Doing the right thing in fundraising
Part 1 – the theory

AFP Toronto Congress – November 2017
@RogareFTT
Facebook: Critical Fundraising Forum

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The Centre for Sustainable Philanthropy is the only academic centre focused on growing philanthropy in a sustainable way, by enhancing the quality of the experience for the donor or philanthropist.
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.
‘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.
‘Critical fundraising’

• **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 actually being made.
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
• Critique the ethical context of fundraising codes of practice
• Develop opinions and constructively contribute to the debate about which ‘normative’ theory of fundraising is most appropriate to professional practice
“We all know what’s ethical and what isn’t ethical [in fundraising]”

Lord Grade

Chair of the Fundraising Regulator (UK)
‘Unethical’ charity marketing

Breakout groups

1. What do you think is unethical in charity fundraising?

2. What do you think the general public would find unethical about charity fundraising?
‘Unethical’ charity practices

• 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.
Why do we have ethics?

- How to live a good life
- Our rights and responsibilities
- The language of right and wrong
- Moral decisions – what is good and bad

For concise introduction to ethics, see:
- [http://www.bbc.co.uk/ethics/introduction/](http://www.bbc.co.uk/ethics/introduction/)

For more detailed explanations of ideas, search on:
- [http://plato.stanford.edu](http://plato.stanford.edu)
Why do we have ethics?

- It is about doing the ‘right’ thing.
  But…
- …how do we know what the ‘right’ thing is?
- And for whom do we do the right thing?
Why do we have ethics?

- No (or at least few) right answers in ethics as to what the ‘right thing’ is (and actions based on this) and for whom you should do the right thing – only better or worse ethical justifications for those decisions and actions.
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

Meta ethics

• Deals with the nature of moral judgement. It looks at the origins and meaning of ethical principles, e.g.:
  – Divine Command Theory
  – Moral Naturalism
Levels of ethics

Normative ethics

• Concerned with the content of moral judgements and the criteria for what is right or wrong. Attempts to proved a general theory of how we ought to live.
Two normative ethical theories

Consequentialism (teleology)
• We are obligated to act in a way that produces the best consequences.
  – Utilitarianism
  – Altruism
  – Effective altruism

Deontology (duty ethics)
• We are obligated to do the ‘right’ thing, irrespective of the consequences
  – Kantian ethics
  – Social contract theory
  – Libertarianism
A third normative ethical theory

Virtue ethics

• We ought to act in a way that emphasises the virtues of our moral character.
• A right act is the action a virtuous person would do in the same circumstances.
Levels of 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.
Levels of ethics

Meta ethics — origin and meaning of ethical principles
- e.g. Divine Command Theory
- e.g. Moral Naturalism

Normative ethics — content of moral judgements/criteria for deciding right and wrong
- Virtue ethics
- Deontology (duty ethics)
  - Kantian ethics
  - Religious ethics
  - Libertarianism
  - Contract theory
  - Rights theory
- Consequentialism
  - Rule
  - Act
  - Egoism
  - Utilitarianism
  - Altruism
    - Hedonism
      - Effective altruism

Applied ethics — application of ethical theory to real world issues
- Animal rights
- Sexual ethics
- Racial equality
- Criminal justice
- Medical ethics
- Sexual equality
- Professional ethics/codes
- Politics

Sustainable Philanthropy
WITH
PLYMOUTH UNIVERSITY

Rogari
the fundraising think tank
Applied ethics in fundraising
Applied ethics in fundraising

Imagine Canada
• Standards Program

Association of Healthcare Philanthropy (Canada)
• AHP Statement of Professional Standards and Conduct

Association of Fundraising Professionals (USA)
• Code of Ethical Standards
• International Statement on Ethical Principles in Fundraising
• Donor Bill of Rights

The Fundraising Regulator (UK)
• Code of Fundraising Practice
• Fundraising Promise
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 organization’s mission and use of solicited funds
• Give donors the opportunity to remove their names from marketing lists
• Don’t accept commission-based pay
Applied ethics in fundraising

The Fundraising Regulator Code of Practice. It is unethical to (among other things):

- Take advantage of mistakes made by the donor (s1.2d)
- Exaggerate facts about beneficiaries (s1.2c)
- Try to get someone to switch a donation from another charity (s1.3.1b)
- Not act in the best interest of the charity when deciding to refuse a gift (s1.3)
- Include a gift in DM that’s aimed at generating a donation based on ‘financial guilt’ (s6.3b)
- Enter into a corporate partnership where there are conflicts of interest (s11.3b)
- Not terminate a solicitation on the street when requested to do so (s16.10p)
- Call on houses displaying a No Cold Callers sticker (s16.10s)
Imagine Canada standards. It is unethical to (among other things):

