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FUNDRAISING AND GRANT WRITING: FUNDING STRATEGIES

Fundraising and grant writing are becoming increasingly important elements of financial planning for nonprofit organizations and projects. Fundraising, as a strategy for raising funds through donations and public support, is a vital source of funding for organizations, enabling them to grow and fulfill their social mission. Nowadays effective use of fundraising becomes a key factor in the success of nonprofit sectors. On the other hand, grant writing, which involves obtaining funding through competitive procedures and grant applications, allows organizations to receive financial support for specific projects or programs. Since grants are often awarded for the implementation of innovative and socially significant initiatives, grant writing becomes an important mechanism for fostering change and societal development. The increasing complexity of the financial needs of nonprofit organizations underscores the relevance of fundraising and grant writing as strategies for mobilizing financial resources to achieve their goals. The research is aimed at finding effective methods and tools used to attract funding through fundraising and grant writing, starting with an idea and ending with its implementation. By analyzing the process from initial idea to successful project implementation, the most optimal approaches and strategies for achieving this goal have been identified. Methods used in this research include analysis of current trends and relevant data in the field of fundraising and grant writing, study of successful case studies, and conducting special surveys among experts and practitioners. Various aspects of fundraising, from strategy development to planning execution and result tracking, have been examined. There are diverse tools and strategies that can be utilized to attract funding through fundraising and grant writing. Key elements for successful project implementation include clear goal definition, effective communication planning, and stakeholder engagement. Additionally, strategic resource utilization and networking also play crucial roles in the success of fundraising and grant initiatives. Engagement and support of the community and stakeholders throughout the process significantly influence the outcome. Therefore, clear strategy definition, precise planning, and systematic project pro motion can help achieve the desired financial outcome.

Keywords: trend analysis, fundraising, communication plan, networking, non-profit organizations, funding strategies, resource management.

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ФАНДРАЙЗИНГ ТА ГРАНТРАЙТИНГ: СТРАТЕГІЇ ЗАЛУЧЕННЯ ФІНАНСУВАННЯ

Фандрайзинг і грантрайтинг стають все більш важливими елементами фінансового планування для неприбуткових організацій і проектів. Фандрайзинг, стратегія залучення коштів шляхом збору пожертвувачів і підтримки з боку громадськості, є важливим джерелом фінансування для організацій, оскільки він дозволяє організаціям розвивати та виконувати свою соціальну місію. У сучасному світі зростаючої конкуренції за фінансові ресурси ефективне використання фандрайзингу стає критичним фактором успіху в некомерційному секторі. Написання грантів, з іншого боку, передбачає отримання фінансування через конкурсні процеси та заявки на гранти, що дозволяє організації отримати фінансову підтримку для конкретного проекту чи програми. Оскільки гранти часто призначаються на реалізацію інноваційних та соціально значущих ініціатив, написання грантів стає важливим механізмом сприяння суспільним змінам і розвитку. Дослідження спрямоване на пошук ефективних методів та інструментів залучення фінансування шляхом фандрайзингу та грантів, починаючи з ідеї та закінчуючи реалізацією. Аналізуючи процес від початкової ідеї до успішної реалізації проекту, були визначені найкращі методи та стратегії досягнення цього. Розглянуто різні аспекти залучення фінансування, від розробки стратегій до виконання планування та відстеження результатів.

Ключові слова: аналіз тенденцій, залучення фінансування, комунікаційний план, мережеві зв'язки, неприбуткові організації, стратегії фінансування, управління ресурсами.

STATEMENT OF THE PROBLEM IN A GENERAL FORM AND ITS CONNECTION WITH IMPORTANT SCIENTIFIC OR PRACTICAL TASKS

The modern world is constantly changing, and with it, the requirements for non-profit organizations and projects are also changing. It is increasingly difficult for organizations to ensure financial stability and realize their missions in solving social problems. In this context, the effective use of fundraising and grant writing becomes a necessity, because they are important tools for attracting financial resources. The purpose of the study is to identify the most effective tools and strategies for attracting funding through fundraising and grant writing, from idea generation to successful project implementation. By analyzing current trends in this field and using best practices, optimal approaches to achieving financial goals have been identified. The main research methods include a combination of qualitative and quantitative methods of analysis, including a literature review, statistical data analysis, and expert surveys. The logic of presenting the researched material consists in a systematic analysis of the steps from setting goals to evaluating the results, as well as in clarifying the key factors of successful fundraising. Thanks to the use of the most effective tools and strategies for attracting fundraising and grant writing, non-profit organizations and projects successfully implement their ideas and achieve the desired results.

ANALYSIS OF RESEARCH AND PUBLICATIONS

Domestic and foreign scientists: Krupiak I., Krupiak L., Zaika Yu., Rudiuk Yu., Pateruk N., Ichenko V., Vashchuk O., Torbas O., Lemeshchenko-Lahoda V., Simakhova A., Mandych O. paid attention to the research of crowdfunding and fundraising technologies in social entrepreneurship.

