

International Issues News # 30 (July 2013): Building a culture of philanthropy in AI.¹

Introduction

AI is entirely funded by donations, overwhelmingly from individuals. Although AI is, in many countries, partly funded by the rest of the AI movement through the international budget, this money, too, ultimately comes largely from individual donations. At the moment, AI is reasonably successful at fundraising (bringing in about US\$300 million or £200 million per year), AI's fundraisers believe that this figure should actually be closer to US\$1 billion a year: around the world, other international non-governmental organizations (INGOs) such as Greenpeace, WWF, Medecins Sans Frontieres, UNICEF and UNHCR are continuing to grow steadily, including in countries where AI's fundraising and growth has stalled. Although AI's cause is just as important as the causes of these other INGOs, AI as a whole seems uncomfortable when fundraising, as if fundraising is a distraction from "real human rights work". AI's international Fundraising Management Team writes that "we know that many of our activist members would be opposed to putting a strong focus on growing our income" even though "they would want us to grow as much as we could to have more resources to achieve more impact." As a result, AI is not making the changes in its culture and organization that are needed to raise more funds.

Where AI's money comes from

AI's biggest source of funds (64% of total income) is supporters who make small, automatic donations each month from their bank account or credit card. Many of these donors are also members, although many are not. The most successful way of recruiting such support is through face-to-face recruitment on the street. These supporters also tend to stay with AI for a long time, providing a regular and predictable income to the movement. Recruiting more such donors is both a huge challenge and a major opportunity for AI.

Many financial supporters of AI also make one-off donations in response to AI appeals through direct mail, online, or by telephone. These provide 18% of AI's total income, so they are very valuable to AI even though they are unpredictable. Obtaining these gifts is easiest when AI has an urgent case backed up by strong testimonies and images. A different form of one-off donation is the money left to AI in a will or legacy – this accounts for another 8% of AI's total income. Although this amount is growing, it is significantly below that of other non-governmental campaigning organizations, partly because many AI entities do not promote this form of giving.

The remaining 10% of AI's income comes from trusts and foundations (4%), major donors (1.8%), local groups (1%), corporate fundraising (0.6%), and assorted other small fundraising activities. Although income from local groups is small, it is important because local fundraising is often linked to campaigning activities which introduce AI to potential new supporters and members.

What a culture of philanthropy requires

To raise the extra funds that AI needs to grow and strengthen its impact, it needs to prioritise growth of membership and income; it needs to remove obstacles to fundraising, and to release funds for investment in promising fundraising locations; and it needs to be more supporter-oriented, thinking about why people donate to AI and how they can be encouraged to give more.

This means that AI needs to develop an internal culture of philanthropy with the following features:

- AI leaders ask to be engaged in fundraising and working with donors, rather than leaving this work to the fundraisers.
- We know that more money leads to more impact; we also know that we are a charitable cause (even though charity law recognises this only incompletely in some countries). There should, therefore, be a widespread belief in AI that at our core we are an organization that needs to raise funds to achieve its goals.
- When planning campaigns and activities, AI always looks at what we do to see if it can help us raise money and support so that we can have more impact.
- AI listens to, and respond effectively to, our donors and members so that they understand what their past contributions have helped to achieve and how their future contributions can help to build a better world.

¹ This article is mainly based on 2013 ICM Circular 11: *Fundraising: building a culture of philanthropy* (ORG 50/006/2013)

- AI asks its fundraisers tough questions and challenge them to do more, rather than restrict them, and new forms of fundraising are celebrated, not banned or restricted. In particular, for example, national AI sections and the International Secretariat need to arrange how they can best approach wealthy donors who live in more than one country, and how they approach trusts and foundations that prefer international to national giving, irrespective of where they are based.
- Building on the work that has been done in recent years to create “One Amnesty”, we need bigger and more strategic investments in fundraising in countries where AI presently has limited presence.
- Within national sections, too, AI needs to break down barriers to trying new fundraising techniques that may be seen by some members as too aggressive or inappropriate for AI. Some sections, for example, ban face-to-face recruitment of new donors; others require local groups to approve fundraising in their area; others ban legacy fundraising (encouraging supporters to leave money to AI in their wills); others have rules about using external consultants to assist with fundraising. The cumulative result of such restrictions is a significant constraint on AI’s ability to raise money.
- AI has ambitious and agreed long-term growth targets that drive all of our strategy and thinking.
- Tied (earmarked) giving is seen an opportunity, not a liability.
- AI welcomes the input of large donors and other significant stakeholders – not fear it. When, for instance, George Soros gave US\$100 million to Human Rights Watch, many AI members believed that such a donation to AI would have destabilised the movement or affected its impartiality, rather than regretting the lost opportunity for AI to make US\$100 million work for our human rights goals. We still face a significant challenge in altering such attitudes.
- AI values investment in fundraising and understand how to measure its worth over time.
- Everybody in the movement understands they have a role in securing AI’s funds.

Challenges and opportunities

The global financial crisis since 2008 and the maturing of some key markets for AI fundraising do create a challenging environment to generate growth, but we know from our international benchmarking and other data that AI should be able to grow much more. Fortunately, we have been growing recently despite the obstacles, although we have been growing thanks to more funds from fewer supporters and in spite of the barriers to growth described above.

Recent analysis shows that overall AI is recruiting fewer new donors and members than in the past, although we are expanding in some countries. Our international rate of recruitment has declined significantly and this will not only impact on the funds we can raise in the near future, but this will have a significant impact on our longer term future income. The risk is that AI will not only fail to grow, but we will begin to shrink as a human rights movement. The membership of many of our larger sections is doing just that, right now.

AI therefore needs to capitalise on its assets, and to be bold in developing its fundraising: we have a strong global brand which is a huge asset and we know that with the right approaches we can make a powerful case for support of our cause. Most of our international peers are outgrowing us even though they use similar forms of fundraising and get similar returns. But, unlike AI, they have integrated fundraising into campaigning and mobilization throughout their organizations, they have invested much more heavily than AI in fundraising, and they have a much stronger collective commitment to fundraising for their worldwide movement that transcends the barriers between national entities. We need to learn from them.

The role of the International Council

For the first time ever, AI’s highest decision-making body, the International Council Meeting (ICM), will devote a plenary session to AI fundraising when it meets in Berlin in August. The focus of this session will be on overcoming the internal and external barriers to more successful fundraising described in this paper. The outcomes of the discussion will help to strengthen AI’s fundraising.

International Issues News is put together to spread updates on AI's international focus to a wider audience worldwide, encouraging more members to become engaged with the issues. The articles are summaries of internal papers which we aim to condense without offering our opinions on the original documents.

We welcome any comments, questions or suggestions on our choice of documents, the accuracy of the summaries, and how the newsletter could be more usefully developed. **Please write to iinews@aivol.org**

Editorial team

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Note on original documents

These articles are mainly based on internal AI documents from the Weekly Mailings sent out by the International Secretariat. AI sections vary in their practice with respect to making these available to members. If you are interested in finding the original document please investigate within your own Section but feel free to let us know if you are having problems. We can normally supply English-language versions of all documents referenced in these articles.