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# 'How much will it cost to get my child into your school?' Ethics in educational fundraising: is it as cut and dried as it seems?

**Ian MacQuillin**

Director

Rogare - The Fundraising Think Tank

Chair: Marc Whitmore

**#IDPE19**

IDPE 2019 Annual Conference



# How much will it cost to get my kid into this school?

## Ethics in educational fundraising: is it as cut and dried as it seems.

Ian MacQuillin  
Rogare – The Fundraising Think Tank

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# ROGARE

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Stephen Thomas



# So...

- ▶ How much will it cost to get my kid into your school?
- ▶ Why is this unethical?

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# Learning outcomes

- ▶ Understand and critically reflect upon the normative theories of fundraising ethics that have been proposed
- ▶ Assess how to analyse issues in fundraising in the light of these normative theories
- ▶ Analyse ethical dilemmas in fundraising to identify which frameworks and which normative theories are applicable
- ▶ Apply frameworks to particular fundraising ethical dilemmas
- ▶ Critically analyse ethical dilemmas and challenges in schools fundraising

# About Rogare

- ▶ **Fundraising think tank**
- ▶ Rogare is the engine that turns academic ideas into actionable information for fundraisers, by pulling together academic and practitioner branches of the profession.
- ▶ We aim to change the way fundraisers use theory and evidence to tackle the biggest challenges facing their profession.

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# About Rogare

## ▶ Objectives

1. We need to create a richer knowledge base for fundraising.
2. We need to change the culture of learning and encourage fundraisers to value that knowledge more.

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# About Rogare

- ▶ **Critical Fundraising**
- ▶ Critical Fundraising is a concerted attempt to critically and constructively evaluate issues and provide practical solutions to them.
- ▶ Our objective is to use the lens of Critical Fundraising to achieve a paradigm shift in the way the fundraising sector interprets the concepts that lie at its heart and meets the challenges that confront it.

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# About Rogare

- ▶ **Under-researched**

- Topics where there is simply not enough reliable data to inform current practice. Our aim is to find out what research does exist and suggest how this could be used by practitioners.

- ▶ **‘Under-thought’**

- Topics where the arguments, discussions and debates lack cohesion, substance and/or internal logic. These are likely to be characterised by the same rhetorical arguments being trotted out time and again (from within the sector as well as without) but little progress is actually being made.

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# Still thinking about this question?

- ▶ How much will it cost to get my kid into your school?
- ▶ Why is this unethical?
- ▶ Time for some Ethics101

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# Why do we have ethics?

- ▶ It's about doing the right thing
- ▶ But...
- ▶ How do we know what the right thing is?
- ▶ And for whom do we do the right thing?

# Two facets of ethics

1. The philosophical study of the moral value of human conduct and of the rules and principles that ought to govern it.
2. A code of conduct considered correct, especially for a professional group.

# Levels of ethics

- ▶ Normative ethics
- ▶ Concerned with the content of moral judgements and the criteria for what is right or wrong. Attempts to prove a general theory of how we ought to live.

# Normative ethics

- ▶ **Consequentialism**
- ▶ We are obligated to act in a way that produces the best consequences (e.g. Utilitarianism).
- ▶ **Deontology (duty ethics)**
- ▶ We are obligated to do the 'right' thing, irrespective of the consequences (e.g. Kant's injunction against lying).

# Applied ethics

- ▶ **Applied ethics**
- ▶ Applies normative ethical theories to specific issues, such as racial equality or animal rights, telling what it is right and wrong for us to do.

# Fundraising ethics

- ▶ “We all know what’s ethical and what isn’t ethical [in fundraising].”
- ▶ Lord Grade
- ▶ Former chair of the Fundraising Regulator (UK)



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# ‘Unethical’ fundraising

- ▶ What do you think is unethical in charity fundraising?

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# ‘Unethical’ fundraising

- Not using money for purpose it was donated
- ‘Shock’ advertising
- Undignified portrayal of beneficiaries
- Targeting vulnerable people
- Guilt–tripping
- Aggressive/intrusive fundraising
- Too much money spent (‘wasted’) on fundraising and admin
- Senior staff salaries

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# Ethical issues in schools' fundraising