However, the issue of fundraising and grant writing as a tool for attracting funding for the implementation of projects by non-profit organizations is relevant and requires further consideration.

FORMULATION OF ARTICLE GOALS

The purpose of the article is to reveal the key aspects of fundraising and grant writing that help non-profit organizations and projects attract funding to realize their goals.

OVERVIEW OF THE MAIN MATERIAL

In a situation of economic transformations, when the country's extensive growth potential is exhausted, and destructive trends in economic sectors become a threat, financing of socially important projects is limited. This requires finding alternative sources of funding [1].

Nowadays fundraising is becoming one of the most effective strategies for attracting resources for any enterprise. Fundraising is a strategic process of attracting external resources for the company in order to fulfill various tasks or implement projects. The origin of the term "fundraising" has English roots, where "fund" means funds or funding, and "raise" means finding or collecting. This approach is widely used, because it is an effective method of finding financial and other resources to support the company's activities. Resources that can be raised through fundraising include both tangible and intangible assets, such as human, informational, financial, legal, marketing and many others. The creation of a favorable environment for the implementation of fundraising in the implementation of own projects at socially responsible enterprises is reflected in external support through the solution of specific marketing tasks. These tasks are designed to influence the beliefs of future supporters and investors and attract the maximum amount of resources, mainly for commercial purposes. So, in the context of transformational fluctuations and market instability, especially in Ukraine during the military conflict, the issue of fundraising activity of managing the marketing potential of the enterprise becomes extremely relevant. Although fundraising is more often associated with non-profit (charitable) organizations, its active use is also possible at commercial enterprises, especially when they rely on their active social position and responsibility in the embodiment own business projects [2].

For commercial enterprises, it is often difficult to find their own financial resources for the implementation of various socially responsible programs. In such cases, attracting funds from third-party organizations or private individuals to perform social functions becomes important. Fundraising, in turn, acts as an effective mechanism for this. In the practice of fundraising, there are various sources of raising funds. Among them:

- enterprises (legal entities);
- private individuals (individuals);
- grant organizations;
- state funds.

These entities can act as investors, provide grants, be donors, patrons, financial sponsors or sponsors on barter terms. It is important to consider that each of them has its own conditions and influence on the enterprise.

Fundraising is not limited to monetary funds, but can also include a variety of tangible assets and resources, such as equipment, goods, vehicles, warehouses, machinery, and more [3].

The first steps in developing a fundraising strategy include conducting an analysis of the financial environment, creating a base of potential donors, a detailed study of available resources and identifying needs. Unlike determining success only by the amount of funds raised, indicators of success can be the first meetings with potential donors, the expansion of influence in the media space, and the strengthening of the team's effectiveness. Fundraising should be a strategically organized process that includes a number of key steps for successful implementation:

1. Development of a comprehensive business plan for an investment project.
2. Creating an attractive investment offer.
3. Determination of the target audience of the project to attract potential investors.
4. Ensuring mutually beneficial conditions for all parties involved in the process, which guarantees satisfaction with financing agreements or other benefits for the implementation of socially responsible programs.
5. Support of long-term partnership after the completion of the project and achievement of the set goals.

Thus, the investment strategy of a socially-oriented enterprise should not only ensure profit, but also meet social requirements, taking into account the conditions of use of the funds raised through the active use of fundraising [2].

Involvement of fundraising is becoming more and more relevant for Ukrainian companies looking for stable financing and support for their projects. Ukraine, as a country with a developing economy, has great potential for the development of fundraising initiatives. Let's consider the key tools of fundraising in Ukraine. Non-profit

organizations (NPOs) have the opportunity to receive significant assistance from various donor institutions, including international organizations and foundations, if their project applications are successfully approved. To achieve this goal, you can use various resources, such as, for example, the OpenAid Portal. This is the largest database of international aid projects and programs in Ukraine, as well as an information system that allows you to manage this aid.

In addition, funding for decentralization and local government projects is available on the Decentralization website. When it comes to soliciting support from businesses and philanthropists, it's important to use an "engage, not ask for a donation" approach. The key here is to find partners who share values, build mutually worthy relationships, and maximize the promotion of charity. It is not necessary to have only monetary resources in mind: often a business can provide free assistance in the form of products or services that can be useful for organizing events.

Fundraising can take many forms, including selling branded goods, organizing fairs and holding auctions. Regarding advertising activities, Ukrainian public organizations may benefit from the services of the Exchange of Social Advertising, which are provided free of charge, helping to attract public attention to important issues. Press tours are also an important tool because they help explain the purpose and specifics of the organization's activities, create public impact and awareness, and help attract partners, sponsors, media and other target audiences.

Crowdfunding is another effective way of crowdfunding initiatives, where people pool their resources to support other people or organizations. For example, the Ukrainian crowdfunding platform "Spilnokosh" allows you to raise funds for various projects, starting from the development of social business to the creation of films or inventions [4].

