

**SUSTAINABILITY OF THE DEVELOPMENT SECTOR PROGRAMMES:  
ACHIEVING THE 10 BILLION DOLLAR POTENTIAL OF PHILANTHROPY  
IN INDIA – A PANACEA FOR ALL DEVELOPMENT CHALLENGES**

**By**

**Maj Gen SS Sandhu, Chair - South Asian Fundraising Group**

Introduction Most NGOs are dependent on foreign funding and government funding and have not developed their own visions and goals. The main reason for this was - **NO fundraising training facility available in the country**. It is an irony that the NGO sector is starved of funds in an environment of plenty.

Fundraising Abroad Billions of dollars are raised each year by the Not for Profit sector in the West by very professional fundraisers accessing these resources in a very professional manner.

Fundraising in India In India about \$ 500 million are raised every year by NGOs but the potential is between \$ 8 to 9 Billion a year and this is increasing rapidly. Fundraising in India is in its infancy.

**International NGOs have started raising resources within India.** They can do it as they get manpower from abroad and have the resources to invest in such start-up operations.

Capacity building of young fundraisers has now become a priority, which we can ignore at our own peril. This alone can make NGOs sustainable, accountable, transparent and credible.

NGOs are seeking to raise more and more resources to meet the increasing demands of quantity and quality service to the beneficiaries. But how? They lack the ability. There is a huge shortage of professionally trained and experienced fundraisers. Regrettably only a fraction of 1% of these have a fundraiser.

Observing this, Mr Montek Singh Ahluwalia, Deputy Chairman, Planning Commission in his address at the Voluntary Action Network of India meeting in Sep '06 emphasized the need for NGOs to stop relying on government funds and raise their respect by raising their own funds from individuals and corporate by being professional, transparent, accountable, self reliant and sustainable.

What we need is quality training and fundraisers in large numbers.

20 Days Course in Fundraising & Communication. Experts have opined that a concentrated training of 160 hours can sufficiently convert fresh graduate into fundraisers. The curriculum has been designed in such a way that it is wide ranging yet covers all the essentials. The curriculum is specially designed and has many unique features.

## Delivery -The Virtual Fundraising Academy

The 20 Days Course will be delivered through a well coordinated structure where there will be comprehensive training, complete quality control and high professional competence.

Hub and Spoke Model. The idea is to create a central hub in Delhi, which will be a training cum coordinating nerve center of the entire plan.

Regional Hubs. The Central hub shall create regional hubs. Each hub shall conduct 8 courses every year of 20 days (160 hours) for each batch @ 25 students in each batch. Thus each Regional Hub shall train 200 fundraisers every year and overall the programme, 800 in a year.

Placement of Trained Fundraisers. SAFRG will organise placing those trained.

Budget: The three-year budget to bring about quality fundraisers is Rs 709 Lakhs.

## Outcome

- With an investment of \$1.57 million these trained fundraisers will raise \$ 100 million a year in 4 to 5 years.
- The NGO sector will come of age - more than any other effort.
- The sector will be able to address all issues including poverty more effectively.
- This will create 'fundraising' as a career.
- More community will be involved with NGOs resulting in transparency & credibility of the sector.
- The donor will be seen to be making a HUGE difference in society.
- This will create numerous jobs.

## Conclusion

Our Prime Minister has remarked: "Nobody can stop an idea whose time has come". And the time of fundraising has come. It is to be seen who supports the venture. We have to jointly translate the plan into action. Significantly too:

- The route to billions of dollars and a million specialized jobs is through fundraising.
- The beginning of a paradigm shift in the sector for self-sustainability.
- An effective model to create a fundraising workforce who practices highest standards of ethics, integrity, transparency and accountability.