- ▶ Breakout groups

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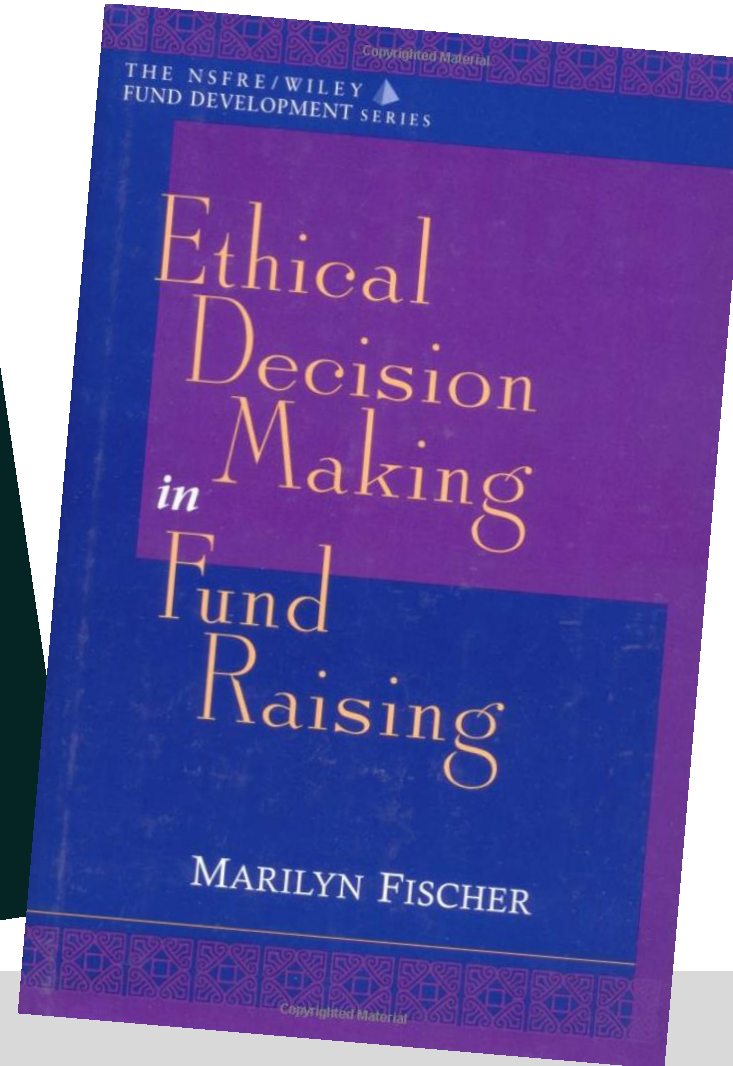
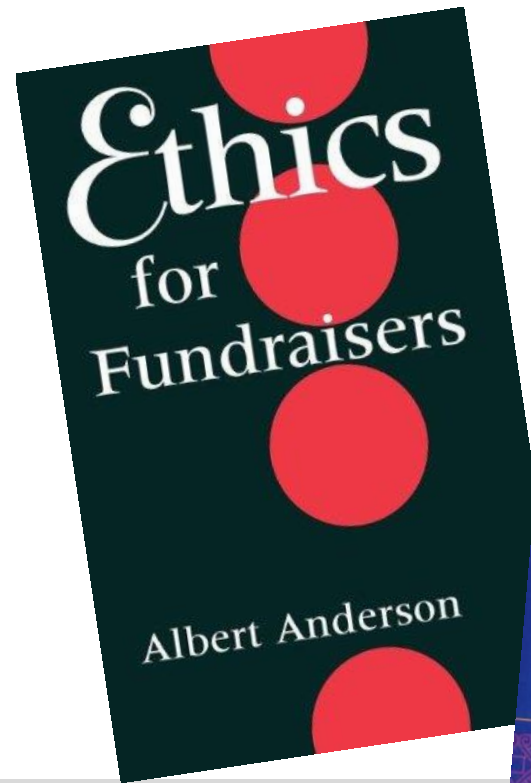
# Ethical issues in schools' fundraising

- Corporate sponsorship of educational materials
- Influence on curriculum and educational standards
- Preferential treatment for kids in return for donations
- Influence on staff appointments
- Money laundering
- Commercial access to students, e.g. 'pouring rights'
- Reputational risks

# Fundraising ethics

- ▶ Schools' fundraising is a subset of general nonprofit fundraising.
- ▶ It is subject to:
  - Same codes of practice
  - Same professional ethics
- ▶ So...look first at general nonprofit fundraising ethics and how they could be adapted to schools' fundraising.

# Applied ethics in fundraising



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# Applied ethics in fundraising

- ▶ **The Fundraising Regulator**
- ▶ Code of Fundraising Practice
- ▶ Fundraising Promise

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# Applied ethics in fundraising

- ▶ **General principles**
- ▶ Don't engage in activities that bring the profession into disrepute
- ▶ Fundraisers will tell the truth and not exaggerate
- ▶ Donations will be used in accordance with donors' intentions
- ▶ Ensure all solicitation and communications materials are accurate and reflect the organisation's mission and use of solicited funds
- ▶ Give donors the opportunity to remove their names from marketing lists
- ▶ Don't accept commission-based pay

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# Applied ethics in fundraising

- ▶ It is unethical to:
  - ▶ Put undue pressure on someone to donate (s1.2f).
  - ▶ Try to get someone to switch a donation from another charity (s1.3).
  - ▶ Include a gift in DM that's aimed at generating a donation based on 'financial guilt' (s6.3).
- ▶ Why is it unethical to do these things?