According to research, Internet sources offer the top 10 crowdfunding platforms: Kickstarter, Indiegogo, Patreon, GoFundMe, Crowdrise, PledgeMusic, MightyCause, InKind, Crowdfunder, Give, which entrepreneurs can use to replenish their budget. The type of financing with the help of crowdfunding platforms belongs to irreversible investments. It is important that your projects can be placed on foreign platforms as well. The advantages of this method of financing are the low cost of attracting capital, without the need to pay interest, the popularization of the project and the speed of receiving money. And the main disadvantages are that the amount of investment is limited by the set target amount of funds. If the target amount is not reached, the funds are returned to investors [5].

By exploring and using a variety of methods, including auctions, fairs, press tours, and crowdfunding, companies and community organizations can maximize their potential to raise resources and achieve their goals. Openness to innovative approaches, continuous improvement and open dialogue with the community form the basis of a successful fundraising strategy in today's world.

Among effective tools for attracting funds, it is important to consider such an aspect as grantwriting. Like fundraising, grantwriting is a powerful mechanism for obtaining funding for projects and initiatives. This process requires writing project applications and submitting them to various organizations or foundations that allocate grants for various purposes, including social programs, scientific research, cultural projects and much more. Using the skills and strategies used in fundraising can be useful in grantwriting as well. Both processes require the ability to communicate effectively, confidently argue the needs and goals of the project, and the ability to manage the process of attracting resources.

Grantwriting is the art of writing projects to obtain irreversible financial assistance, which includes a whole set of professional skills in project management, analytics, planning, risk management, marketing, PR management, business communication, and document management. The goal of writing such a project is to convince the grantor that this idea is the most relevant and competitive, and that the team will be able to effectively implement it [6].

Obtaining grants is a significant resource for the implementation of various projects and programs. Key strategies and methods that will help to effectively promote projects and increase the probability of success in grantwriting:

1. Analysis of financing organizations. The first step in grantwriting is the analysis of potential funding organizations. It is important to determine which funds, organizations or institutions match your needs and project goals. A thorough study of their selection criteria and previous projects they have supported will help you determine whether the project meets their requirements.

2. Development of a high-quality project application. A key stage is the development of a project application that clearly reflects the goals, objectives, strategies and methods of the project. It should be structured, concise and convincing in order to attract the attention of funding organizations. It is also important to consider all the necessary elements, such as the budget, the implementation schedule and the system for monitoring and evaluating the results.

3. Building effective partnerships. Cooperation with other organizations, community groups or government agencies can increase the success of a grant application. Partnerships can provide additional resources, expert support and expand the impact of your project.

4. A systematic approach to finding grants. Finding grants is a systematic process, which requires time and perseverance. It is important to use a variety of sources of information, such as foundation websites, databases, and grant funding news. You can also study the experience of other organizations and use their successful approaches.

The general approach to grantwriting is one of careful analysis, strategic planning, and a systematic approach. Using these strategies will help to increase the chances of successfully obtaining a grant and implementing the project.

CONCLUSIONS FROM THIS RESEARCH AND PROSPECTS FOR FURTHER EXPLORATION IN THIS DIRECTION

In this study, it was found that the successful fundraising activity of the project requires great efforts and is always aimed at the maximum attraction of investors, donors and sponsors. The importance of effective use of fundraising and grantwriting as strategic tools for attracting project financing should be emphasized. These tools not only help organizations get the resources they need to implement their projects, but also help increase their visibility, develop marketing strategies, and establish partnerships. The right strategy for approaching fundraising and grant writing, as well as professional training and project planning, is extremely important.

However, success in fundraising and grant writing requires organizations to not only have effective strategies, but also a deep understanding of these processes. Planning, marketing, analytics, communications and risk management are just some of the skills that must be mastered for successful project implementation.

Understanding the characteristics and needs of the target audience, effective use of information resources and platforms, as well as the development of individualized approaches to each project are the key components of successful fundraising and grant writing. In addition, it is important to remember that this is not only a process of attracting funds, but also an opportunity to build sustainable relationships with partners, develop your network of contacts and contribute to social progress.

A variety of sources of funding were explored, including businesses, private individuals, grant-making organizations, and state funds. The strategy of project promotion is considered through the prism of practical activities and includes the formation of a business plan, the creation of an investor proposal, the definition of the target audience, the conclusion of contracts and the establishment of long-term partnership relations.

In today's world, where the competition in the funding market is becoming more and more intense, the efficiency and strategy of attracting funds through fundraising and grant writing is becoming a key success factor for many organizations and projects. With the help of these tools, it is possible not only to obtain the necessary financial resources, but also to attract the attention and support of the public, to expand the network of partners and sponsors, as well as to implement innovative and socially responsible projects.

Therefore, the effective use of fundraising and grant writing is an important element of the fundraising strategy, which allows organizations and projects not only to realize their missions and goals, but also to grow and develop in the face of constant changes and challenges.

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