- Sell donor lists (C2)
- Fail to encourage donors to seek independent financial advice relating to planned giving (C4)
- Exploit beneficiaries (C8)
- Pay finders’ fees (C10)

AHP Standards

- These are far less prescriptive in setting out clear demarcations of right/wrong best practice and are more aspirational standards for conduct, e.g.:
  - continuing effort and energy to pursue new ideas and modifications to improve conditions for, and benefits to, donors and their institution
- Is it unethical NOT to put effort into this? Suppose no new ideas are needed?
Applied ethics in fundraising

Fundraising Promise (The Fundraising Regulator)

• We will not put undue pressure on you to make a gift and if you do not want to give or wish to cease giving, we will respect your decision.
  – Also in code of practice
Applied ethics in fundraising

Association of Fundraising Professionals – International Statement on Ethical Principles

• Fundraisers are strictly answerable to all stakeholders including donors, beneficiaries, and employers.

• Funds will be collected carefully and with respect of donor’s free choice, without the use of pressure, harassment, intimidation or coercion
Applied ethics in fundraising

Association of Fundraising Professionals – International Statement on Ethical Principles in Fundraising

• Funds will be collected carefully and with respect of donor’s free choice, without the use of PRESSURE, harassment, intimidation or coercion.

The Fundraising Regulator – Fundraising Promise

• We will not put UNDUE pressure on you to make a gift and if you do not want to give or wish to cease giving, we will respect your decision.
Applied ethics in fundraising

Problematic applied ethical questions

- What constitutes ‘pressure’ in the AFP statement? And ‘undue’ pressure in the FRSB promise?
- So some pressure is ‘due’ (permissible) – how much?
  - The British Code of Fundraising Practice (Fundraising Regulator) also forbids “unreasonable intrusion” into privacy and “unreasonably persistent” approaches – some intrusion and persistence is therefore ‘reasonable’.
Applied ethics in fundraising

Association of Fundraising Professionals – International Statement on Ethical Principles

- Fundraisers are **strictly answerable** to all stakeholders including donors, beneficiaries, and employers.

- How can you be ‘strictly’ answerable to your donors AND beneficiaries AND employers?
Applied ethics in fundraising

Fundraising Regulator Code of Practice. It is unethical to:

• 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

Unaddressed normative ethical questions

- Is it acceptable for people to feel guilty if they say no to a fundraiser?
- Is it acceptable to spend donors’ money on fundraising and if so, how much?
- What is the ‘best interest’ of the charity?
- Are donors allowed to derive benefits from their giving or should all charitable giving be purely ‘altruistic’?
- Do fundraisers have a right or a duty to approach people for a donation?
- Do the public have a right NOT to be asked for donations?
- How transparent about the costs and mechanisms of fundraising should charities be?
- Do people have a ‘duty’ to give to charity and if so, how can fundraisers help people discharge that duty?
- How should beneficiaries be portrayed in fundraising materials?
Normative ethics in fundraising

Breakout groups

• Why shouldn’t fundraisers make donors feel ‘guilty’?

• Assuming you can define pressure, why shouldn’t you exert pressure on a donor?

• Why shouldn’t you try to persuade a donor to switch their donation to your charity?
Normative ethics in fundraising

• When we come to the stage of ethical decision-making where we are using some kind of framework, that framework needs to be informed by some kind of normative theory.

• Applied ethics tells you WHAT you ought (or ought not) do.

• Normative ethics tells you WHY you ought (or ought not) do it.
Normative ethics in fundraising

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)

• Fundraising theory often tries to apply one of these two to practical dilemmas.
Why do we have ethics?

• If ethics is about doing the ‘right’ thing.
• But…
• …how do we know what the ‘right’ thing is
  – More specifically, how do we know what is the ‘right’ thing to do in fundraising?
Four possible normative theories of fundraising ethics

1. Protection of public trust – ‘Trustism’

2. Relationship management

3. Servicing the donor’s needs, wants and aspirations – Donorcentrism

4. Servicing philanthropy
Trustism

“Public trust is the most important asset of the nonprofit and philanthropic community. Donors give to and volunteers get involved with charitable organizations because they trust them to carry out their missions, to be good stewards of their resources, and to act according to the highest ethical standards.”