# Applied ethics in fundraising

- ▶ Why shouldn't fundraisers make donors feel 'guilty'?
- ▶ Why shouldn't you exert 'undue' pressure on a potential donor?
- ▶ Why shouldn't you try to persuade a donor to switch their donation to your charity?

# Normative fundraising ethics

1. Protection of public trust – ‘Trustism’
2. Servicing the donor’s needs, wants and aspirations – Donorcentrism
3. Servicing philanthropy

# Trustism

*“One way in which organizations can enhance the public trust is to maintain the highest ethical standards and to communicate this commitment to donors and prospective donors.”*

- ▶ Michael Rosen (Rosen 2005)

# Trustism

- ▶ **Josephson Institute for the Advancement of Ethics – 10 core values:**  
honesty, integrity, promise-keeping, fidelity/loyalty, fairness, caring for others, respect for others, responsible citizenship, pursuit of excellence, accountability
- ▶ **11<sup>th</sup> for nonprofits:**
- ▶ Safeguarding public trust

# Trustism

- ▶ **Consequentialist**
- ▶ Fundraising is ethical when it maintains and protects public trust
- ▶ And unethical when it does not.

# Donorcentrism

*“An approach to the marketing of a cause that centres on the unique and special relationship between a nonprofit and each supporter. Its overriding consideration is to care for and develop that bond and to do nothing that might damage or jeopardize it. Every activity is therefore geared toward making sure donors know they are important, valued, and considered, which has the effect of maximising funds per donor in the long term.”*

Ken Burnett, *Relationship Fundraising* (2002), p38

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# Donorcentrism

“An ethical belief in the importance of the donor” that “recognis[es] that the donor comes first...always putting the donor first in regard to when to ask, how to ask and what to ask for.”

Geever 1994

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# Donorcentrism

- ▶ **Consequentialist**

- ▶ Fundraising is ethical when it gives priority to the donor's wants, needs, desires and wishes and this maximises sustainable income for the nonprofit – and unethical when it does not.

- ▶ **Deontological**

- ▶ Fundraising is ethical when it gives priority to the donor's wants, needs, desires and wishes – and unethical when it does not.

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# Service of philanthropy

*“Fundraising is justified when it is used as a responsible invitation guiding contributors to make the kind of gift that will meet their own special needs and add greater meaning to their lives.”*

Hank Rosso ( in Tempel 2003, p4)

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# Service of philanthropy

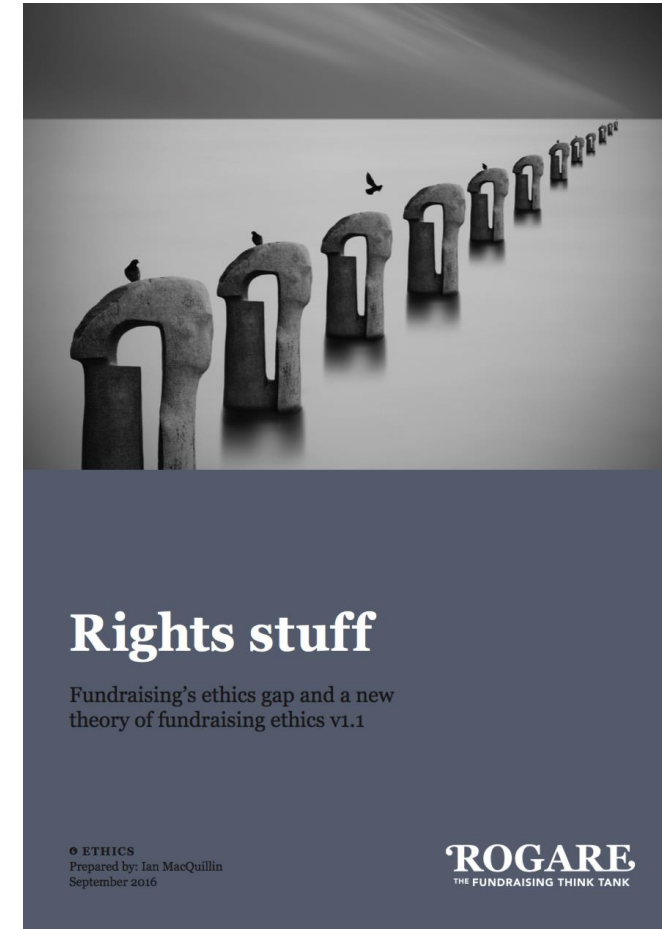
- ▶ **Consequentialist**
- ▶ Fundraising is ethical when it delivers meaning to a donor's philanthropy – and unethical when it does not.

