

RAISE THE WORK



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Fundraising Ethics - Doing the Right Thing...

...but what is the Right Thing,
and for Whom Should You Do It?

- **Ian MacQuillin**
- Director, Rogare – The Fundraising Think Tank
 - ianmacquillin@rogare.net
 - www.rogare.net
 - @RogareFTT
- Facebook: Critical Fundraising Forum



Stephen Thomas

ethical



ROGARE
THE FUNDRAISING THINK TANK

Ethics eh, who needs it?

- *“Whatever happened to just plain ol’ knowing ‘right’ from ‘wrong’. Have we grown so Trumpified that we can no longer tell the difference? Either it’s the truth or it’s a lie. It happened or it didn’t. Gray areas will only get one in trouble. It’s like quicksand: once you’re in it, it can be pretty hard to dig yourself out.”*
 - *Unnamed US fundraiser*

Part 1 – theory

Learning outcomes (theory)

- 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.

Fundraising ethics

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



Breakout groups

- What do you think is unethical practice in fundraising?
- What do you think the public might consider to be unethical practice in fundraising?

‘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.

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/>
-
- For more detailed explanations of ideas, search on:
 - <http://plato.stanford.edu>

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?

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

- **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 (teleology)**
- 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)

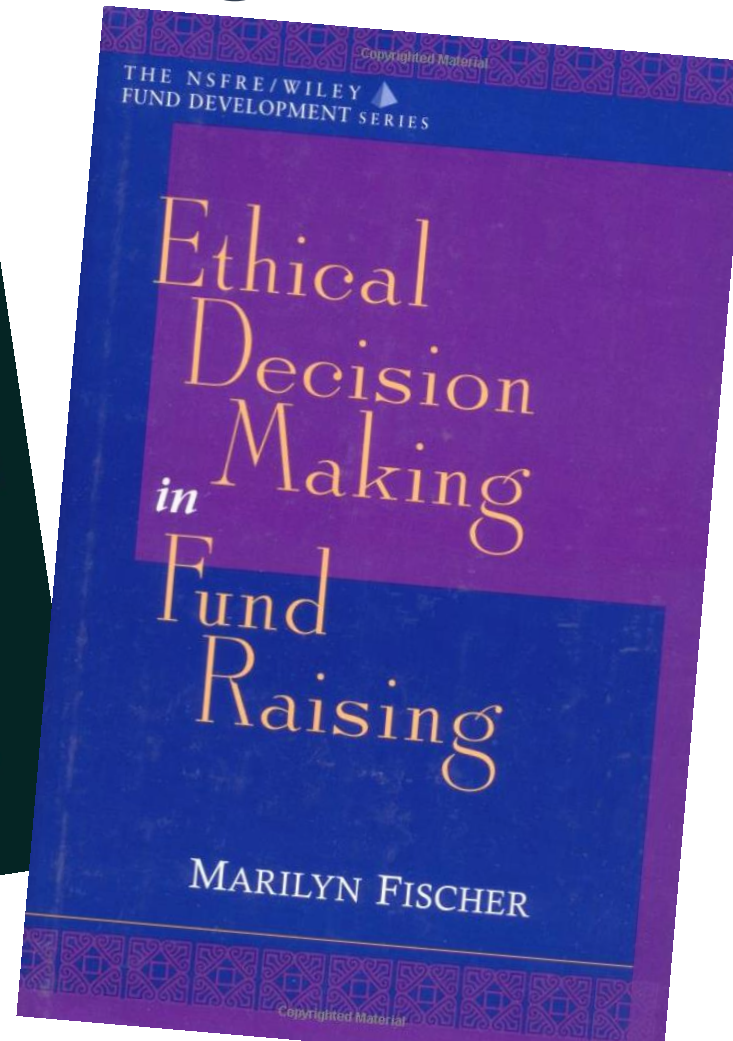
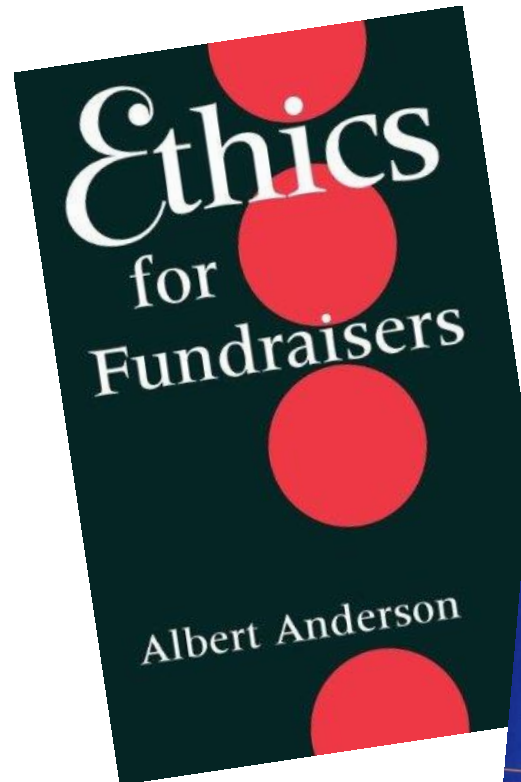
Levels of ethics

- **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.

Applied vs normative ethics

- Applied ethics tells you WHAT you ought (or ought not) do.
- Normative ethics helps you understand WHY you ought (or ought not) do it.

