Nonprofit Fundraising Essentials Case Study: Caren Wakoli on Lear **How to Build Authentic Relationships**





INTERVIEW WITH CAREN WAKOLI,

Starting Where You Are and Building Authentic Relationships

Young people make up over 72% of Kenya's population, but they sit at the periphery of the nation's decisions and policy making. To bring more qualified young leaders into the policy making process, Caren Wakoli founded Emerging Leaders Foundation in 2012.

"Our vision is a dignified society with values-based leaders," Caren said. "We believe that dignity will come to society when leaders have strong values and understand their role is to improve the quality of people's lives."

"Therefore, our mission is to provide world-class leadership development for young people in Kenya and Africa at large to help them become positive agents of change in society," she added.

In the nonprofit's six-month leadership development and mentorship program, participants are immersed in curriculum on community service, ethics, democratic governance, public speaking, storytelling, leadership, and pan-Africanism.

In 2018, Caren was recognized by President Barack Obama at an annual lecture in memory of Nelson Mandela. Yet when asked about her experience raising money and winning partnerships in the earliest days, Caren paused.

"When I talk about other things, I'm eloquent," she said.
"But when I talk about fundraising, I stutter a little bit. It is the one thing that has been difficult and caused me to have sleepless nights."

SLEEPLESS NIGHTS AND HEARING "NO" AFTER "NO"

"Initially, I never thought that I could do fundraising," Caren said. "I thought that people went to school to learn how to fundraise or they had a lot of experience. I said, no, that cannot be me."

Her most challenging experiences took place in 2015, when Emerging Leaders Foundation was shifting from a self-funded initiative to an organization with greater ambitions to scale throughout East Africa.

"At the beginning of the year, we sent out over 60 proposals and concept notes to different organizations — mostly donor organizations, corporations, and some individuals in Kenya," Caren said. "Out of the 60, we received only about 10 responses. Of course, all of them were 'no."

Some of the funders responded that they only provided grants to larger, more established nonprofits. Others wanted to see evidence of impact before they would donate.

Even more devastating, a few of the potential donors requested kickbacks or romantic relationships in exchange for their support — an affront to Emerging Leaders Foundation's values of good governance and dignity, Caren said.

"At one point, someone came on board and said he didn't have money, but he had lots of equipment," she said. "He gave us computers, video cameras, and books, and paid for an intern. After six months, the gentleman wanted

an affair. When I refused, he said he wanted all of the equipment back. We had to delete everything and hand over the equipment."

Around this time, Caren was invited to a global gathering of Acumen Fellows, a fellowship program for leaders in nonprofits and social enterprises.

"People would ask, so what has been your biggest challenge?" she said. "Everyone would reply 'fundraising, fundraising, fundraising."

Caren attended a presentation that sparked a realization: By submitting dozens of proposals at a time, she was going about it all wrong. Fundraising should start with authentic relationships.

"I wanted to know, how do you build authentic relationships?" she said. "How do you let a funder know that you're not just interested in their funding, but in working together on a solution? That you're interested in them, not just the money?"

As her work gained recognition, Caren was invited to meet with a representative of the Ford Foundation. This time, she approached the conversation differently: She researched the foundation to learn deeply about their programs and look for shared goals.

After the meeting, she kept the conversation going. Eventually, Ford Foundation became the first institutional funder of Emerging Leaders Foundation.

BUILDING AUTHENTIC RELATIONSHIPS

The next opportunity came from an institution in Kenya that provided grants to nonprofit organizations to improve their visibility in the media.

"They had been doing some research on ELF and they wanted to meet me in person to decide whether they would provide us a grant," Caren said.

At the end of the meeting, Caren asked whether the institution would support ELF. The funder said he would provide the grant — along with some additional advice.

"He said, I see why you have struggled for a long time," Caren said. "You've just been sending out proposals and taking less time to actually nurture relationships with the individuals in those institutions. Start taking time to attend networking events and meet people for coffee, even though it isn't your personality type."

"I have realized that the core of fundraising is building authentic relationships," she said. "There's a quote that I learned: 'People give money to people. They don't give money to organizations."

"As the leader of my organization, I am the chief fundraiser," she continued. "I'm learning how to turn my network into ELF's net worth, building relationships, and doing research on potential partnerships with corporations and governments."

Additionally, some nonprofits invite donors to observe programs in the field to build relationships and showcase their impact. Caren invites prospective donors to celebrate the alumni of the leadership program at graduation ceremonies.

