Doing the right thing in fundraising
Part 2 – the practice

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

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Centre for Sustainable Philanthropy

- 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.
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

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

- 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.
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

<table>
<thead>
<tr>
<th>Ethical theory</th>
<th>Type</th>
<th>Primary duty</th>
<th>Other duties</th>
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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.
Rights balancing fundraising ethics

• Fundraisers have a ‘duty’ to ask
Normative ethics in fundraising

Choose a normative theory and apply it to these dilemmas

• 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 ethics in fundraising

Making donors feel ‘guilty’ during a solicitation

- Service of philanthropy – **NO**
- Relationship management – **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
  - Corey and Callanan 1998
- Markkula Center for Applied Ethics model
Josephson Institute

- Stop and think
- Clarify goals
- Determine facts
- Develop options
- Consider consequences
- Choose
- Monitor and modify
Steps (one of many such models)

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?*
• 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?
• 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)
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?*
• 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 FR

• 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 FR

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)
Ethical decision making in FR

- Rogare framework
- Fischer’s framework
  – *Fischer 2000*
Fischer’s framework

Read account of this framework in MacQuillin 2017b – on Moodle
Fischer’s framework

• A college fundraiser has been working with an alumna, a famous wildlife painter. She agrees to do an oil painting of a nostalgic campus scene. Alumni who donate at least $100 will receive reprints of the painting. After a highly successful fundraising program, the artist presents the fundraiser with one of her original oil paintings, valued at more than $2,500. Is it ethical to accept this as a personal gift?

Read account of this framework in MacQuillin 2017b – on Moodle
Fischer’s framework

- Accept the painting
- Reject the painting
- Ask the artist to donate the painting to the college

Read account of this framework in MacQuillin 2017b – on Moodle
### Fischer's framework

<table>
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<tr>
<th>Alternatives</th>
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<th>2</th>
<th>3</th>
<th>4</th>
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#### Organizational Mission
- Mission of education, research, service. No effects unless artist feels you owe her favors that are detrimental to the college.
- Little immediate effect; you avoid being compromised in ways that might hinder the college’s organizational mission.
- Contributions to aesthetic education; may encourage other artists to support the college.

#### Relationships
- You may have compromised your relationship with the artist. Relations with colleagues may become strained.
- Strengthens relations with colleagues if they see you refuse a personal favor. Artist may be offended at your refusal, but keeps open the possibility of a good future relationship with the artist.
- Rewards all colleagues who worked on this project. Maintains a positive and proper professional relationship with the artist.

#### Personal Integrity
- It may be difficult to exercise independent judgment in the future.
- You maintain independent judgment and exercise courage.
- Increases your effectiveness as a fundraiser while maintaining your integrity.

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**Read account of this framework in MacQuillin 2017b – on Moodle**
Fischer’s framework

- Is this a satisfactory framework for making ethical decisions in fundraising?
- If so, why?
- If not, why not?
  - *What other considerations might be relevant?*

Read account of this framework in MacQuillin 2017b – on Moodle
Fischer’s framework

- Fundraisers should be permitted to accept performance-based compensation, such as bonuses, only if they are in accord with the organization’s practice
  - *AFP Code of Ethical Standards*
- Fundraisers will not accept any gratuity when making decisions on behalf of the organisation
  - *International Statement on Ethical Principles in Fundraising*

Read account of this framework in MacQuillen 2017b – on Moodle
Fischer’s framework

- Codes already prohibit:
  - Accepting gifts in the course of decision making
  - Performance related compensation if it isn’t practised at your organisation
  - Commission-based payments.

- Fischer’s framework is not required to reject the gift.
- But would be helpful in justifying a decision to accept it.

Read account of this framework in MacQuillen 2017b – on Moodle
Rogare framework

1a Is it legal? 
- Yes: DON'T DO IT
- No: Go ahead

1b Is it code-compliant? 
- Yes: DON'T DO IT
- No: Revisit code. Still ambiguous?
  - Yes: ETHICAL DILEMMA
  - No: I now see it is prohibited by the code: DON'T DO IT

2 Decide on your overall normative ethical theory:
- Trustism
- Donorcentrism
- Service of Philanthropy
- Rights Balancing

3 What do you need to consider?
- Beneficiary
- Donor
- Trust
- Others

4 Weight these factors. Compare them. Balance them.

5 Make a decision:
- Joshephson
- Markkula
- Fischer
- Corey & Callanan

*This decision can be a decision NOT to do something

6 Evaluate and test this decision for effects on:
- Beneficiary
- Donor
- Trust
- Others

7 Go back to any previous step

8 Does decision hold up?
- No: Go ahead
- Yes: DON'T DO IT

SUSTAINABLE PHILANTHROPY WITH PLYMOUTH UNIVERSITY

ROGARE the fundraising think tank
Rogare framework

Step 1a – Is it illegal?
Step 1b – Is it compliant with the code?
Step 1c – Is it ambiguous under the code?
Rogare framework