Applied ethics in fundraising



Applied ethics in fundraising

- **Imagine Canada**
 - Standards Program
- **Association of Healthcare Philanthropy (Canada)**
 - AHP Statement of Professional Standards and Conduct

Applied ethics in fundraising

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

- **Association of Fundraising Professionals – International Statement on Ethical Principles (2017 versions)**
- Funds will be disbursed in accordance with the donor's wishes, if expressed.
- Fundraisers will provide truthful information about use of funds, without exaggeration or underestimation.
- Fundraisers should not accept commissions or compensation based upon a percentage of the funds raised.
- Fundraisers are strictly answerable to all stakeholders including donors, beneficiaries, and employers.
- Fundraisers will object if the organisation they work for does not comply with applicable local, state, provincial and national or international civil and criminal laws.
- 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

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)

Applied ethics in fundraising

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)

Applied ethics in fundraising

Association of Healthcare Philanthropy Standards (Canada)

- 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

Association of Fundraising Professionals – International Statement on Ethical Principles (2017 version)

- 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 (2017 version)

- 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:

- 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

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 helps you understand 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?
- 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. Servicing the donor’s needs, wants and aspirations – Donorcentrism
3. 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.

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

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 maximizing funds per donor in the long term.”

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

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

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 (in 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 (2017 version).
- 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

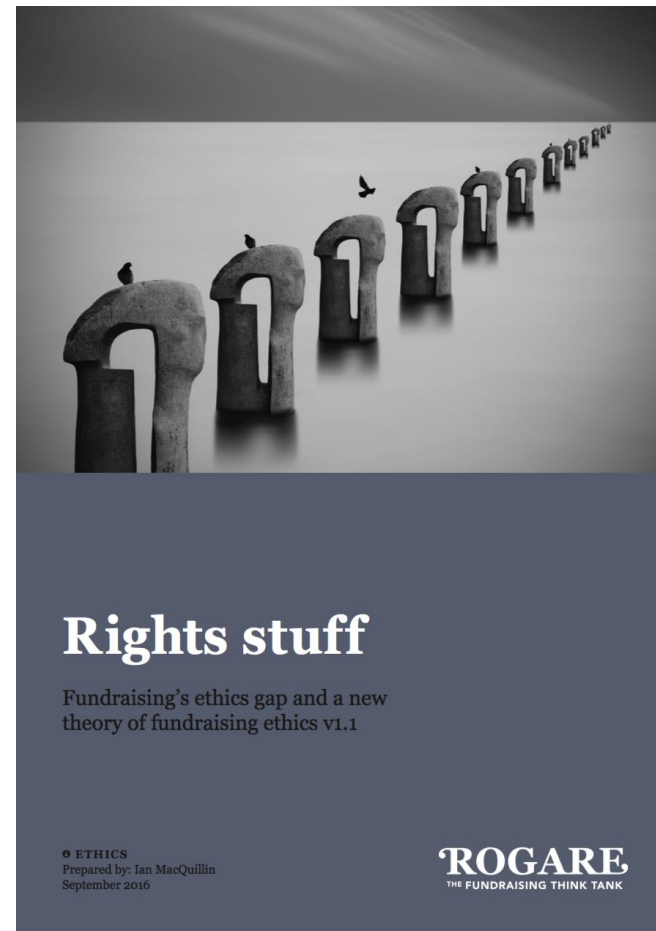
- This leads to the apparent paradoxical situation where it is ethical to turn down a donation in a way that would not be permitted under the guidelines on refusal of donations, but unethical to ask for the same gift.
- It also raises the question about how a fundraiser can conform to the AFP's International Statement on Ethical Principles in Fundraising (2017 version) and be strictly answerable to her donors, her beneficiaries and her organisation.

Normative fundraising ethics

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

Rights Balancing Fundraising Ethics

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



Rights Balancing Fundraising Ethics

- Fundraisers have a 'duty' to ask
- Not going into how we derive this duty here so I would ask you to bit the bullet and accept that fundraisers do have such a duty)

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

- 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)

Ethical dilemmas

- **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

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"> • Public trust • Organisation 	<ul style="list-style-type: none"> • Rights Balancing • Trustism • Relationship Management 	<ul style="list-style-type: none"> • Service of Philanthropy • Donorcentrism (deontological)
Donorcentrism	Deontological	Donor	<ul style="list-style-type: none"> • Public trust • Organisation 	<ul style="list-style-type: none"> • Relationship Management • Service of Philanthropy 	<ul style="list-style-type: none"> • Rights Balancing • Donorcentrism (consequentialist)
Relationship Management	Deontological	Relationship type	<ul style="list-style-type: none"> • Donor 	<ul style="list-style-type: none"> • Donorcentrism • Trustism • Service of Philanthropy 	<ul style="list-style-type: none"> • Rights Balancing
Rights Balancing	Consequentialist	Beneficiary	<ul style="list-style-type: none"> • Donor • Public trust • Organisation 	<ul style="list-style-type: none"> • Trustism • Donorcentrism (consequentialist) 	<ul style="list-style-type: none"> • Service of Philanthropy • Relationship Management • Donorcentrism (deontological)
Service of Philanthropy	Consequentialist	Donor	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • Rights Balancing • Donorcentrism (deontological) • Trustism • Relationship Management 	<ul style="list-style-type: none"> • Donorcentrism (consequentialist) • Rights Balancing
Trustism	Consequentialist	Public trust	<ul style="list-style-type: none"> • Donor • Organisation 	<ul style="list-style-type: none"> • Rights Balancing • Donorcentrism • Relationship Management • Service of Philanthropy 	<ul style="list-style-type: none"> • None

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 – **NO**
- Trustism – **NO** (as a general rule)
- Donorcentrism (deontological) – **NO**
- Donorcentrism (consequentialist) – **NO** (as a general rule)
- Rights balancing – **POSSIBLY**

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)

‘Unethical’ fundraising

From donors’ perspective

- 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 fundraising

From beneficiaries' perspective

- 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

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.