# Normative fundraising ethics

Ethical theory	Type	Primary duty	Other duties	Compatible with	Not compatible with
Donorcentrism	Consequentialist	Donor	<ul style="list-style-type: none"> <li>• Public trust</li> <li>• Organisation</li> </ul>	<ul style="list-style-type: none"> <li>• Trustism</li> <li>• Relationship Management</li> </ul>	<ul style="list-style-type: none"> <li>• Service of Philanthropy</li> <li>• Donorcentrism (deontological)</li> </ul>
Donorcentrism	Deontological	Donor	<ul style="list-style-type: none"> <li>• Public trust</li> <li>• Organisation</li> </ul>	<ul style="list-style-type: none"> <li>• Trustism</li> <li>• Relationship Management</li> <li>• Service of Philanthropy</li> </ul>	<ul style="list-style-type: none"> <li>• Donorcentrism (consequentialist)</li> </ul>
Relationship Management	Deontological	Relationship type	<ul style="list-style-type: none"> <li>• Donor</li> </ul>	<ul style="list-style-type: none"> <li>• Donorcentrism</li> <li>• Trustism</li> <li>• Service of Philanthropy</li> </ul>	<ul style="list-style-type: none"> <li>• None</li> </ul>
Service of Philanthropy	Consequentialist	Donor	<ul style="list-style-type: none"> <li>• None</li> </ul>	<ul style="list-style-type: none"> <li>• Donorcentrism (deontological)</li> <li>• Trustism</li> <li>• Relationship Management</li> </ul>	<ul style="list-style-type: none"> <li>• Donorcentrism (consequentialist)</li> </ul>
Trustism	Consequentialist	Public trust	<ul style="list-style-type: none"> <li>• Donor</li> <li>• Organisation</li> </ul>	<ul style="list-style-type: none"> <li>• Donorcentrism</li> <li>• Relationship Management</li> <li>• Service of Philanthropy</li> </ul>	<ul style="list-style-type: none"> <li>• None</li> </ul>

# Rights Balancing Fundraising Ethics

- ▶ Putting beneficiaries into ethical decision making in fundraising
- ▶ <http://bit.ly/ethics-WP1>



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# Rights Balancing Fundraising Ethics

- ▶ **Consequentialist**
- ▶ Fundraising is ethical when it balances the duty of fundraisers to ask for support (on behalf of their beneficiaries) with the relevant rights of the donor...
- ▶ ...such that a mutually optimal outcome is obtained and neither stakeholder is significantly harmed
- ▶ And unethical when it does not get this balance right.

# Rights Balancing Fundraising Ethics

- ▶ **Consequentialist**
- ▶ Fundraising is ethical when it balances the duty of fundraisers to ask for support (on behalf of their beneficiaries) with the right of the public not to be put under undue pressure to donate
- ▶ And unethical when it does not get this balance right.

# Rights Balancing Fundraising Ethics

Ethical theory	Type	Primary duty	Other duties	Compatible with	Not compatible with
Donorcentrism	Consequentialist	Donor	<ul style="list-style-type: none"> <li>• Public trust</li> <li>• Organisation</li> </ul>	<ul style="list-style-type: none"> <li>• Rights Balancing</li> <li>• Trustism</li> <li>• Relationship Management</li> </ul>	<ul style="list-style-type: none"> <li>• Service of Philanthropy</li> <li>• Donorcentrism (deontological)</li> </ul>
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Rights Balancing	Consequentialist	Beneficiary	<ul style="list-style-type: none"> <li>• Donor</li> <li>• Public trust</li> <li>• Organisation</li> </ul>	<ul style="list-style-type: none"> <li>• Trustism</li> <li>• Donorcentrism (consequentialist)</li> </ul>	<ul style="list-style-type: none"> <li>• Service of Philanthropy</li> <li>• Relationship Management</li> <li>• Donorcentrism (deontological)</li> </ul>
Service of Philanthropy	Consequentialist	Donor	<ul style="list-style-type: none"> <li>• None</li> </ul>	<ul style="list-style-type: none"> <li>• Rights Balancing</li> <li>• Donorcentrism (deontological)</li> <li>• Trustism</li> <li>• Relationship Management</li> </ul>	<ul style="list-style-type: none"> <li>• Donorcentrism (consequentialist)</li> <li>• Rights Balancing</li> </ul>
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# Rights Balancing Fundraising Ethics

- ▶ But it is **NOT**
- ▶ A justification of ANYTHING just because it raises more money.
- ▶ It is an attempt to strike a genuine balance.