# Sustainability of Development Sector

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## Presentation to Planning Commission, India

Maj Gen Surat Sandhu  
Chair – SAFRG  
04 Jan 2007



# South Asian Fundraising Group (SAFRG)

**Registered Not for-Profit organization building fundraising and local resource mobilisation capacities of the voluntary sector in South Asia since a decade and a half.**

## Board Members

- ❖ Major General Surat Sandhu
- ❖ **Sanjiv Gupta\***
- ❖ **Daljit Singh\***
- ❖ Dr Sethuraman
- ❖ Harnath Jagawat
- ❖ Simon Collings
- ❖ Prof KD Gangrade,
- ❖ Padma Bhushan Surinder Saini,
- ❖ **Rajesh Mehta\***
- ❖ Chetan Sharma

Chair  
Ex President Coke India  
CEO, Fortis Healthcare  
Founder Chmn, 650 bed hospital  
Founder Chmn, Sadguru Fdn  
CEO, Resource Alliance, London  
Gandhian, Ex Professor  
Social Worker  
Secretary Unity International,  
Chmn Datamation Foundation

Discussions are in progress with other individuals

\* IIT Graduates



# Personal Details

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- Born and Educated in Malaysia
- Served in the Indian Army -1963-1997 (premature retirement)
- CEO of HelpAge India -1997-2001
- Management & Senior Fundraising Consultant to:-
  - Brakeley Fundraising & Management Consultants, UK Representative -India
  - Oxfam GB, UK
  - Clients in India and Overseas
  - Vice Patron Memorial Gates Trust - London
- Chair - South Asian Fundraising Group –Delhi
- Chair READ India
- Advisor & Board member of a number of organisations
- Speaker at numerous international and national events



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# Preamble



## Preamble

**“Happiness will spread everywhere, if citizens of our country decide to give. Giving gives happiness,”**

**APJ Abdul Kalam-The President**



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# Preamble



**.....inspire everyone to subordinate self-interest  
to the greater good of humankind**

**.....reaffirm our responsibility towards the less  
privileged sections of our society**

***Manmohan Singh- Our Prime Minister***





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**PPP- The BUZZ  Word**

means

**Public Private Partnership**

**HOW WILL THIS COME ABOUT?**



# Hence AIM of this Presentation

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**To share the fundraising scenario in India  
Opportunities  
Challenges**

**What we all need to do about it and how**

**To promote cross-country engagement  
To unleash our full potential-Our Prime Minister**

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# WHAT is FUNDRAISING?

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**‘The art of getting people to give you what you want, when you want it for the charitable purpose you work for’.**

- A strong and exciting case for support,
- Urgent and compelling needs
- Realistic and potential donors,
- Strong internal and external leadership
- Readiness for fundraising