Rights balancing fundraising ethics

Donorcentric Rule of Thumb

- In any day-to-day ethical dilemma, the right thing to do will probably be the thing that is in the best interest of the donor.

Rights balancing fundraising ethics

Donorcentric Rule of Thumb

- At the policy level, we can just aggregate all the Donorcentric Rules of Thumb to get the ethical policy.
- This is where we need to balance donor and beneficiary interests.

Rights Balancing Fundraising Ethics

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

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.

Part 2 – practice

Learning outcomes (practice)

- Understand how decision making frameworks work
- Analyse ethical dilemmas in fundraising to identify which frameworks and which normative theories are applicable
- Apply frameworks to particular fundraising ethical dilemmas

Ethical decision making

- 12 questions model
 - Nash (1981) – developed in business ethics context
- Josephson Institute
- Steps model
 - Corey and Callanan (1998)
- Markkula Center for Applied Ethics model

12 questions model

1. Have you defined the problem accurately?
2. How would you define the problem if you stood on the other side of the fence?
3. How did this situation occur in the first place?
4. To whom and what do you give your loyalties as a person and as a member of the company?
5. What is your intention in making this decision?
6. How does this intention compare with the likely results?

12 questions model

7. Whom could your decision or action injure?
8. Can you engage the affected parties in a discussion of the problem before you make your decision?
9. Are you confident that your position will be as valid over a long period of time as it seems now?
10. Could you disclose without qualms your decision or action to your boss, your family, or society as a whole?
11. What is the symbolic potential of your action if understood? If misunderstood?
12. Under what conditions would you allow exceptions to your stand?

Josephson

1. Stop and think
2. Clarify goals
3. Determine facts
4. Develop options
5. Consider consequences
6. Choose
7. Monitor and modify
 - <http://josephsoninstitute.org/med-4sevensteppath/>

Steps (one of many)

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

- Corey and Callanan 1998

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?

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)

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 FR

- Fischer's framework
 - Fischer (2000)
- Rogare framework

Fischer's framework

THE WILDLIFE PAINTING CASE				
Alternatives	1	2	3	4
	<i>Accept the painting.</i>	<i>Reject the painting.</i>	<i>Ask the artist to donate the painting to the College.</i>	
Organizational Mission				
How does this alternative promote or detract from the organization's mission?	<i>Mission of education, research, service. No effects unless artist feels you owe her favors that are detrimental to the college.</i>	<i>Little immediate effect; you avoid being compromised in ways that might hinder the college's organizational mission.</i>	<i>Contributes to aesthetic education; may encourage other artists to support the college.</i>	
basic philanthropic values?	<i>Acknowledges artist's gratitude, but removes painting from gift circulation.</i>	<i>Keeps the college's mission consistent with philanthropic values.</i>	<i>Acknowledges artist's gratitude and keeps the painting within the gift economy.</i>	
Relationships				
How does this alternative affect long-term relationships with colleagues, donors, volunteers, and community members?	<i>You may have compromised your relationship with the artist. Relations with colleagues may become strained.</i>	<i>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 good future relationship with the artist.</i>	<i>Rewards all colleagues who worked on this project. Maintains a positive and proper professional relationship with the artist.</i>	
Personal Integrity				
In what ways does this alternative help or not help you develop into the person you want to become? How does it strengthen or weaken your own integrity?	<i>It may be difficult to exercise independent judgment in the future.</i>	<i>You maintain independent judgment and exercise courage.</i>	<i>Increases your effectiveness as a fund raiser while maintaining your integrity.</i>	

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?

Fischer's framework

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

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?

