

Are We Misleading Our Donors?

Are we making a good-faith effort to tell donors the truth?

By Julian J. Rossig, Joachim Bauer, & Joseph C. Santora

As Stephen Colbert famously stated, there is truth, there are outright lies, and there is “truthiness.” Truthiness is a weird mixture of statements that aren’t outright “wrong” but don’t represent the truth in an unbiased and fair way.

When we think about the complex dynamics of fundraising, how much of our communication is true, how much could be considered “truthiness,” and how much is simply “fake communication”?

A recent study surveying German donors found that many donors don’t understand the message that we fundraisers are trying to communicate. Even worse, some donors are manipulated into understanding a message that no one ever explicitly stated, for understandable reasons, because it isn’t the truth. This raises a serious question that needs to be answered: Do we occasionally “suggest” things that we know are untrue (fake communication), hoping that the donor will misunderstand us? For example, what about our concealing administrative expenses in “education and public relations” budgetary line items? What about inventing a quote from that imaginary African girl when soliciting funds, adding in small font “Name has been changed to protect the girl’s privacy”?

The German survey probed people’s understanding of NGOs and FCOs. An NGO, or non-governmental organization, is similar to what we call a nonprofit organization in the United States. FCOs, or fundraising campaign organizations, acquire donations and then dispense them to NGOs for implementation. Many survey respondents insisted they would never give to organizations that forwarded their funds to third parties – yet these donors had a long history of giving to FCOs.

What are the underlying reasons for such misunderstanding? The survey found five themes of possible communicative discrepancy:

Lack of interest: Many donors don’t really care about the details of the organizations they fund.

Incomprehension: Many donors lack the educational background to understand complex annual reports, financial statements, or other organizational information.


Self-deception: Many donors don’t want to look too deeply for the truth because it might shatter their view of the organization and their own intention to do good.

Cloudy self-description: Many organizations conceal important information.

Deliberate misrepresentation: Many organizations deliberately give false or incomplete information.

While the first three forms of misconception largely lie with donors, fundraisers are clearly responsible for exploiting donors through cloudy terminology or even deliberate misrepresentation. However, even the negligent exploitation of donors too naïve or too busy to track their donations will eventually haunt us. The same is true for manipulative techniques that trick donors into vague feelings of guilt. Ultimately, donors who fund organizations or programs that don’t suit their giving pattern are prime candidates to complain and to create negative press.

According to one fundraising director, many German donors have an “overly romanticized view” of fundraising. Many donors believe that even major nonprofits use “brigades of volunteers to create solicitation letters using potato print in some drafty basement.”¹ Obviously, such simple-hearted views complicate modern fundraising efforts, and they are, in fact, not in our best interest. Yet fundraisers must be honest and ask themselves if they’re in favor of such views: Organizations advertising a “zero percent administrative expenses” policy clearly promote the notion that the professional administration of an organization is free. The same is true for fundraising campaigns that focus on a specific purpose yet use general wording that invites donors to project their own ideas onto the blank slate.

Possibly the litmus test for us is this: Are we concealing more answers than we’re revealing? In the end, who will pay the price? 

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¹Voigt, M.O. & Klein, S., “Ringeln um Einfluss [Wrestling over Influence],” *Presseprecher*, 04/08, 10-16.