(Independent Sector 2002)
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

11th for nonprofits:
• Safeguarding public trust
Trustism

• Consequentialist
• Fundraising is ethical when it maintains and protects public trust.
• And unethical when it does not.
Trustism

• Trust is important from a best practice perspective since trust predicts donation levels
  – (Sargeant and Lee 2002a, 2002b, 2004)
Trustism

• Role (and failure!) of trustees and senior leaders in building trust in fundraising.
Large fundraising charities admit failure to monitor agencies

08 Sep 2015 News

Chief executives of some of the UK's largest charities told a Parliamentary inquiry this morning that they failed to properly monitor their telephone fundraising agencies and said fundraising regulation needs a statutory underpinning.


https://www.fundraisingregulator.org.uk/investigations/frsb-investigation-oxfam-listen-ltd/
Trustism

“We’ve let the general public down. Those who’ve worked in our name have acted in ways that are simply unacceptable. We do have monitoring procedures, but they weren’t adequate to the task.”

– Karen Brown, chair of Oxfam.

Trustism

• “Failure of Trustees to fulfil their responsibilities which lies behind the causes of last summer’s charity fundraising scandals.”

– Public Administration and Constitutional Affairs Select Cttee (2016)

Trustism

• “The cause of ethical failure in organisations often can be traced to their organisational culture and the failure on the part of leadership to actively promote ethical ideals and practices.”

– Brien 1998, p391
Relationship management

“Fundraising is the management of relationships between a charitable organization and its donor publics”
Kelly 1998, p8

“The purpose of fundraising is not to raise money, but to help charitable organizations manage their interdependencies with donor publics who share mutual goals and objectives.”
Kelly 1998, p9
Relationship management

Gail Perry
@GailPerrync

#Fundraising is not about money, it's about changing the world. Yes! ow.ly/v0EAy

7:15 AM - 27 Mar 2014
Relationship management

• Press agentry
• Public information
• Two-way asymmetrical
• Two-way symmetrical.

“Only the two-way symmetrical model provides a normative theory of how fundraising should be practised to be ethical and effective.”

Kelly 1998, p156
Relationship management

- Deontological
- Fundraising is ethical only when it conforms to the two-way symmetrical model of public relations – and unethical when it does not.
Relationship management

• “Those who only solicit and do not manage relationships are not fundraisers”
  – Kelly 1998, p29
Donorcentrism

• Putting the donor at the ‘heart’ of charity communications.
  – “Essentially, this is about placing the donor, or prospective supporter, at the heart of all your activities; planning and executing your fundraising according to what is most likely to strengthen your relationship with them, according to their preferences, rather than what you, the fundraiser, may simply assume will be most beneficial for your charity.”

• Donors are the most important people in the entire charity process
  – Direct Marketing Association (2016)
Donorcentrism

- Communications best practice
- A communications process
- A conception of donor choice
- An ethical theory.
Donorcentrism – best practice

• Prompt and personalised acknowledgement of a gift
• Use gift as intended
• Convey impact of gift

– Burk 2003, p10
Donorcentrism – best practice

- Use of second person pronoun
- “Does it say, over and over, in different ways: ‘With your help, we can do amazing things. And without your help, we can’t. It all depends on you.’ ‘Your staggering

– Ahern 2012
Donorcentrism – best practice

Before

Lisa Comments:
1.) Great that you personalise!
2.) Three improvements to visually encourage donor to read your letter:
   * Left-justify: keep a ‘ragged’ right margin
   * Pace your paragraphs: avoid paras over 7 lines, 3-4 lines are better. Mix short & long.
   * Avoid boldface type – it’s not visible here, but this letter had boldface phrases sprinkled throughout
3.) Open with an engaging lead. Just like a good fundraising appeal, you want to draw the donor in. A great way to do this is to avoid beginning with ‘thank you’ or ‘on behalf of’.
4.) Focus on positive. Thank you are all about helping donor feel good, so focus on positive (vs. negative words/phrases).

More comments below...

2nd March 2009

(1)Dear NAME,
(2)
(3)On behalf of XYZ Charity, thank you most sincerely for sending through AMOUNT donated on behalf of the winner of the ABC Competition. We truly appreciate your customer’s generosity and support.

For over XXX years, XYZ Charity has been Ireland’s leading independent charity advocating for the rights, well being & protection of children. Our mission is to end cruelty & injustice (4) to children in all forms – ensuring every child is given the opportunity to experience love, happiness & equal opportunity. Despite Ireland’s great progress, the moral obligation to protect fully our most vulnerable citizens remains unfulfilled.