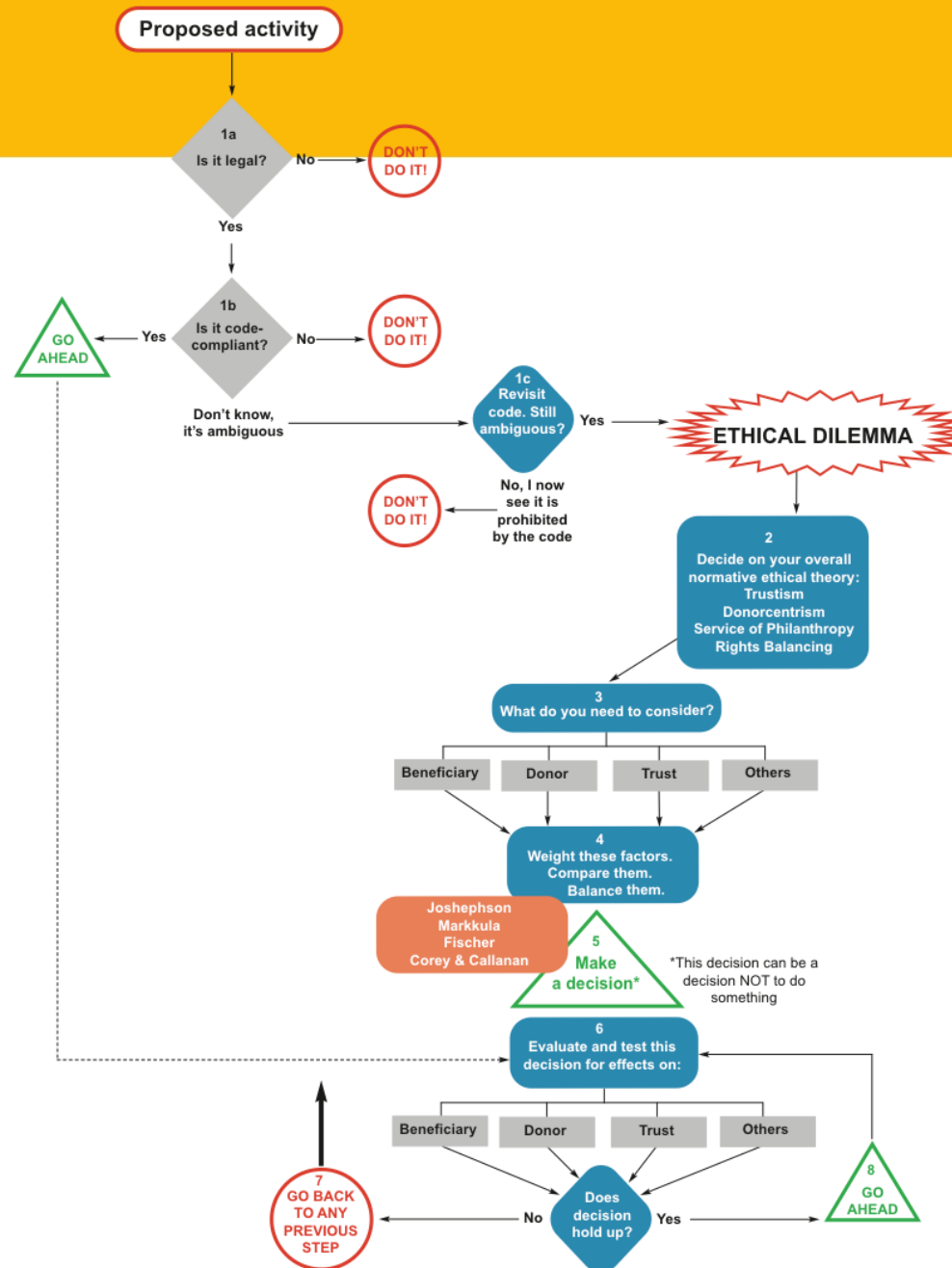
Fischer's framework

- 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 (2017 version)

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.