***Not only ask, not only motivate,  
But inspire people to give***





## Giving in USA and UK (2005)

### Population



U.S.A.  
300 million



U.K.  
60 million

### Amount Given

US \$260 billion

US \$41 billion

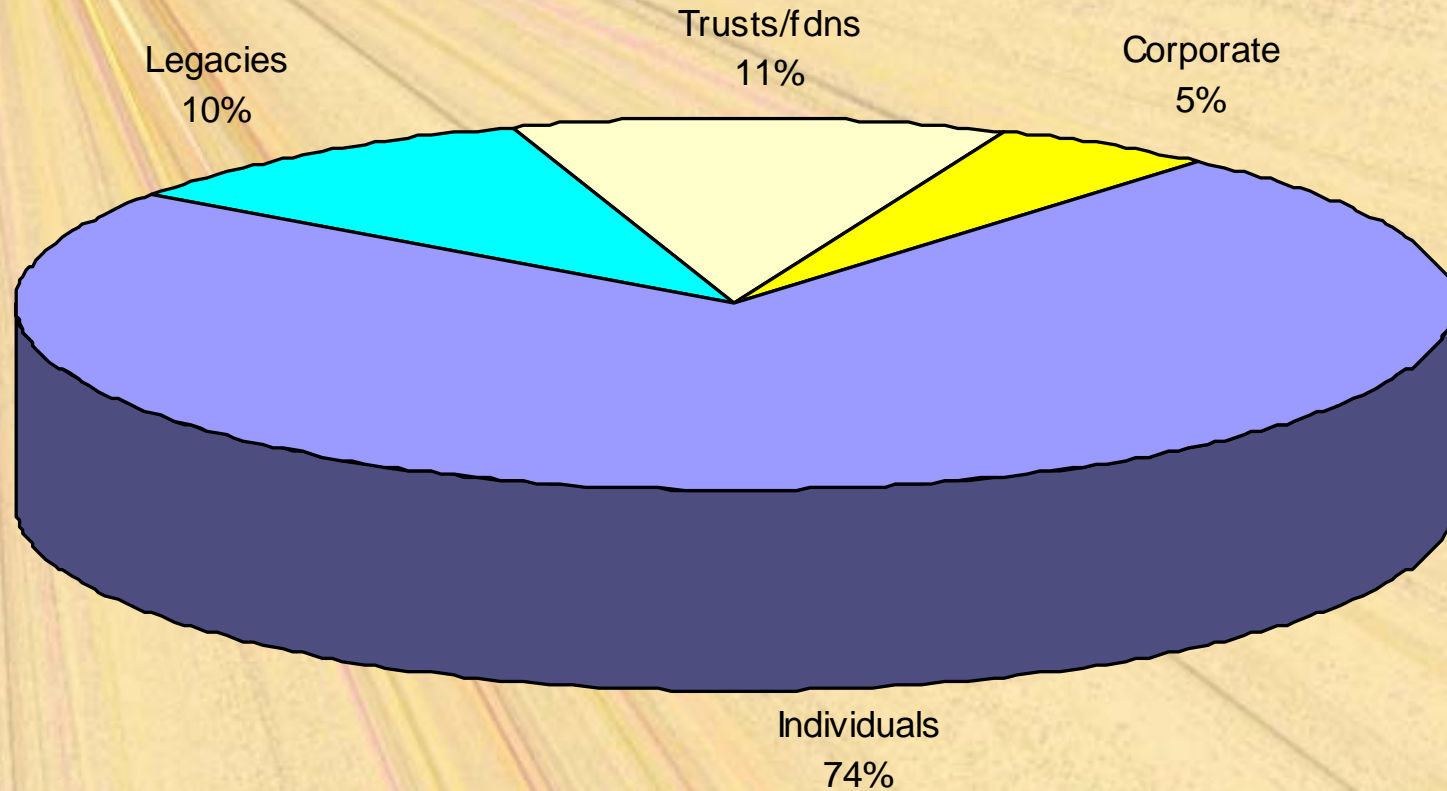
### Amount Per Head of Population

US \$881

US \$683



# Where does this come from





# Tsunami

**HOW MUCH DID WE RAISE FROM PUBLIC?**

**Rs 50 crores. No maybe Rs 100 crores.**

**Can anyone guess how much was raised  
in UK?**



# Tsunami

**HOW MUCH DID WE RAISE FROM PUBLIC?**

**Rs 50 crores. No maybe Rs 100 crores.**

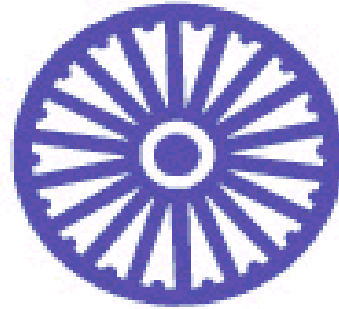
**Can anyone guess how much was raised  
in UK?**

**Rs. 4000 Crores in just 60 days**



# INDIA

<b>Population</b>	<b>1.1 Billion</b>
<b>We raise</b>	<b>\$500 Million*</b>
<b>Amount Per Head</b>	<b>\$0.45</b>



**Potential > \$8 to 9 Billion**  
**Amount Per Head >\$8**

**\*Besides what is received from Government & Abroad including Non Resident Indians**





# POOR FUNDRAISING--WHY SO??

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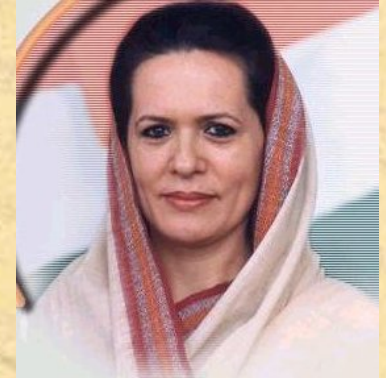
- ▼ **Poor Understanding**
- ▼ **No Investment**
- ▼ **Lack of Strategic Direction**
- ▼ **Lack of Training**
- ▼ **Not perceived as CAREER option**
- ▼ **Dependence - on government and foreign funding**



# Indian Scene

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- **Economy -fastest growing and developing**
- **Property prices- increasing exponentially**
- **Upwardly - mobile society**
  
