional network for our thought-leaders, and informs on good practice)

Association of Professional Researchers for Advancement Canada (APRA)

(<https://www.apracanada.ca/> – as a premier organization for fundraising research, analytics and relationship management, Apra Canada’s mission is to promote the value and impact of its members)



