

THE CHANGING RULES OF FUNDRAISING FOR AN ISRAELI NON-PROFIT

by SARI REVKIN

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The rules of philanthropic engagement for Israeli non-profit organizations (NPOs) have changed dramatically in response to 21st Century realities and in reflecting the sensibilities of modern donors. While some changes present challenges, many are beneficial and ensure greater collaboration between organizations and donors, leveraging opportunities, improved outcomes and clearer expectations.

The field of Israeli NPOs that raise funds in North America is more crowded than ever. Upwards of 9,000 nonprofits represent an estimated 8 percent of Israel's GNP and employ hundreds of thousands of employees, comprising 18 percent of the workforce. At any given time, scores of fundraisers are seeking to tap into the Jewish North American charitable market, competing for dollars and philanthropic champions. Gone are the days when an emotional appeal for Jewish solidarity would instantaneously result in cash contributions. Today, supporters of Jewish Federations, Israeli universities and hospitals demand measurable outcomes and budget transparency.

My own journey in the nonprofit world reflects these changes. Growth, competition and demands for greater accountability were already on the horizon in 1984 when I established SHATIL to improve the sustainability and effectiveness of social-change organizations in Israel. During the 1980s, a proliferation of NPOs evolved because of three converging factors: privatization of the Israeli economy, skyrocketing inflation and the weakening of the governmental safety net. The steady flow of new immigrants in the 1990s further expanded the gap between rich and poor, marginalizing many citizens on social, economic and geographic levels.

After leaving SHATIL in 1997, I worked with other visionaries to establish YEDID — The Association for Community Empowerment to promote access to rights, equal opportunities and social justice for all Israelis. Operating a nationwide network of 23 Citizen Rights Centers, YEDID uses four strategies to provide access to justice: Free Individual

Assistance, Community Empowerment Initiatives, Grassroots Community Organizing and National Advocacy for Policy Change. YEDID is blessed with many committed and knowledgeable donors. However, the economic realities of the past two years have caused some American philanthropists, faced with pressing domestic concerns, to question their dedication to combating poverty in Israel.

In this increasingly competitive field of Israeli NPOs, how have we been successful in maintaining a solid position in the marketplace for North American donors? The following seven strategies have served YEDID well, especially during these challenging times of reduced charitable giving and increased needs.

STRATEGY 1: Maintain ongoing and candid communication with donors and supporters

Being out of sight can mean being out of mind. At YEDID, we regularly celebrate our accomplishments with our donors and do not sugarcoat the challenges. The realities of organizational growth — and unfortunately, from time to time, retrenchments — are consistently communicated when identifying problems and offering pragmatic solutions. Living in North America, distance separates many donors from witnessing YEDID's work firsthand; therefore, ongoing communication enhances the commitment to and understanding of donor investment in YEDID's achievements. Our donors are, after all, our most effective sales force.

STRATEGY 2: Provide clarity of product and "best in class" deliverables

YEDID's mission is to empower Israelis to become self-sufficient and active members of society by promoting social and economic justice. As such, it would be easy to expand our range of activities exponentially. However, by rooting our work in four core and proven techniques — individual assistance, empowerment initiatives, grass-roots organizing and advocacy for policy change — we maintain our reputation for focus and excellence and further refine our expertise.

STRATEGY 3: Provide a personal touch and a donor-centered conversation

A well-written proposal is not the only key to securing grant awards. Staci Light, Director of American Supporters of YEDID, has reminded me

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that even the most sophisticated foundations are driven by individuals who value personalized cultivation. Relationships are as much about donors as organizations. How can we link our agenda to their philanthropic goals and interests? What were the successes and failures of their other philanthropic investments, domestically and in Israel? Israeli organizations must develop better active listening skills and treat donors as clients and investors. We know that personal relationships will be crucial in helping us weather this storm.

STRATEGY 4: *Appreciate the dynamics of family and foundation philanthropy*

Often, Israelis focus on building relationships with top leadership and ignore the process required to ensure ongoing support. Future growth depends upon our ability to work respectfully with knowledgeable program officers, spouses and next generation decision makers. As a veteran in the field of community organizing, I can attest to the fact that today's client can be tomorrow's mayor. And as the world witnessed in the last U.S. election, the community organizer and lawyer of today may be the President tomorrow.

STRATEGY 5: *Embody sound organizational management*

YEDID's unique ability to help people help themselves and their communities often leads to stories of heartbreaking injustice, the triumph of courage and legal victories. However, the devaluation of the dollar, the economic crisis and Ponzi scheme betrayals, coupled with the dramatic escalation of client needs, has forced us to cut our already extraordinarily lean budget. Involving staff members in the difficult decisions made all the difference, as it led to their willingness to work more hours for less pay. We are continually recruiting and training more volunteers to help those in dire need. YEDID has outlasted so many other NPOs because we have taken proactive measures and we have budgeted based not on pledges but on receipts.

STRATEGY 6: *Leverage resources*

American donors respect organizations that diversify their income streams and leverage philanthropic support with government funding, volunteer resources and domestic fundraising. YEDID enjoys 100 percent board campaign participation, and center staff and volunteers raise funds from local businesses, creating a sense of partnership between Israelis and North Americans. Moreover, a significant percentage of our former clients become highly trained volunteers and work alongside professional volunteers from the fields of law, business, accounting and social work. Using this unique model, YEDID is able to serve four times as many clients as one would expect from our budget. Several foundations, organizations and individuals offer matching gift opportunities to further our development efforts.

STRATEGY 7: *Bridge the ideological divide*

In Israel, the primary political division among citizenry remains whether one is for or against "land for peace" concessions. Conversely, ideological divides regarding social issues are bridged more easily. For example, YEDID secured 44 members of the Knesset to agree to support bills eradicating food insecurity and child hunger by developing a school lunch program and family food subsidies. YEDID is the only national organization to integrate innovative strategies and to empower low-income populations to break the cycle of poverty. Highlighting victories in consensus building is yet another unique accomplishment.

The voluntary sector in Israel, an outgrowth of our experience of nation building, has the potential to perform at the forefront of global nonprofit innovation. Our philosophy is replicable, and decision makers throughout the world seek to learn YEDID's best practice techniques. We will continue to follow the aforementioned rules of engagement, and we will be flexible and forward thinking, allowing for growth as we continue to raise support in the Diaspora as well as in Israel. ■