- **Disposal Income - large Number of households.**
- **OVER A MILLION HIGH NET WORTH INDIVIDUALS BUT NO ONE ADDRESSING THEM**
- **87,000 MILLIONAIRES IN DOLLAR TERMS**
- **New Trusts and Foundations are formed**
- **Non Resident Indians support extensive-\$ 2 Billion each in 05 & 06**
  
- **Media - state of the art mass communication available**
- **NGO – sector is big but not very well organised**
- **Lack of support for Fundraising**
- **Fundraising Territory - almost virgin**



*People who benefit from economic growth cannot be oblivious of their obligations to the state.*

*-Sonia Gandhi*



- 
- *People who benefit from economic growth cannot be oblivious of their obligations to the state.*

*-Sonia Gandhi*

- *A country of dazzling prosperity is also a country of dehumanizing poverty. A land of perpetual struggle is also a land of bursting opportunities.*

*-Sonia Gandhi*



# Impact of successful fundraising

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- **Sustainable & independent organisations**
- **Increased level of involvement with NGO work**
- **Good Governance - Transparency, Accountability and Credibility**
- **Professionalism and adherence to standards**
- **Increased resources for making an impact**
- **Development issues such as poverty can be addressed effectively**
- **Higher % age gets applied-home grown fundraising**
- **Sector comes of age & more jobs**



# Scenario

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- **NGO's in India – Over one million according to various surveys**
- **Fundraisers - Only a fraction of 1% of NGO's have one.**
- **Urgent need to create fundraisers who would interact with potential donors, obtain funds directly, build relationships and manage donor funds with high integrity and efficiency.**
- **Over Reliance - Most NGOs rely on grants and dole and do not have a fundraising agenda**
- **Revenue Model-- NGOs depend on government and foreign funding and do not have a self sustainable plan**
- **Potential - remains untapped and the “giving market” is NOT growing**
- **India needs a “Leap Frog Strategy” for creating fundraisers urgently**



# Writing on the wall

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- Self Sustainability – NGO's identify that there is an immediate need
- Deputy Chairman, Planning Commission Mr Montek Singh Ahluwalia during his address at the Voluntary Agencies Network of India meeting in September emphasised that:

***“the need for NGOs to stop relying on government funds and raise their respect by raising their own funds from individuals and corporates by being professional, transparent, accountable, self reliant and sustainable”.***

## **Promoting Credibility**

- All over the world NGOs/Charities have their own fundraising agenda and the credibility of NGOs is evaluated by the number of 'Individual Supporters'
- Today there are some big brand NGOs who raise funds and then pass on to smaller NGO's
- Low percentage of the donors money reaches the community



# South Asian Fundraising Group

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## **Our Vision**

A Civil Society Sector that is, Independent and Sustainable.

## **Our Mission**

To provide state of the art resource mobilisation capacity building for fundraisers and Civil Society Organisations.

## **Our Objective**

To train more than 2000 fundraisers in the next three years.  
This would then have a cascading effect.





South Asian Fundraising Group

# Strategy

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## Multi Pronged

- Courses nationwide
- Fundraising workshops
- Annual workshop
- Consulting NGOs
- Fundraisers association



# Why Courses

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- **Experts have opined after a lot of deliberation that a concentrated training of 160 hours(20 Days) can sufficiently convert a fresh graduate into a fundraiser.**
- **This is to be delivered in a most professional manner for optimum effect**



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# Virtual Fundraising Academy India



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**Nobody  
can stop  
an idea  
whose time has come**

**The time of fundraising has come.**

**It is to be seen who supports the venture and  
takes credit**



# The Fundraising Academy- India

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- An idea whose time has come
- The route to billions of dollars and a million specialised jobs is through fundraising
- The beginning of a paradigm shift in the sector for self sustainability
- An effective model to create a fundraising workforce who practice highest standards of professionalism, ethics, integrity, transparency and accountability
- The need is to inspire donors-that is the challenge



# Block Curriculum

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➤ The curriculum has been divided into six modules