Rogare

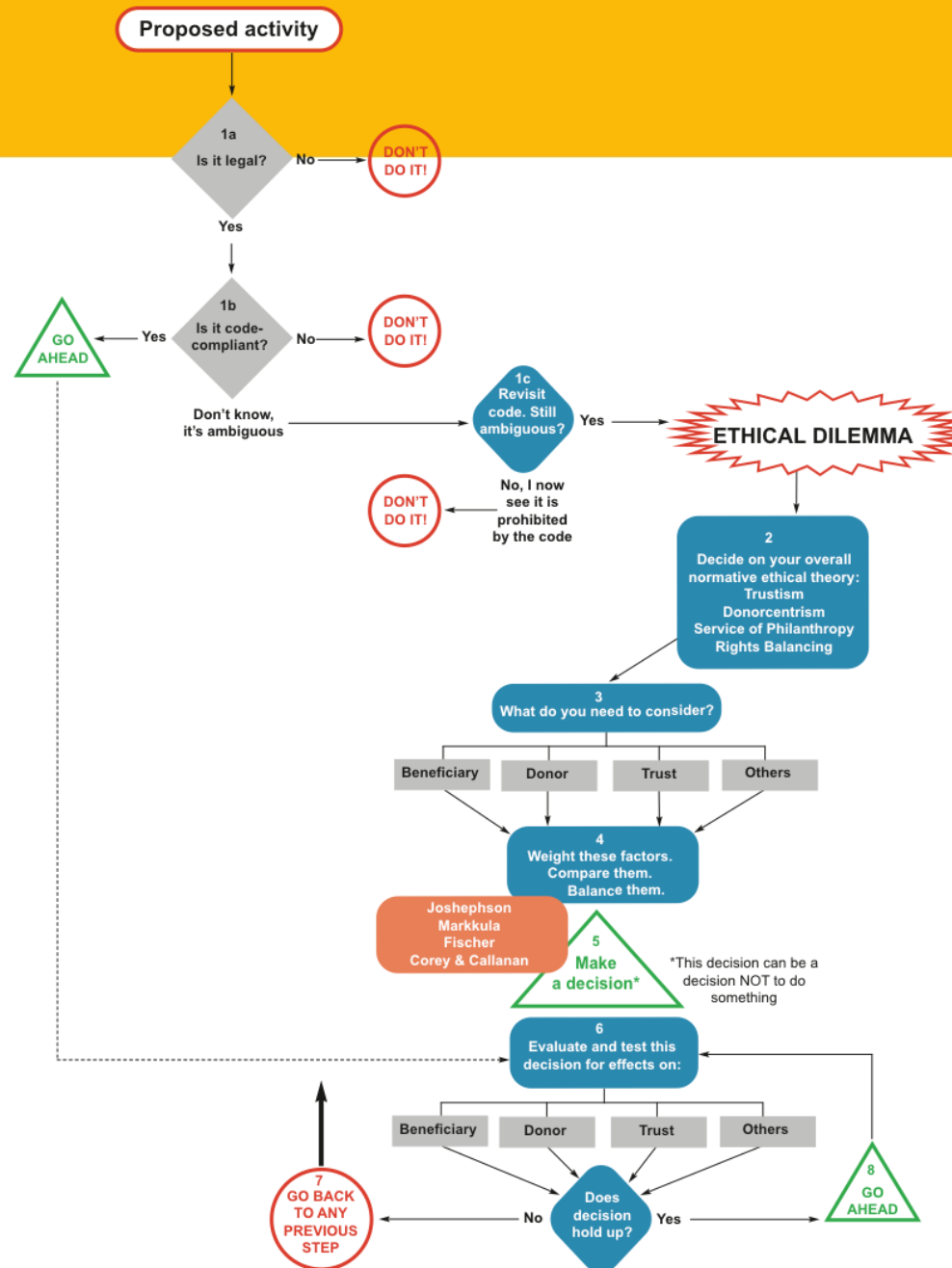


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Rogare

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

Rogare



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Rogare

- **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

Rights Balancing Fundraising Ethics

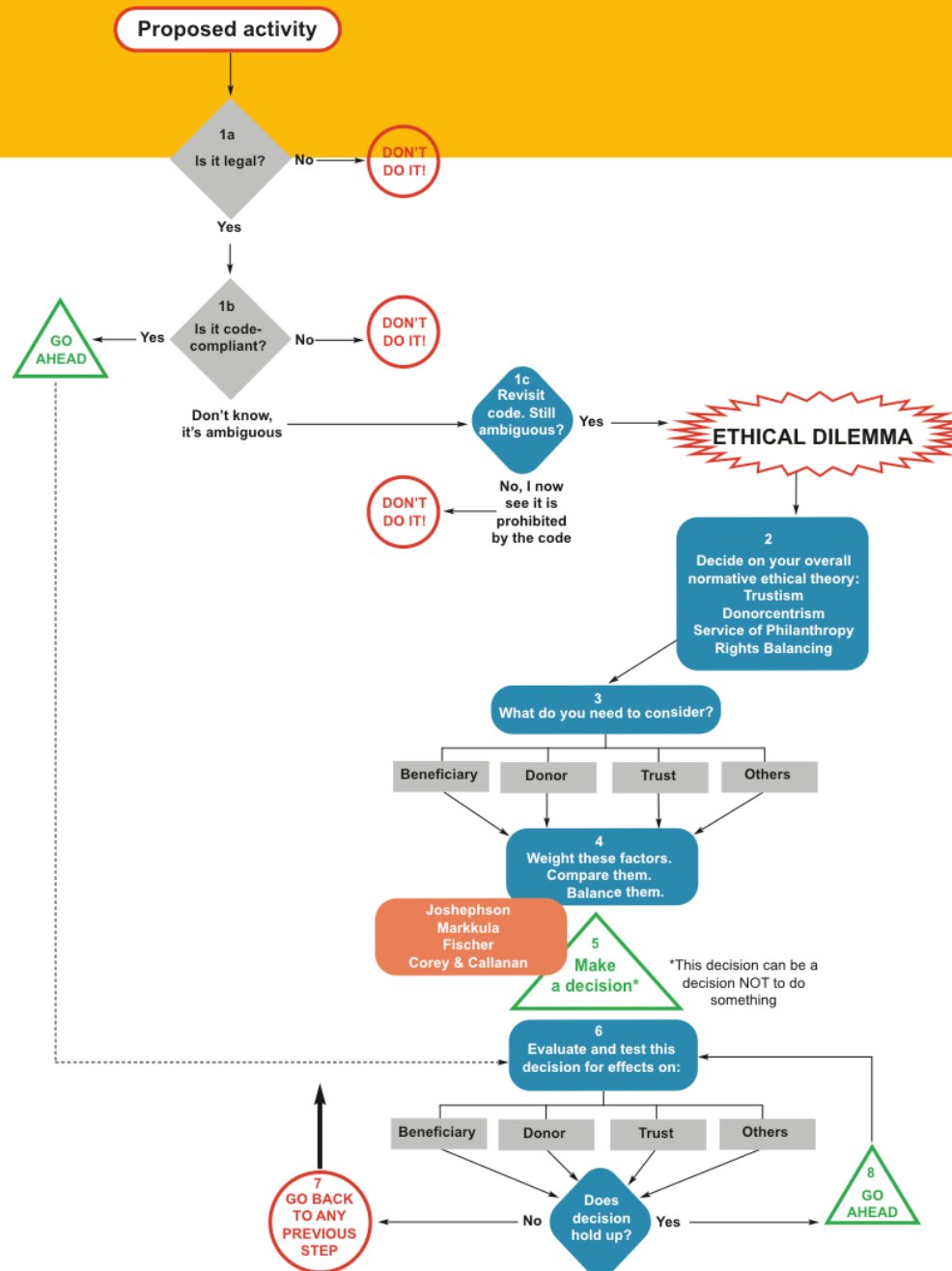
Ethical dilemmas often occur when there is tension between:

- 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)