# ‘Unethical’ fundraising

- Not using money for purpose it was donated
- ‘Shock’ advertising
- Undignified portrayal of beneficiaries
- Targeting vulnerable people
- Guilt–tripping
- Aggressive/intrusive fundraising
- Too much money spent (‘wasted’) on fundraising and admin
- Senior staff salaries

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# Also 'unethical' fundraising

- ▶ Not asking for a sufficiently high gift
- ▶ Allowing donors to dictate how funds will be used (mission creep/'donor dominance')
- ▶ Pulling a fundraising campaign because of media pressure
- ▶ Not asking for gifts you could/should have asked for
- ▶ Using images less likely to raise money

# Normative ethics in fundraising

- ▶ Making donors feel 'guilty' during a solicitation
- ▶ Service of philanthropy – NO
- ▶ Trustism – NO (as a general rule)
- ▶ Donorcentrism (deontological) – NO
- ▶ Donorcentrism (consequentialist) – NO (as a general rule)
- ▶ Rights balancing – POSSIBLY

# Ethical decision making

- Josephson Institute
- Steps model
  - e.g. Corey and Callanan 1998
- Markkula Center for Applied Ethics model

# Josephson Institute

1. Stop and think
2. Clarify goals
3. Determine facts
4. Develop options
5. Consider consequences
6. Choose
7. Monitor and modify

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# Steps (Corey & Callanan)

1. Identify problem
2. Identify potential issues involved
3. Review relevant ethical guidelines
4. Know relevant laws and regulations
5. Obtain consultation
6. Consider possible and probable actions
7. List consequences of probable actions
8. Decide on what appears to be best action

# Markkula

- ▶ **Recognize an ethical issue**
- ▶ Could this decision or situation be damaging to someone or to some group? Does this decision involve a choice between a good and bad alternative, or perhaps between two "goods" or between two "bads"?
- ▶ Is this issue about more than what is legal or what is most efficient? If so, how?



# Markkula

- ▶ **Get the facts**
- ▶ What are the relevant facts of the case? What facts are not known? Can I learn more about the situation? Do I know enough to make a decision?
- ▶ What individuals and groups have an important stake in the outcome? Are some concerns more important? Why?
- ▶ What are the options for acting? Have all the relevant persons and groups been consulted? Have I identified creative options?

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# Markkula

- ▶ **Evaluate Alternative Actions**
- ▶ Evaluate the options by asking the following questions:
  - Which option will produce the most good and do the least harm? (The Utilitarian Approach)
  - Which option best respects the rights of all who have a stake? (The Rights Approach)
  - Which option treats people equally or proportionately? (The Justice Approach)
  - Which option best serves the community as a whole, not just some members? (The Common Good Approach)
  - Which option leads me to act as the sort of person I want to be? (The Virtue Approach)

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# Markkula

- ▶ **Make a Decision and Test It**
- ▶ Considering all these approaches, which option best addresses the situation?
- ▶ If I told someone I respect—or told a television audience—which option I have chosen, what would they say?

# Markkula

- ▶ **Act and Reflect on the Outcome**
- ▶ How can my decision be implemented with the greatest care and attention to the concerns of all stakeholders?
- ▶ How did my decision turn out and what have I learned from this specific situation?

# Ethical decision making

- ▶ **They have in common**
- ▶ Assessing consequences
- ▶ Evidence
- ▶ Testing

# Ethical decision making in fundraising

- ▶ **What is an ethical dilemma?**
- ▶ A choice must be made between:
  - 2 or more appropriate (right) responses
  - 2 or more inappropriate (wrong) responses
- ▶ It is not a choice between right and wrong
  - This is a moral temptation

# Ethical decision making in fundraising

- ▶ Ethical dilemmas often (but not always) occur when there is tension between:
  - What beneficiaries need fundraisers to do (ask for support to fund services) and...
  - What the public often want fundraisers to do (ask for less, at different times or in different ways, or not at all).