1a. Is it legal?
   - Yes: DON'T DO IT
   - No: Go ahead

1b. Is it code-compliant?
   - Yes: DON'T DO IT
   - No: Go ahead

1c. Revisit code. Still ambiguous?
   - Yes: ETHICAL DILEMMA
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5. Make a decision:
   - Josephson
   - Markska
   - Fischer
   - Corey & Callanan

   *This decision can be a decision NOT to do something

6. Evaluate and test this decision for effects on:
   - Beneficiary
   - Donor
   - Trust
   - Others

7. Go back to any previous step

8. Does decision hold up?
   - No: Go back to any previous step
   - Yes: Go ahead
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.
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
Proposed activity

1a
Is it legal?
No → DON'T DO IT
Yes

1b
Is it code-compliant?
No → DON'T DO IT
Yes

1c
Revisit code. Still ambiguous?

Don't know, it's ambiguous

No, I now see it is prohibited by the code

DON'T DO IT

ETHICAL DILEMMA

2
Decide on your overall normative ethical theory:
Trustism
Donorcentrism
Service of Philanthropy
Rights Balancing

3
What do you need to consider?

Beneficiary
Donor
Trust
Others

4
Weight these factors. Compare them. Balance them.

Joséphson
Markkula
Fischer
Corey & Callanan

5
Make a decision*

*This decision can be a decision NOT to do something

6
Evaluate and test this decision for effects on:

Beneficiary
Donor
Trust
Others

7
GO BACK TO ANY PREVIOUS STEP

8
Does decision hold up?
No → GO AHEAD
Yes
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.*
Rogare framework

**Proposed activity**

1a. Is it legal?
   - No: **DON'T DO IT**
   - Yes:
     - Is it code-compliant?
       - No: **DON'T DO IT**
       - Yes:
         - Revisit code. Still ambiguous?
           - Yes: **ETHICAL DILEMMA**
           - No, I now see it is prohibited by the code:

**ETHICAL DILEMMA**

2. Decide on your overall normative ethical theory:
   - Trustism
   - Donorcentrism
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3. What do you need to consider?
   - Beneficiary
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   - Others

4. Weight these factors. Compare them. Balance them.

5. Make a decision*

6. Evaluate and test this decision for effects on:
   - Beneficiary
   - Donor
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   - Others

7. **GO BACK TO ANY PREVIOUS STEP**

8. Does decision hold up?
   - Yes: **GO AHEAD**
   - No: **DON'T DO IT**
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.
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?
Genuine ethical cases

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?
Genuine ethical cases

• A rescue charity is considering a corporate partnership with CAE.
• Should staff get a vote in this decision?

• Suppose the director of external affairs has a vocal political stance against ‘war mongering bastards’. Is this relevant

• What if the charity were VETS Canada (or similar)? Would this make a difference.
Genuine ethical cases

• Would you use this image?
Genuine ethical cases

• A mental health charity has a tube advert that urges people to text to receive advice if they or anyone they know are affected by mental health issues. The fifth weekly text says acting pro-socially has beneficial effects on mental health. The sixth text asks for a regular donation.

• What, if any, are the ethical issues at play?
Genuine ethical cases

“I WISH I HAD BREAST CANCER”

Kerry, 24  #Kerry’swish

Today 23 people will be told they have Pancreatic Cancer. Like Kerry, this is what they face:
- Only 3% will survive because of late diagnosis
- Most will die within 4 to 6 months
- It’s the UK’s 5th biggest cancer killer

Pancreatic cancer has the lowest survival rate of all 22 common cancers. Early diagnosis saves lives.
www.PancreaticCancerAction.org

Pancreatic Cancer Action is a registered charity in England and Wales No 1137689
Genuine ethical cases

Health trust turns down ‘demeaning’ fancy dress nurses’ donation

Shropshire community health NHS trust declines money raised by male fundraisers dressed as female nurses

A health trust has turned down money for heart testing equipment because the cash was raised by male fundraisers dressed up as female nurses.

The chief executive of the trust in Shropshire said the bed push event, which has taken place in the market town of Ludlow for three decades, was insulting and demeaning.

Over the years the bed push has raised tens of thousands of pounds, and funds raised this summer were earmarked to provide ECG equipment at Ludlow hospital.

But bosses at the Shropshire community health NHS trust have written to the Ludlow Hospital League of Friends declining the money.

The chief executive of the trust, Jan Ditheridge, and its chair, Mike Ridley, explained: “The presentation of men dressed as female nurses in a highly sexualised and demeaning way is wrong, very outdated and insulting to the profession.”

In a statement, Ditheridge added: “Many people kindly and selflessly raise money for our organisation, and especially for our hospitals. We are eternally grateful for their support and generosity. However, this is not an event to which we can give our support.”
References

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