Rogare

- **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

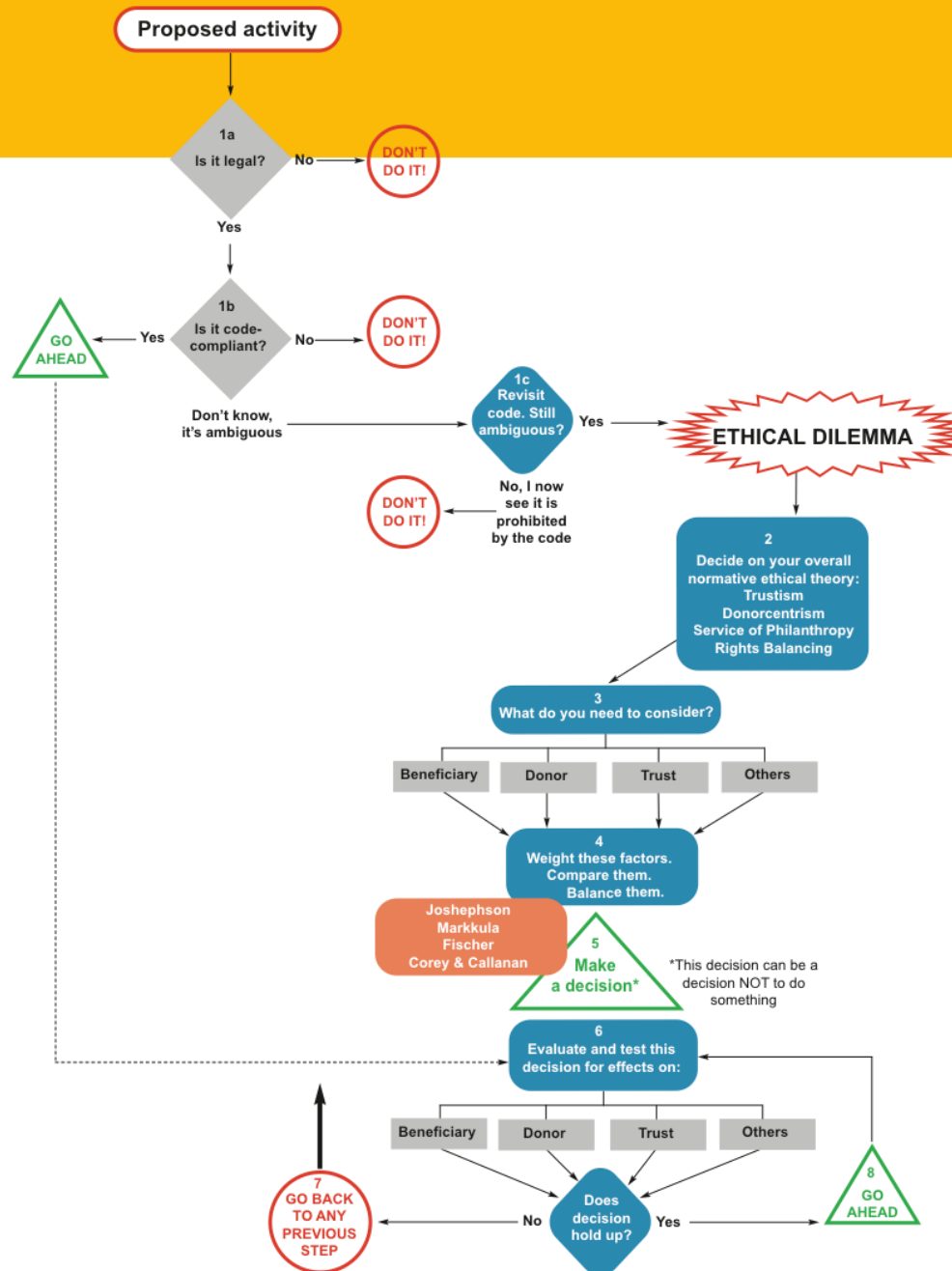


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- **Step 4** – How will you weight these considerations?
- **Step 5** – Come to a decision – this can be a decision NOT to do something