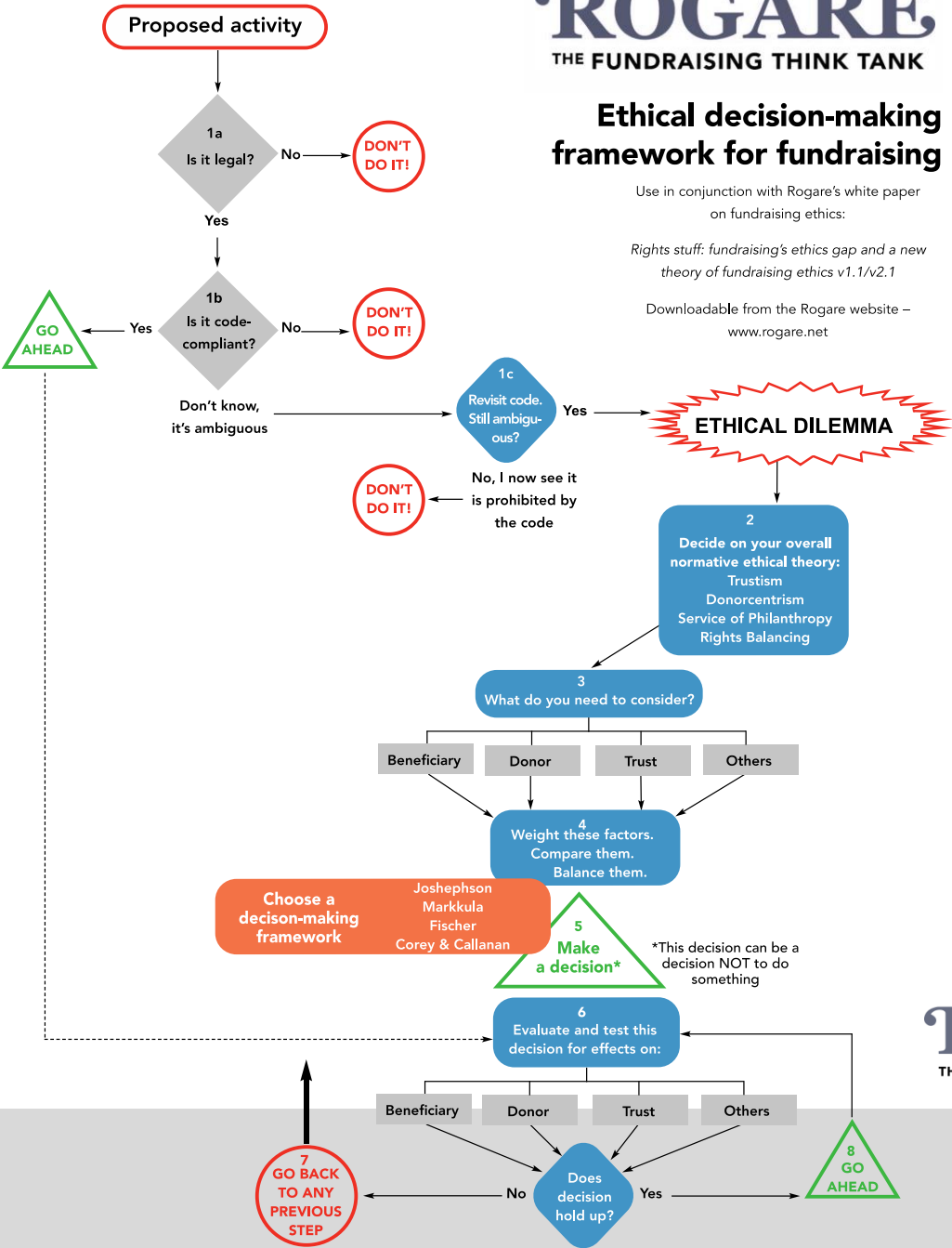
# Rogare framework

## Ethical decision-making framework for fundraising

Use in conjunction with Rogare's white paper on fundraising ethics:

*Rights stuff: fundraising's ethics gap and a new theory of fundraising ethics v1.1/v2.1*

Downloadable from the Rogare website – [www.rogare.net](http://www.rogare.net)





# Rogare framework

- ▶ **Step 1a** – Is it illegal?
- ▶ **Step 1b** – Is it compliant with the code?
- ▶ **Step 1c** – Is it ambiguous under the code?

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# Rogare framework

- ▶ **Step 2** – What is your overall ethical approach – deontology (duty– or rights–based) or a consequentialist (best outcomes)?
- ▶ **Step 3** – What are relevant considerations – this means accumulating facts and evidence (or in their absence, your most informed, best–reasoned, well–argued guess)?
  - Effect on public trust – Trustism
  - Effect on/wishes of donor – Donorcentrism
  - Effect on/needs of beneficiary – Rights balancing

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# Rogare framework

- ▶ **Step 4** – How will you weight these considerations?
- ▶ **Step 5** – Come to a decision – this can be a decision NOT to do something.

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# Rogare framework

- ▶ **Step 6** – Evaluate and test your decision.
  - Is your beneficiary helped?
  - Does it have an effect on public trust?
  - Does it infringe the rights of your donors and/or the public? If so, can you justify this infringement?
  - Ask stakeholders what they think of your decision. Ask your donors. But also ask your beneficiaries?
  - If using rights balancing ethics, does your decision represent the mutually optimal outcome for donors and beneficiaries such that neither group is significantly harmed?
  - Can you justify your decision to your stakeholders – principally your beneficiaries?

