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The power of small donations

If there's one valuable lesson local charities can learn from US President-elect Barack Obama, it's the power of small donations.

He rewrote campaign financing rules while encouraging mere 25-dollar online donations which would otherwise be insignificant to building a campaign war chest.

One local charity - the Lions Befrienders - is just latching on to the idea through its GIRO programme set up three months ago.

Geraldine Soh reports.

Better to rely on a constant stream of small donations than a few large corporate donors as the current downturn emphasizes, says Jennifer Yee, Executive Director of the Lions Befrienders set up 13 years ago.

Hence the GIRO programme.

"It's about inertia. Once you sign up for something you'll just carry on until you hate that thing. We've always been told you focus your targets at the top 20 and it'll be more cost effective. But during this period of time, we realise that when we wrote to big donors, a lot of them are burnt. So for the next one to two years, VWOs have to be very mentally prepared to work doubly hard in getting the smaller donors rather than just focusing on the big ones."

Since the GIRO scheme started, only the association's volunteers and members have been informed.

Hence the low take-up rate of five people whose average monthly contribution is eight dollars.

Ms Yee says the plan is to publicise the scheme more widely next year in order to reach its fundraising target of 500,000 dollars.

The association needs about 1.6 million dollars yearly to operate its befriending programme and three neighbourhood link centres for about 3,000 senior citizens.

Of that amount, 1.2 million comes from various funding sources.

Even with such funding, the association has enough reserves to last only three years, Ms Yee says.

From next year, it will thus try to source for funds from non-traditional avenues such as Community Development Councils.

"For the next year, I think VWOs have to be prepared to build your donor relations."

Donations made through GIRO remains one of the most popular ways of seeking funds for the National Council of Social Service.

Its GIRO programme called SHARE has been running for 24 years.

A spokesman for the council says charities should seek a wide range of platforms to fundraise including GIRO, which would provide a 'sustainable form of financial support for the organisation.'

Meanwhile, the Lions Befrienders is organising a Befriending Walk tomorrow to raise awareness about the needs of lonely seniors in Singapore.

"Don't neglect your seniors at home even though you're hard at work earning money."

For details, log on to the Lions Befrienders website at www.lionsbefrienders.org.sg