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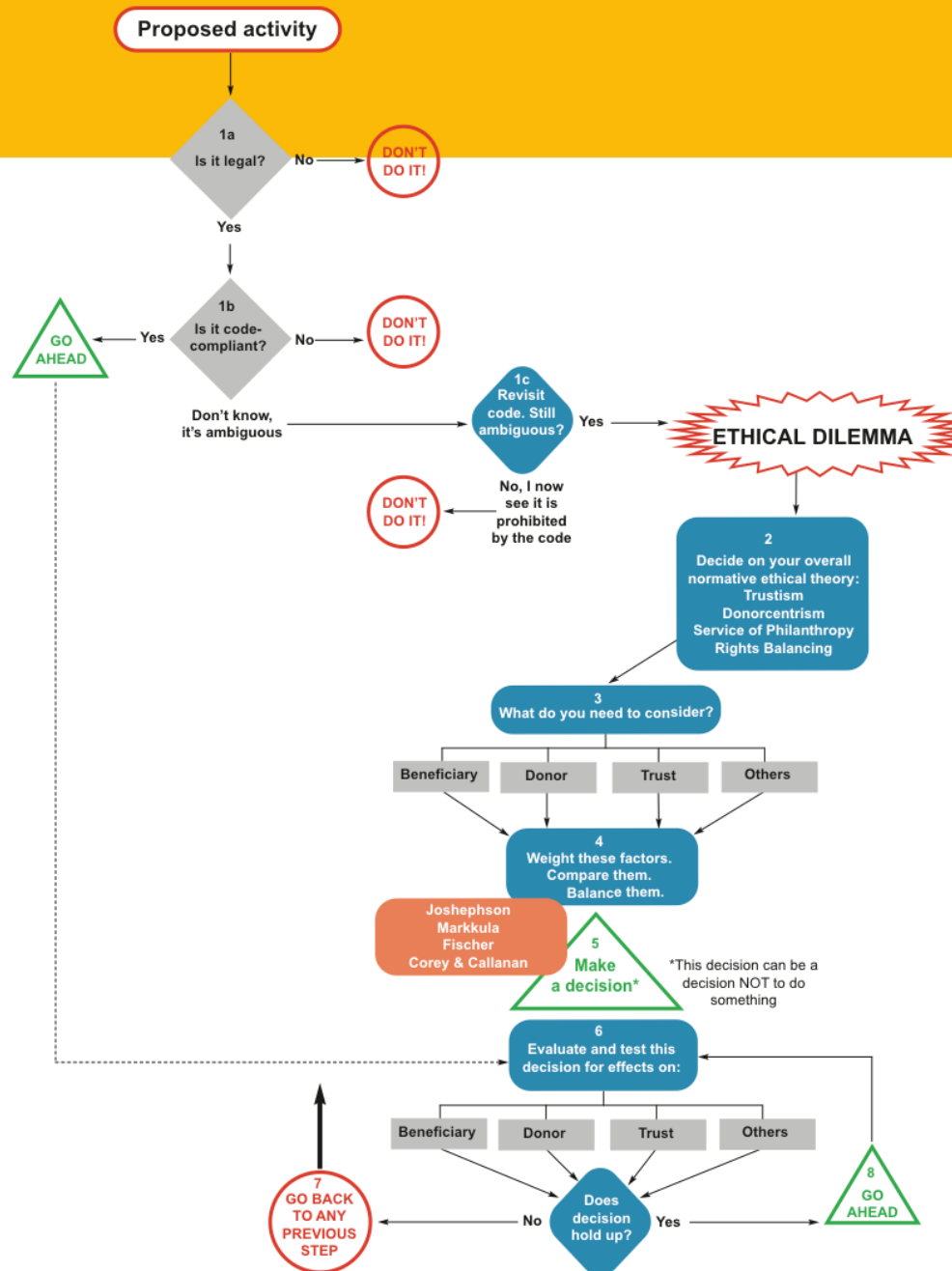


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- **Step 6** – Evaluate and test your decision.
 - Is your beneficiary helped?
 - Does it have an effect on public trust?
 - Does it infringe the rights of your donors and/or the public? If so, can you justify this infringement?
 - Ask stakeholders 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