This is the gap XYZ Charity aims to fill each & every day with the public’s generous support.

Our services to children, their families and communities include:

- ProgrammeName is Ireland’s only multi-media listening service for children, providing daily round-the-clock support. With a network of over 200 volunteers nationwide, ProgrammeName has answered over 1.3 million calls, texts and online communications over its 20 year history. Nearly 2,000 calls are received each day.
- The ProgrammeName2 programme focuses on teenagers with behavioural or mental health problems as well as those at risk of substance abuse to prevent social isolation and early school leaving.
- ProgrammeName3 is a home-based service working with vulnerable young children who are experiencing behavioural or emotional difficulties with limited support options available.
- Now in its 12th year, ProgrammeName4 is a 24-7 service focused on children, young people and parents who are being provoked or at risk of being provoked on the streets. ProgrammeName6 also provides support to children from minority ethnic backgrounds who are seeking asylum in Ireland.

(6)We rely on donations like yours to continue to expand and improve our programming.
- AMOUNT can cover the costs of one month’s one-on-one web counselling.
- AMOUNT can help us train one new volunteer who will then devote 100 hours or more of service to our programmes, making an immeasurable difference to the lives of so many children.

(7)We would welcome the chance to explain our work further or answer any questions you might have. Please do not hesitate to contact us anytime on (XX) XXX XXX or visit www.xyzcharity.org.

Again, we really appreciate your support and we hope that you can continue to support us in whatever way you can in the future.

Yours sincerely,

[INSERT SIGNATURE]

Fundraising Campaign Administrator

After

[XYZCharity Letterhead]

Lisa Comments:
1.) For inspiration, look to your website. This charity has a brilliant online video that inspired my lead sentence.
2.) In these paragraphs, I worked to do two things: clearly show donor how much her gift means to children and their families: using you-focused, benefit-rich language and shortening this section of the original letter.
3.) I added an “updates” sentence letting donor know when she’ll next hear about all the good her gift is accomplishing.
4.) And changed the signer to the CEO.

2nd March 2009

Dear NAME,

(1) Somewhere in Ireland, a child is calling for help. And because of you, a caring voice answers.

Thank you so much for donating AMOUNT through the ABC Competition to XYZ Charity. Your generosity – and your customer’s support – are truly at the heart of all we do.

Nearly 2,000 times, each and every day, you make all the difference in the world for troubled children. Your kind contribution means that XYZ Charity can keep skilled volunteers standing ready to answer calls... offer counseling services that keep teenagers in school and away from drugs... and mentor young children (and their parents) to hang on to hope even in tough times.

(2) Your support even extends to Ireland’s “invisible” — those who beg or are at risk of begging — as through XYZ Charity’s round-the-clock outreach services, young lives are forever changed.

It’s all thanks to you.

And we welcome the chance to answer any questions you might have. Please contact us anytime on (XX) XXX XXX XXX or visit www.xyzcharity.org. I’ll also updates you on all the good your gift is doing in XYZ Charity’s [annual letter? quarterly newsletter?], which you’ll receive [when]. (3)

All of us here at XYZ Charity really appreciate your support. Thank you again for giving vulnerable young children a place to turn for help... and a reason to hope.

Yours sincerely,

[INSERT SIGNATURE]

Chief Executive, XYZ Charity
Donorcentrism – best practice
Donorcentrism – best practice

How great the ORGANISATION is = $4,470 in gifts

How great the DONOR is = $49,600 in gifts
Donorcentrism – comms process

• Fundraisers need to understand donors…
• …so they can connect them to a cause…
• …by focusing on the cause not the organisation…
• …and build deeper relationships with them…
• …by using two-way communications.

• MacQuilllin 2016, pp15-22
Donorcentrism – comms process

• “An approach to fundraising whereby voluntary organisations genuinely strive to understand their donors and meet their needs – usually, but not exclusively, through relational marketing approaches and the use of two-way communications – in order to maximise sustainable voluntary income.”

• Ian MacQuillin
Donorcentrism – donor choice

• Providing donors with choice options in the comms they wish to receive and how they wish to be marketed to and honouring those choices.
Donorcentrism – donor choice

• “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
Donorcentrism – donor choice

• Risk – “donor dominance”
  – Clohesy 2003

• The donor is ‘king’ – donor sovereignty
Donorcentrism – ethical theory

“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 maximizing funds per donor in the long term.”