Module I – NGO environment & philanthropy

Module II – Getting started

Module III – Communication methods

Module IV – Building relationships

Module V – Sources & fundraising techniques

Module VI – Planning, Budgeting, Implementing &  
Monitoring



# Block Curriculum

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## Uniqueness

- Based on indigenous experiences and case studies - it is an adapted model
- Region specific content
- Focused on clear learning outcomes that can be assessed
- It is systematic, comprehensive, practical and includes all that a beginner ought to know about resource mobilisation
- It is affordable, accessible and will be certified

## Clear Learning outcomes

- When completed, participants will have specific tools, knowledge and skills which they can apply in a practical way when planning, developing strategy and implementing fundraising in their workplace



# Hub and Spoke Model

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- **Central Hub** - The idea is to create a Central Hub in Delhi consisting of:
  - Programme Director
  - Marketing Department
  - Database Management
  - Accounts Management
- This will be a **coordinating and training hub**. This centre will create regional hubs across the country to reach out and train large number of fundraisers to bridge the gap that exists in fundraising

## **Regional Hub will consist of:**

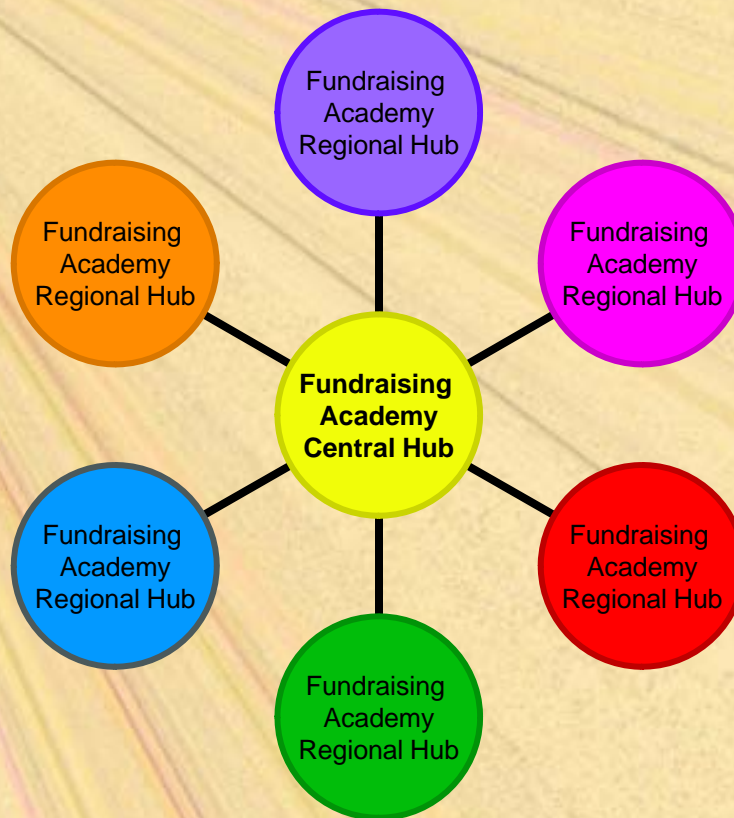
- Chief Trainer
- Part Time faculty (**Trained extensively at the Central Hub**)
- Each Hub shall have a standard curriculum & conduct a minimum of **8 courses** every year of **20 days (160 hours)** for a batch of **25 students** in each
- Each Regional Hub shall train **200 fundraisers every year**





# Hub and Spoke model

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# The Initial Plan

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- Starting Point - we shall create the centre at Delhi and three regional hubs in India (East, West and South) in Year 1
- Aim - is to train 800 fundraisers a year
- Training – will be partly subsidised. All Face 2 Face.
- Strategic alliance -we will also align with a reputed management institute for certification and to spread our wings.
- The curriculum - is almost complete and ready and covers all important aspects of fundraising
- We shall also take up placement of those trained



# The Initial Plan

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## Immediate Need

- Budget - required for setting up and prime personnel
- Identify and recruit Director (6 months prior to the launch)
- Identify and recruit other personnel (3 months prior to the launch)
- Create and train a panel of part time faculty to follow a standard process

## Operational Requirements

- Planning, preparation and raising resources
- Selection of institutes and signing of MOUs
- Robust marketing activity including Website
- Accreditation
- Equipment like laptops, LCD projectors
- Training material