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# Rogare framework

- ▶ **Step 7** – Does your decision hold in the teeth of your evaluation and testing? If not, go back to any previous step to consider an alternative decision or move to step 8.
- ▶ **Step 8** – Enact your decision, monitor outcomes, go back to any previous step if necessary.

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# Genuine ethical dilemmas

1. A woman with a terminally ill child says she doesn't want to talk to a telephone fundraiser calling from a children's hospital. Should she be called back at a later date?
2. A tobacco company wants to embark on a major corporate partnership with a leading disability charity. Should the deal go-ahead?
3. A swingers club offers the proceeds of its next event to a local charity caring for disabled children. Should the donation be accepted?

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# Genuine ethical dilemmas

1. Which normative ethical theory do you want to adopt?
2. Which framework do you need/what to adopt?
3. What do you need to know?
4. What do you need to ask?
5. Who do you need to ask?

# Children's hospital/telephone

- ▶ The woman does not say she never wants to hear from the charity or that she wants to be removed from contact lists – only that she doesn't want to talk at this moment (which we should interpret as the duration of her child's illness). So neither illegal nor contrary to code to contact her.
- ▶ The dilemma is:
  - Would it be permissible to contact her if this intruded upon her rights even though it had beneficial consequences for the charity and its beneficiaries?



# Children's hospital/telephone

- ▶ It seems likely she has a relationship with the hospital (phone is rarely a cold recruitment tool, so she is probably already a donor).

# Children's hospital/telephone

- From a Donorcentrist & Service of Philanthropy perspective, she may welcome the opportunity to celebrate her child's life or do something in his / her memory (let's assume she already has a relationship with the hospital).
- From a Trustist perspective, what is the risk that if she were contacted and did not welcome the contact, this would result in serious negative consequences for the charity?

# Children's hospital/telephone

- ▶ From a Rights Balancing perspective, what duties do you owe this person?
  - To treat her with respect.
  - To treat her sensitively.
  - Not to make assumptions that she would NOT want to continue a fundraising relationship with the charity that cared for her child?

# Children's hospital/telephone

- ▶ **The solution:**
- ▶ It is permissible to sensitively contact this person through the most appropriate medium provided you had done a risk assessment about possible negative consequences.

# Swingers club

- ▶ **Solution:**
- ▶ Reject the donation
  - Because of potential reputational risk.
  - This is what the fundraiser faced with this choice actually did.

# Swingers club

- ▶ But what if the donation were £500,000 (instead of something probably closer to £500)?
- ▶ This does affect the decision-making processes since one of the factors used in the framework has changed. For a small charity, £500,000 could be transformative.
- ▶ **Solution:** Accept the donation after a risk assessment.

# Swingers club

- ▶ But how can something that was 'unethical' suddenly become more ethical just because more money is involved?

# Swingers club

- ▶ But how can something that was ‘unethical’ suddenly become more ethical just because more money is involved?
  - Because the size of the donation is a relevant factor in the (consequentialist) decision making process.
  - Turning down a transformative donation for the ‘wrong’ reasons could be unethical.



# Swingers club

- ▶ But how can something that was ‘unethical’ suddenly become more ethical just because more money is involved?
- ▶ If you still cling on to this way of thinking, this might be because:
  - You are in a deontological mindset.
  - You have personal ethical views about the source of this donation.

# Fundraising ethics adapted to schools' FR

1. Protection of public trust – ‘Trustism’
  - Protection of a school's reputation?
2. Servicing the donor's needs, wants and aspirations – Donorcentrism
  - What do your donors want?
3. Servicing philanthropy
  - How do you bring meaning to your donors?

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# Who are you donors?

...and what are their needs/wants?

## ▶ Alumni/ae

- How will my donation help people like me to have the education I had
- Altruistic

## ▶ Parents

- How will my donation help my child and others like them to get the best education
- Basically self-centered

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# Donor motivations

- ▶ ‘No benefit in consequence of a donation’ is at core of what we do
  - Marc Whitmore
  - <https://idpe.org.uk/uk/idpe/uploads/News/Just%20take%20the%20money%20...%20-%20Thought%20piece%20on%20ethical%20fundraising%20from%20Marc%20Whitmore.pdf>
- ▶ Why would any parent donate to their kids’ schools if they didn’t derive a benefit of some kind?
  - Also, self-interested motivations accepted in nonprofit major gift fundraising, e.g. naming rights.

# Duties to donors

- ▶ Standard duties all fundraisers owe their donor under general nonprofit codes of practice and ethics – this is a given.
- ▶ But what else?
- ▶ Breakout groups
- ▶ Think positive vs negative duties (cf children's hospital/telephone case study)

# Duties to donors

- ▶ To help parents provide the best education for their kids.
- ▶ To give parents the chance to be involved in their child's education.
- ▶ And what else?