– Burnett 2002, p38
Donorcentrism – ethical theory

• “An ethical belief in the importance of the donor” that “recognises [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
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.
Donorcentrism

• Discussion

• Are you a consequentialist or deontological donorcentrist fundraiser?
Donorcentrism

• A consequentialist donorcentrist fundraiser views the quality of the donor relationship as a means to generating income.

• A deontological donorcentrist fundraiser cares about the quality of the relationship as an end in itself.
Donorcentrism/Trustism

- Codes of practice appear to be built around Donorcentrist and Trustist ethics
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
– (Tempel 2003, p4)
Service of philanthropy

• Consequentialist
• Fundraising is ethical when it delivers meaning to a donor’s philanthropy – and unethical when it does not.
Service of philanthropy

• Should a fundraiser direct a donor to give to a different charity if doing so would be more meaningful for the donor?
Service of philanthropy

• Fundraisers are strictly answerable to all stakeholders including donors, beneficiaries, and employers
  – *AFP International Statement on ethical principles in fundraising.*

• Fundraisers MUST not try to get someone to switch a donation from another charity
  – *F-Reg Code of Fundraising Practice (s1.3.1b)*
Service of philanthropy

• This leads to the apparent paradoxical situation where it is ethical to turn down a donation in a way that would not be permitted under the guidelines on refusal of donations, but unethical to ask for the same gift.

• It also raises the question about how a fundraiser can conform to the AFP’s International Statement on Ethical Principles in Fundraising and be strictly answerable to her donors, her beneficiaries and her organisation.
Service of philanthropy

- Fundraisers are “double agents” impartially representing interests of both organisation and donor
  – Ken Burnett 2002, p23

- Fundraisers are “agents of philanthropy”, who are “responsible to the donor to represent his or her best interests in the exchange of private funds for the organization’s values”.
  – Anderson 1996, p2
Service of philanthropy

- Fundraisers have a “special duty” to advocate for and protect the interests of donors, who are “innocents” in this exchange.
  
  – Marion 1994, p55
Service of philanthropy

- Is it really an ‘exchange’?
  - *Subject for a different conversation*
- Are donors really ‘innocents’?
Service of philanthropy

FIGURE 37: HIGH NET WORTH DONORS REPORTING LEVELS OF CHARITABLE GIVING KNOWLEDGE IN 2011 AND 2013 (%)

“Generally speaking, how would you rate your level of knowledge about charitable giving and philanthropy?”

- Bank of America 2014, p55
Service of philanthropy

• Fundraisers are moral trainers to philanthropists
  – providing them with opportunities and incentives to practice generous acts and therefore become generous
  – helping people make good decisions about giving…to the right persons in the right amounts at the right time
    • (O’Neil 1994)

• Virtue ethics?
Service of philanthropy

- Charitable intent
  - Motive behind a gift and giving for the ‘right reasons’
  - A gift made without charitable intent has “no ethical merit”
  - Fundraising that encourages (e.g. donor recognition) this “demeans the spirit of giving”

- Anderson 1996, pp9-13
Service of philanthropy

• Primary purpose of fundraising is to promote the public practice of philanthropy
  – *(Pribbenow 1994, p33)*
• ‘Moral trainers’ (O’Neil)
• Virtue ethics?
Service of philanthropy

• Deontological

• Fundraising is ethical when it promotes, supports and encourages the practice of philanthropy and thus encourages charitable intent.

• Fundraising is unethical when it diminishes charitable intent.
## Ethical theories compared

<table>
<thead>
<tr>
<th>Ethical theory</th>
<th>Type</th>
<th>Primary duty</th>
<th>Other duties</th>
<th>Compatible with</th>
<th>Not compatible with</th>
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<tr>
<td>Donorcentrism</td>
<td>Consequentialist</td>
<td>Donor</td>
<td>• Organisation • Public trust •</td>
<td>• Relationship management • Rights balancing • Trustism</td>
<td>• Donorcentrism (D) • Service of philanthropy (C)</td>
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<td>Deontological</td>
<td>Donor</td>
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</table>
• Donors are the most important people in the entire charity process
  – Direct Marketing Association
• press release (to accompany their 2016 report)
Rights balancing fundraising ethics

• Putting beneficiaries into ethical decision making in fundraising
Rights balancing fundraising ethics

- Fundraisers have a ‘duty’ to ask
Rights balancing fundraising ethics

- Doctrine of the logical correlativity of rights and duties
  i. All duties entail other people’s rights
  ii. All rights entail other people’s duties
- Feinberg and Narverson (1970)

- “Rights cannot be maintained without a network of duties attached to them.”
- Freeden (1991)
Rights balancing fundraising ethics

• Beneficiary rights – UN Universal Declaration of Human Rights
  • Life, liberty, security (article 3)
  • Health (article 25)
  • Education (article 26)
  • Etc

“The community may itself act as intermediary between individual rights and duties. If welfare-rights may be held against a community or its agents, the duty to uphold them is communal.”