# Four Year Budget

- Initial Planning and Preparation: Rs 10 Lakhs
- Set-up cost of central and 3 regional hubs: Rs 61 Lakhs
- Operational Costs each year : Rs 95 Lakhs
- Training cost of each batch of 25 participants @ Rs 14000 per (non-residential): Rs 3.50 Lakhs
- Subsidised 50 %Cost of Trg 800 participants: Rs 56 Lakhs

## Total Amount Required:

Setting Up	Rs 71 Lakhs
Year 1	Rs 151 Lakhs
Year 2	Rs 160 Lakhs
Year 3	Rs 170 Lakhs
Contingencies	Rs 25 Lakhs
SAFRG costs	Rs 36 Lakhs

**Total 613 Lakhs (\$1.36 million US)**



## It's about

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- Creating Strong & Lasting Relationships
- Education and the Next Generation
  
- Building Better Communities & Organisations
- Driver of Strengthening “Civil Society”
  
- Capacity Building, Financial Viability and Sustainability by providing Opportunities for Independent Society
  
- Realizing enormous potential and longevity
- Mobilize resources from both within and outside organizational boundaries to achieve social aims



# Visibility to Donor

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- Name of course
- Logo and strap line on all communication material
- Appropriate visibility on certificate and website
- Acknowledgement in all press releases
- Full credit on all occasions
- Fulfillment of your mission



- 
- *Some of the difficult things that Governments must do and Governments alone can do to create an environment conducive to sustainable development-  
PM*



- 
- *Some of the difficult things that Governments must do and Governments alone can do to create an environment conducive to sustainable development-  
PM*
  - *We need a better future for our country-it would take a little time to address the problems-Sonia*





# Outcome

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- Investment of \$1.36 million (US) over 4 years-- these trained fundraisers will raise \$100 million a year every year in 4 years time
- **This will make NGO sector come of age- more than any other effort.**
- The sector will be able to address most of the issues including poverty more effectively
- Create fundraising as a 'career'
- More community involved with society resulting in transparency and credibility of the sector
- **Such intervention will be part of "Change Agent" and will be seen as making a HUGE difference in society.**
- **Creation of numerous jobs and opportunities**
- **Sure way to most effectively achieve MDGs**



## Future Model

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- We could export this model to other developing countries- all of whom are in dire need of such a venture.



# Your Support

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- Make Fundraising a **PRIORITY**. Support this plan.
- Need is significant but big advantage: \$1.36 million over 4 years period
- Again: **“The route to billions of dollars and a million jobs is through Fundraising”**
- **“No one can stop an idea whose time has come”**



# Your Support

---

- Make Fundraising a PRIORITY. Support this plan.
- Need is significant but big advantage: \$1.36 million over 4 years period
- Again: “The route to billions of dollars and a million jobs is through Fundraising”
- “No one can stop an idea whose time has come”
- Can we do without this? Only at our own peril.



# Change the World

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**We want to change the fundraising scenario in India in such a way, that it is beyond what we can foresee today.**



# An SAFRG Presentation

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**Thank you for your time and support**



- 
- WORKING PLAN SLIDES
  - NOT FOR PRESENTATION



# Initial Costs

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- Preparation of project - Rs 5 Lakhs
- Development of Curriculum, Case Studies & Exercises - Rs 5 Lakhs





# Setting Up Costs

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• Recruitment costs (Director, 4 x Chief Trainers and staff)	5
• Identification of Faculty (5 per hub) & Institutions	2
• Traveling and accommodation	2
• Salaries: D minus period	
•     Director (To be recruited by D minus 6 months)	12
•     3 x Chief Trainer 9 Lakhs each (D minus 3 months)	9
•     Marketing Executive (D minus 3 months)	2
•     Other staff 2 Nos	2
• Initial Marketing and publicity	4
• Equipment Costs	
•     Laptops 4 Nos	2
•     LCDs etc 4 Nos	3
•     Miscellaneous Items	2
• Training of Faculty 6 Faculty x 4 Hubs x 8 Days=192 Mandays	16
•     Total 61 Lakhs	



# Requirement of Faculty

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- Chief Trainer
- Fundraising General
- Sources & techniques
- Corporate fundraising
- Trusts & Foundations
- Strategy, planning and implementation



