Common Ethical Issues in Fundraising

Ethics are the moral principles behind the operation and regulation of your organization, and apply to all areas including your marketing to prospective or existing donors. There are several possible fundamental frameworks for analysing or auditing ethics in your organization such as:

· **Value-oriented framework**, ethical problems on the basis of the values on which they infringe e.g. honesty, autonomy, privacy, transparency.

· **Stakeholder-oriented framework** analyzing ethical problems on the basis of the individuals or organizations they affect e.g. members/donors, competitors, society as a whole

· **Process-oriented framework**, analyzing ethical problems in terms of the categories used by marketing specialists e.g. research, price, promotion, placement

Specific issues in ethics:

1. **Market (donor) research**: ethical danger points in marketing your organization in order to raise funds or received donations may include:

- Invasion of privacy
- Stereotyping

2. **Marketing to your potential donor audience**: ethical danger points include

- Targeting the vulnerable e.g. children, "the elderly" (whatever that means)
- Excluding potential donors: selective marketing is used to discourage demand from "less desirable" donor sectors or disenfranchise them altogether.

3. **Advertising and promotion in fundraising**: some ethical pitfalls:

- Issues over truth and honesty
- Issues with tactics to persuade and influence (including frequency, and amount of contribution)
- Taste and controversy
- Negative advertising