# Ethical issues in schools' fundraising

- ▶ Corporate sponsorship of educational materials
- ▶ Influence on curriculum and educational standards
- ▶ Preferential treatment for kids in return for donations
- ▶ Influence on staff appointments
- ▶ Money laundering
- ▶ Commercial access to students, e.g. 'pouring rights'
- ▶ Reputational risks

# Schools' fundraising ethical dilemma 1

- ▶ The client engaged in intensive discussions about a large gift with a prospect when the prospect was indicted for wire fraud by the US Securities and Exchange Commission for their part in funding the sale of arms. What do we do – innocent until proven guilty, after all? Should we carry on? Should we pause? Should we withdraw?
- ▶ Via Marc Whitmore
- ▶ <https://idpe.org.uk/uk/idpe/uploads/News/Just%20take%20the%20money%20...%20-%20Thought%20piece%20on%20ethical%20fundraising%20from%20Marc%20Whitmore.pdf>



# Schools' fundraising ethical dilemma 2

- ▶ The client whose Chair of Governors was in a commercial relationship with one of their biggest prospects, whose businesses brought considerable reputational risk to a school. How do we work out what to do? How do we do so without the whole process seeming compromised?
- ▶ Via Marc Whitmore
- ▶ <https://idpe.org.uk/uk/idpe/uploads/News/Just%20take%20the%20money%20...%20-%20Thought%20piece%20on%20ethical%20fundraising%20from%20Marc%20Whitmore.pdf>

# Schools' fundraising ethical dilemma 3

- ▶ The client engaging a prospect whose money had been made during the collapse of the Soviet Union and who is regularly referenced negatively in the press for the way in which they have acquired their wealth. Does that matter? What would the reputational damage be if he wants to be acknowledged for the gift he is proposing?
- ▶ Via Marc Whitmore
- ▶ <https://idpe.org.uk/uk/idpe/uploads/News/Just%20take%20the%20money%20...%20-%20Thought%20piece%20on%20ethical%20fundraising%20from%20Marc%20Whitmore.pdf>

# Schools' fundraising ethical dilemma 4

- ▶ The client whose wealthy donor had invested in a scheme that HMRC subsequently deemed to be illegal and was publicly named when HMRC won the case. Their name is prominently displayed over a large room in a flagship building. Should we give the money back?
- ▶ Via Marc Whitmore
- ▶ <https://idpe.org.uk/uk/idpe/uploads/News/Just%20take%20the%20money%20...%20-%20Thought%20piece%20on%20ethical%20fundraising%20from%20Marc%20Whitmore.pdf>

# Schools' fundraising ethical dilemma 5

- ▶ A parent who had already paid £30,000 for new gym equipment was asked to provide the salary of a new hockey coach.
- ▶ The parent/donor identified the coach through her contacts.
- ▶ She did this because she wanted her daughter to benefit from top coaching: "It was not an altruistic gift/purely in self-interest of donor."
- ▶ Disaster. Hockey coach only interested in best players. Contract not renewed. Hole in budget. Other donors pulled out.
- ▶ Anonymous

# Ethical issues in schools' fundraising

- ▶ **In general nonprofit fundraising**
- ▶ Most ethical concerns seem to be about unethical behaviour of fundraisers towards donors.
- ▶ **In schools' fundraising**
- ▶ Most ethical concerns seem to be about unethical behaviour (reputation risk or donor dominance) of donors towards schools.

# Donor dominance

- ▶ An imbalance of power wherein the donor exhibits controlling behaviour that compromises the mission of an organisation and/or its ability to serve its beneficiaries.
- ▶ “A board member and donor had a check ready to write and he looked at me and said, ‘What will this get me with you?’”

# Rights balancing in schools' fundraising

- ▶ Fundraising is ethical when it balances the duty of fundraisers to ask parents to provide support to ensure theirs and others' children get the best education they can, with those donors' needs and wants, such that those donors do not compromise that education by exerting undue influence over how that education is provided\*.
- ▶ \*such as by influencing staff appointments or curriculum, gaining privileged access to the best teachers etc.

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# Rights balancing in schools' fundraising

- ▶ This permits benefit to the donor.
- ▶ The question then is what benefit is acceptable and now you balance the benefit the donor gets with your duties to your pupils.



# Ethics in schools' fundraising

- ▶ Consequentialist risk analysis
- ▶ Deontological values
- ▶ Is the balance right between what the donor wants and what the pupils need?
- ▶ If you tick all three, take the money.

# So...

- ▶ How much will it cost to get my kid into your school?
- ▶ Is this as unethical as it first appears?

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