# Training of Faculty-budget

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• Traveling of Faculty	1.5
• Accn 18 faculty x 8 Days x 3000	4.5
• Cost of Trainers	5
• Stationary, Equipment	2
• Per Diem	2
• Misc	1
<b>Total</b>	<b>16 Lakhs</b>



# Operational Costs

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• Salaries:	
□ Director	24
□ Chief Trainers x 3	27
□ Marketing Executive	8
□ Support Staff	8
• Marketing	10
• Coordination Costs	3
• Accreditation and Certification	5
• Evaluation and updating each year	5
• Placements and Coord per year	5
	Total
	95 Lakhs



# Training of fundraisers-Budget

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- Each course 25 students @ 14000 each
- 8 Courses per hub. 200 students per hub.
- For 4 Hubs 800 students per year
- Cost 8 courses x 14000 x 25 x4 =Rs 1120 Lakhs
- At 50 % subsidy =Rs 56 Lakhs



# Budget Summary (In Lakhs)

**Note: 5% increase each year**

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- Initial Costs - 10
- Setting Up Costs - 61 (\$ 1,57,000)
- Year 1 -151 (\$ 3,84,000)
- Year 2 -160 (\$ 4,04,000)
- Year 3 -170 (\$ 4,15,000)
- Contingencies - 25
- SAFRG Costs - 36 Lakhs
  
- Total 613 Lakhs (\$ 1.36 million)



# Selection of participants criteria

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- Graduate with 55% preferably B com, Eco, MBA or MSW
- One year work experience-preferably in NGO
- English in graduation
- Good communication skills
- Computer literate
- Reco from last institution



## Cost of each course

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- Stationary, books etc Rs 60,000
- Faculty Rs 1,60,000
- Administration Rs 60,000
- Institution costs Rs 60,000
- Certificates etc Rs 10,000
  
- Total Rs 3,50,000





# In 4 years

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- Nos trained 2400 (90 % still in fundraising)=2200
- In 4/5 years each raises Rs 20,00,000
- $2200 \times 20,00,000 = 4,400,000,000$
- = \$ 100,000,000





# NOTE

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## **The need to fundraise**

- Survival
- Expansion and development
- Increasing independence
- Build a constituency
- Develop a viable organisation

## **The Challenge**

- Current situation in the region and around the world
- Growing competition – diversify resource base?
- More pressing demands on NGOs and the effective delivery of their programs
- Growing aspirations and needs of their beneficiaries



# WHY SHOULD CORPORATES BE SOCIALY RESPONSIBLE

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## The 6 Options for CSR

- Issue promotion.
- Cause-related marketing.
- Corporate social marketing
- Corporate philanthropy.
- Community volunteering.
- Socially responsible
- Business practices.

(Kotler and Lee, op.cit.)



# WHY SHOULD CORPORATES BE SOCIALLY RESPONSIBLE

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- Corporate Social Responsibility – to be a ‘Good Corporate Citizen’
- To create goodwill
- Image – Prestige – your organisation can give them good PR
- To build good relations with employees
- Target – to be associated with causes that relate to their business
- Reach
- Media exposure
- Cause Related Marketing – your donors are similar to their customers
- Social Investment



# Benefits for non-profit organisations (from CRM)

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- Awareness
- Increased/increasing income
- Broadened fundraising portfolio
- Enhanced reputation
- Improved profile
- Enhanced brand
- New channels of communication (via product, people, place)
- Leveraged funding opportunities
- New partnerships



## This is your ASK – How/ What can we get?

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A systematic and planned approach, Investment in staff and support, Investment in building relationships, Patience combined with action and Readiness to listen

- Money/Donation
- Time
- Goods in-kind
- Host Events
- Voice
- Influence
- Introduction
- Information
- Volunteers
- Sponsorship

What else is not known



# Why this plan?

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- Do we plan to meet the need-To create the largest numbers in the shortest possible time. We can no longer make incremental changes
- Leap frog strategy
- Quality is the bedrock of this programme
- Curriculum is in the making-will be comprehensive
- There are risks-why shy away
  - Sort of untested
  - Lack of trainers-will be trained
  - Donors/funds-looking for it
  - Institutions-once funds in position good ones will work out
  - Participants-large number of graduates, MBAs, MSW etc unemployed