"We hold graduation ceremonies for the people who go through our leadership program," Caren said. "Then we invite people who may not yet be funding us, but who have a connection to our work, such as foundations, governments, and corporates. We want them to see the 'product,' and then one day, they might make the decision to work with us."

REFINING YOUR VALUE PROPOSITION

Along the way, Caren learned how to strengthen the value proposition of Emerging Leaders Foundation.

"We also struggled at the beginning because we hadn't gotten our value proposition right," Caren said. "That made it really difficult for us to fundraise. We would go out there and sell what we already knew how to do, but it was not necessarily what young people in Kenya needed."

"We reviewed our strategic plan and discovered that our value proposition was upside down," she explained. "We decided to first look for the gap in society and then fill that gap."

Caren recommended the Social Business Model Canvas from Stanford University for nonprofits that want to

refine their value proposition, customers or beneficiaries, and competitors.

PARTNERING WITH OTHER NONPROFITS

After strengthening the value proposition of ELF, collecting stories of the leadership program's impact, and gaining confidence in her ability to build relationships, Caren is ready to take on a new stage of growth.

"This year, we're in the process of signing an agreement with government to offer a fellowship program for young people, called the Public Service Fellowship Program, which will guarantee entry into public service," Caren said. "We're doing this in partnership with an organization based in Washington, D.C., called Emerging Public Leaders who are implementing the program in Ghana and Liberia." During a scoping mission in Kenya with Emerging Public Leaders, Caren witnessed the power of collaborating with other nonprofits.

"Together, we visited organizations to learn whether they would be interested in financing the public service fellowship program," she said. "Many of them said, if you're working with the government and Emerging Public Leaders, then we would be willing to put in money. We have seen their track record over the years and we know there will be impact."

Many of these meetings came from the network of the Executive Director of Emerging Public Leaders. She connected Caren with potential donors by email before her visits.

"Having someone who can introduce you to a potential donor and share advice beforehand is a key part of the process," Caren said.

A DIVERSIFIED FUNDING MODEL

As Emerging Leaders Foundation explores new partnerships with governments and other nonprofits, the team is also discussing ways to diversify the nonprofit's funding model.

Today, the funding model of Emerging Leaders Foundation consists of grants (70%), consulting contracts (20%), program fees (7%), and individual contributions (3%).

"At the moment, we charge a fee to the young people who come into our leadership program," she said. "That's partly how we raise money. We also receive grants from foundations like Ford Foundation and Open Society." "We consult with institutions and schools to offer training, mentorship, and coaching to their students," she continued. "Finally, there are individuals who offer their support as mentors or by funding students to participate in the program."

"We're having conversations about generating more revenue on our own and reducing our dependence on grants to improve our sustainability," Caren said. "We also have some corporations coming on board next year through corporate social responsibility initiatives."

ADVICE FOR OTHER FUNDRAISERS: STORYTELLING AND STARTING WHERE YOU ARE

"My feelings about fundraising have radically changed," Caren said. "Now, I enjoy it. When I go to meetings with prospective funders, I know it will either be a 'yes' or 'no,' and that's okay. Many years ago, I would get so crushed and wonder why people didn't understand what we were doing. Now, I know it's part of the journey."

"I have also learned about building relationships, and some of the relationships I've built have become friends for life," she added. "That's really amazing. I have fully embraced fundraising as my role and responsibility."

She advised other nonprofit founders and fundraisers to be comfortable with vulnerability and to strengthen their storytelling skills.

"When you're pitching, you should link the work to your personal story," Caren said. "Why are you doing what you're doing? Why does it create a fire in your belly? Why are you working with young people and not on food security or governance, for example? There is definitely a story."

She recommended that nonprofits use whatever limited resources they have to record the impact of their work. Until there is evidence of impact, many donors will not be willing to provide funding.

"I started with my own resources," Caren said. "If there is one lesson that I would share, it is to start where you are and with what you have, even if it means going into your own pocket at first."

"We used to go to a park in Nairobi called the Arboretum and provide our leadership sessions for free," she explained. "I invited my friends who are experts in different fields to come and share. We bought juice and cookies and found a clean spot of land to hold the training sessions."

"It's better to start small, have those little wins, and share the stories of the people you're working with," Caren said. "I have come to learn how important it is to document stories of impact — even any slight change in the people you're working with."

"It goes a long way toward showing there is evidence that your model works, or that you need to change the model," she concluded. "People want to invest where they see impact." 10