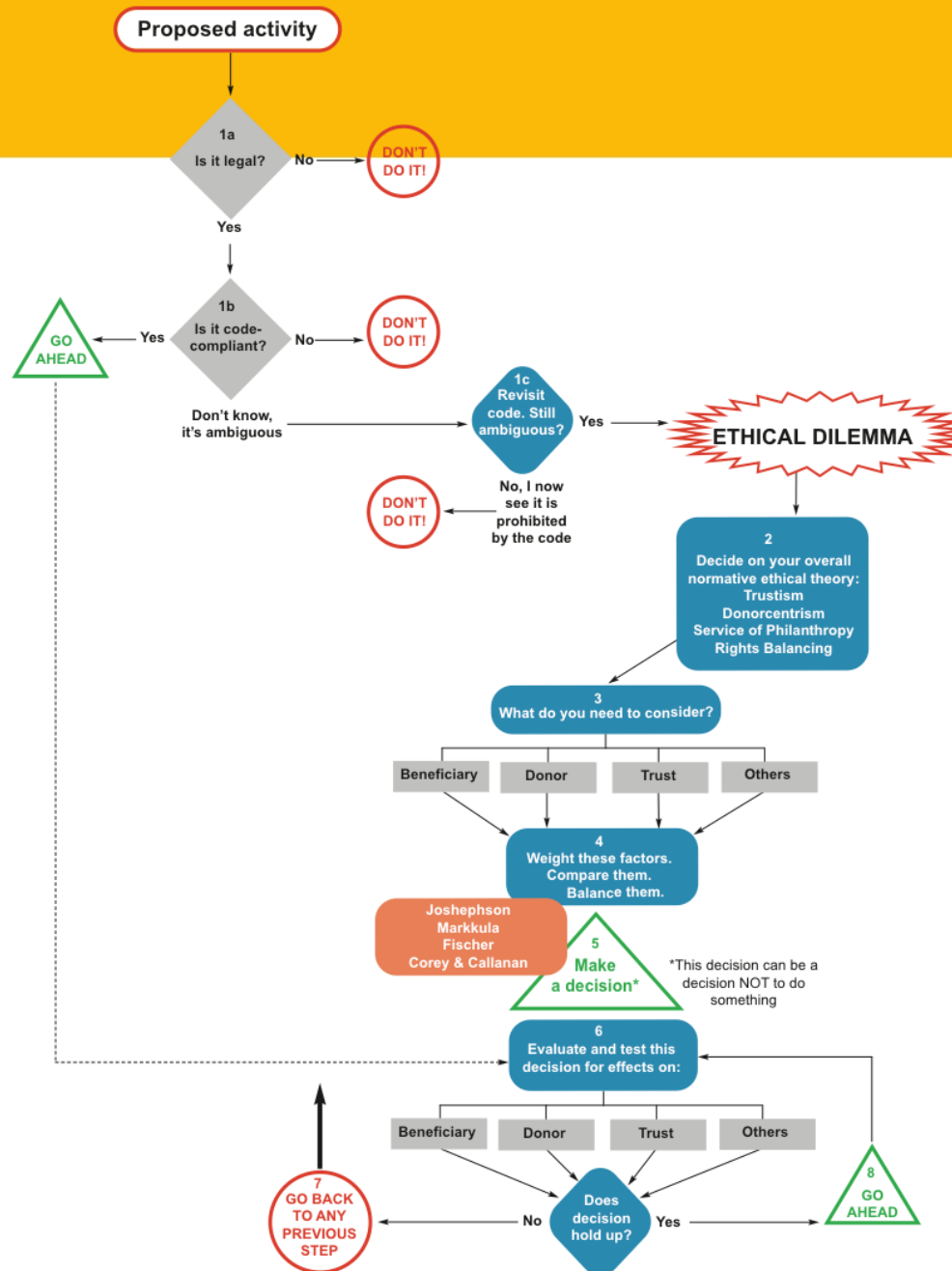


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- **Step 7** – Does your decision hold in the teeth of your evaluation and testing? If not, go back to any previous step to consider an alternative decision or move to step 8
- **Step 8** – Enact your decision, monitor outcomes, go back to any previous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

Rogare



https://docs.wixstatic.com/ugd/8bc141_b5b8e80bedbb4d61a563b9682034b6de.pdf

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 (worth £2m) 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 framework do you need/what to adopt?
2. Which normative ethical theory to you want 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

Breakout groups

- Use the Rogare framework to work through a solution to one of these ethical dilemmas.
- It may not be the one your gut told you was the correct one.

1) Children's hospital/telephone

- The woman does not say she never wants to hear from the charity nor 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.

1) 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).

1) 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?

1) 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?

1) 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.

2) Tobacco company/disability charity

- There is no conflict of interest for the charity. It is therefore neither illegal not contrary to the code.
- The dilemma is:
 - Should the partnership be entered into if it has potentially negative consequences for the charity and its beneficiaries?

2) Tobacco company/disability charity

- From a Trustist perspective, what are the negative consequences and how serious are they?
 - Reputational risk?
 - Does this translate to loss of income?
 - What do donors say about this. Not just their views on whether it is an appropriate partnership, but what they would actually DO if it went ahead (e.g. withdraw their support)

2) Tobacco company/disability charity

- From a Rights Balancing perspective, how much good can you do for your beneficiaries with the £2m this partnership is worth. A lot!

2) Tobacco company/disability charity

Solution:

- If the risk assessment shows the benefits outweigh any potential negative outcomes (reputational risk etc), accept the partnership.

2) Tobacco company/disability charity

- But should any charity even work with tobacco (or defence, or pharmaceutical etc) companies?
- That is a different ethical question entirely.
 - But why don't you have a think about it?
 - How would you go about answering this question?
 - What ethical theories would you use? (Hint: this is a question about normative ethics, not applied ethics.)

3 Swingers club/kids charity

- Not an illegal activity so accepting this donation is not prohibited by the code.
- Ethical dilemma is:
 - Should this donation be accepted if it leads to potential reputational issues for the charity.

3 Swingers club/kids charity

- Trustist perspective: Potential serious risk of reputation damage from media – ‘abnormal’ sexual activity and association with children

3 Swingers club/kids charity

- From a Rights Balancing perspective, it is a small charity. The donation is likely to be quite small. Would the good to beneficiaries outweigh any harm done by accepting the donation.
- Possibly – probably – not.

3 Swingers club/kids charity

Solution:

- Reject the donation
 - This is what fundraiser faced with this choice actually did.

3 Swingers club/kids charity

- But what if the donation were £500,000?
- 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.

3 Swingers club/kids charity

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

3 Swingers club/kids charity

- 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

3 Swingers club/kids charity

- 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.

3 Swingers club/kids charity

- But how can something that was ‘unethical’ suddenly become more ethical just because more money is involved?
 - Deontological ethical dilemma:
 - Should I accept a donation from a source I find personal unethical/distasteful?

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

- 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? Would this make a difference.

Genuine ethical cases



**“ I WISH I HAD
BREAST
CANCER ”**

Kerry, 24
#Kerryswish

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

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

Hypothetical ethical cases

- You are waiting to meet a wealthy donor for lunch. He is always later and you think it shows a lack of common courtesy. You are quite angry when he turns up. He says sorry and hopes you haven't been inconvenienced. Should you tell him what you think of his perpetually tardiness and how this has just made you feel?
- This example via Michael Rosen

Hypothetical ethical cases

- There is a thing called the Service Recovery Paradox – customers who complain (even if the complaint was poorly handled or not dealt with at all) are more satisfied than those who don't complain (just by getting off their chests).
- Should fundraisers engineer complaints that they can solve?

Beneficiary framing (Canada)

Imagine Canada Standards Programme

- The organization does not exploit its beneficiaries. It is sensitive in describing those it serves (whether using graphics, images or text) and fairly represents their needs and how these needs will be addressed.
 - Standard C8.

Beneficiary framing (Canada)

- Exploit?
- Fairly?
 - How do you define/interpret these terms?

Is this image ethical...

- ...under Standard C8?



- **Ian MacQuillin**
- Director, Rogare – The Fundraising Think Tank
 - ianmacquillin@rogare.net
 - www.rogare.net
 - @RogareFTT
- Facebook: Critical Fundraising Forum



Stephen Thomas

ethical



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