Michael Freeden (1991)
Emeritus Professor of Politics
Mansfield College, Oxford
Rights balancing fundraising ethics

• Fundraisers are (one type of the) agents of beneficiaries (rights-bearers), representing their claims to the communities responsible for upholding those rights.

• This provides the ethical basis for the duty of fundraisers to solicit the donations that will enable voluntary organisations to better the conditions of their beneficiary groups.
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 right(s) of donors.
- 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

- Aims for the mutually optimal outcome for donors and beneficiaries such that neither group is significantly harmed.
Rights balancing fundraising ethics

Ethical dilemmas often 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)
## Rights balancing fundraising ethics

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<thead>
<tr>
<th>Ethical theory</th>
<th>Type</th>
<th>Primary duty</th>
<th>Other duties</th>
<th>Compatible with</th>
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Normative ethics in fundraising

Choose a normative theory and apply it to these dilemmas

• Why shouldn’t fundraisers make donors feel ‘guilty’?

• Assuming you can define pressure, why shouldn't you exert pressure on a donor?

• Why shouldn’t you try to persuade a donor to switch their donation to your charity?
Normative ethics in fundraising

Making donors feel ‘guilty’ during a solicitation

• Service of philanthropy (consequentialist) – NO
• Service of philanthropy (deontological) – NO
• Relationship management – NO
• Trustism – NO (as a general rule)
• Donorcentrism (deontological) – NO
• Donorcentrism (consequentialist) – NO (as a general rule)
• Rights balancing – POSSIBLY
Rights balancing fundraising ethics

- Any right (such that it exists) not to be approached by fundraisers, may be outweighed by the fundraisers’ duty to ask for support on behalf of their beneficiaries.
‘Unethical’ charity practices

• 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.
Also ‘unethical’ FR practices

- 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
  - Consider C8 about ‘exploiting’ beneficiaries
Rights balance 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.
Income maximization

• Consequentialist (pseudo-theory)
• Fundraising is ethical when it maximizes income for the cause – and unethical when it does not.
A fundraising shibboleth

- What’s right for the donor is right for the beneficiary.
A fundraising shibboleth

- What’s right for the donor is right for the beneficiary.

RNLI expects to lose millions after introducing communications opt-in policy
20 October 2015 by Susannah Birkwood, 4 comments

Forgoing its traditional fundraising tactics, the lifeboats charity will contact individuals only if they have expressly given their consent for the charity to do so.

The RNLI is introducing an opt-in-only policy for its communications, which it predicts will lose the charity £36m in income over the next five years.

From 1 January 2017, the lifeboats charity will not contact individuals by phone, email or post unless they have actively given their consent for the charity to do so, a move which the RNLI says will cost it £35.6m between now and 2020 – equivalent to 19 per cent of the charity’s £190m income in 2014.
Rights balancing fundraising ethics

• Fundraising is ethical when it balances the duty of fundraisers to ask for support (on behalf of their beneficiaries) with their duties to other stakeholders…

• …and unethical when it does not.
Rights balancing fundraising ethics

- Regulation
- Beneficiary framing
  - *Yesterday’s session with Derek Humphries*
Rights balancing fundraising ethics

Criticisms

- Fundraisers do not have a duty to ask for support – this would be a deal breaker!
- Fundraisers have no direct duty to their beneficiaries, only to donors and organisation
Genuine ethical cases

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?
Fundraising ethics

“We must scrutinize our beliefs, our choices, and our actions to ensure that we a) are sufficiently informed, b) are not unduly swayed by personal interest and c) are not governed by the views of others. Otherwise we may perpetrate evils we could avoid, evils for which future generations will rightly condemn us.”

Hugh La Follette (1997)
Cole Chair in Ethics
South Florida University
Fundraising ethics

Otherwise we may not ask for donations we should have solicited, actions for which our beneficiaries will rightly condemn us.
References

References

References

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