

Keep Your Donors: Nurturing Relationships and Soliciting Gifts

Overview

Fundraising is one of the world's most wasteful industries. It spends \$2 to raise \$1 from a new donor. Then 2 times out of 3, that new donor is lost and never makes another gift.

But there is a way to improve on these dismal results.

Raise your organization's DCQ (donor-centered quotient) and you can realize the full potential of your donors. They will give more, longer, and be more likely to make a legacy gift. You'll inspire donors and volunteers to increase their participation.

See the difference when you nurture philanthropic relationships that mature and become more productive over time.

The bottom line: Poor retention is inevitable unless you adopt a donor-centered approach, which in turn builds lasting relationships.

The big question is, are you ready for this change? Is your organization ready?

P.S. Worried about the economy? Then relationship building with your donors is even more critical.

Topics covered in this workshop

- Why relationships are more important now than ever before: Poor retention rates, decreasing loyalty, fundraisers who are tactic-rich but strategy-poor. And this is even worse in a tough economy!
- How to create a donor-centered organization: Donor interests, emotional triggers, donor-centered communications
- How to develop meaningful relationships: Donor research, genuine conversation, cultivation strategies, and comprehensive plans
- What should we measure in relationship building: thinking differently about results
- Soliciting gifts

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Selected resources

- *Keep Your Donors: The Guide to Better Communications and Stronger Relationships*, Tom Ahern and Simone Joyaux. John Wiley and Sons Publishers, November 2007.
- *Fundraising When Money is Tight: A Strategic and Practical Guide to Surviving Tough Times and Thriving in the Future*, Mal Warwick
- See Tom Ahern, www.aherncomm.com --- workshops, books, free e-news. *Raising More Money With Newsletters Than You Ever Thought Possible*, *How to Write Fundraising Materials That Raise More Money*, and *Seeing Through A Donor's Eyes*
- See Simone Joyaux, www.simonejoyaux.com --- free website library, free e-news, weekly blogs with tips, workshops, books. *Strategic Fund Development: Building Profitable Relationships That Last*
- *Building Donor Loyalty*, Adrian Sargeant and Elaine Jay
- *Relationship Fundraising* and *The Zen of Fundraising*, Ken Burnett
- *Donor-Centered Fundraising*, Penelope Burk
- *Effective Philanthropy: Organizational Success Through Deep Diversity and Gender Equality*, Mary Ellen S. Capek and Molly Mead
- *The Ask and Developing Major Gifts*, Laura Fredricks
- *Iceberg Philanthropy: Unlocking Extraordinary Gifts from Ordinary Donors* (bequest giving) by Green, McDonald and Van Herpt

Please note: We may not cover every item on the agenda. That's why the agenda and resources are so detailed.

Agenda and notes

Topic	Reference / Resource
1. Why are relationships more important now than ever before?	
<p>A. Staggeringly poor retention rates! Donor retention crisis. First gift but no second gift. What does this say about fund development?</p> <p>B. No quick fix or silver bullet</p> <p>C. Congestion not competition</p> <p>D. Loyalty is not what it used to be</p> <p>E. Organizations sometimes ask prematurely, whether it's for money, volunteering, or – and without sufficient information</p> <p>F. The real bottom line? Good fundraising technicians aren't enough because most fundraising problems are not fundraising problems.</p> <p>G. And hey, what about an economic crisis and its impact?</p>	<p>NOT the false, compromising exchange of favors and trespassing on personal and professional connections!</p> <p>Instead, the genuine, respectful relationship between individuals and causes they care about.</p> <p>See monograph “Choosing your road...” on Joyaux website.</p>
2. What contributes to the depth and breadth of your relationships?	
<p>A. Genuine interest and respect</p> <ol style="list-style-type: none"> 1. “You’ll have more fun and success when you stop trying to get what you want, and start helping other people get what they want.” [Dale Carnegie, 1930s USA self-help guru] 2. “It’s not what you’re selling, it’s what I’m buying that counts.” [Simone P. Joyaux, AFRE, <i>Strategic Fund Development: Building Profitable Relationships That Last</i>] 	<p>Handout page 11, <i>Basic Principles of Fund Development</i></p>
<p>B. Welcoming pluralism / diversity – how comfortable are you talking with diverse people, e.g., your various donors?</p> <ol style="list-style-type: none"> 1. Consider your community, those you serve, board and staff. 2. Think about the differences in life experience and the implications for building relationships – whether in your philanthropy program or some other activity. 	<p>Handout page 8: <i>Diversity</i></p> <p>See also selected resources on page 2:</p> <ul style="list-style-type: none"> • <i>Effective Philanthropy</i> by Capek and Mead • Judith Nichols
<p>C. Shared values and common interests</p> <ol style="list-style-type: none"> 1. Which means your organization must articulate its values and define its focus. 2. And you have to figure out the “intersection” and “mutually beneficial exchange” with the prospective donors and donors. 	<p>See sample values statements in <i>Keep Your Donors</i> and <i>Strategic Fund Development</i>. See also Resources / Free Library on Joyaux website.</p>

Quick tip: Qualified opinions only! Use the documented body of knowledge, best practice, and research. Avoid the sad societal situation we face today: “Our society is more than happy to accept spin and cant because we have come to believe that all expertise is bias, that all knowledge is opinion, that every judgment is relative...lost the ability to think critically...do not believe in the transformative power of knowledge...people have become consumers who demand the right to choose as they wish...” [Newsweek 09-03-07 letter to the editor from B.D. Cooperman, University of Maryland, Department of History, College Park.]

Topic	Reference / Resource
3. Some basic principles for building relationships	
<p>A. Build a culture of philanthropy within your organization.</p> <ol style="list-style-type: none"> 1. Make sure that genuine respect and interest are institutionalized throughout your organization. 2. Devise systems and processes to identify and nurture genuine relationships. 	<p>See <i>Keep Your Donors, Strategic Fund Development</i>, and Joyaux website.</p>
<p>B. Create relationships with your organization, not a one-dimensional personal or professional connection dependent upon an individual within your organization.</p> <ol style="list-style-type: none"> 1. Don't trespass on personal and professional relationships. That's all about short-term gain. Also this expectation of trespassing makes your volunteers uncomfortable – and that affects their willingness to help fundraise. <ol style="list-style-type: none"> i) Instead, ask your volunteers to use their connections to identify those who are predisposed and build relationships between the cause and those who are predisposed. 2. It's not what you're selling, it's what I'm buying that counts. <ol style="list-style-type: none"> i) I'm interested in my interests, my motivations and my aspirations. Match those and then I'll give to you. ii) And “more education” from you will not make me interested! 3. Don't look for rich people. Look for people who are interested. Don't approach someone because they're wealthy, aged, or sick – and talk about a bequest. Loyalty defines bequest prospects. 	<p>See the various relationship building resources on page 2 of this handout.</p>
<p>C. Don't universalize your own passion. Not everyone is interested in your particular cause, no matter how convincing you are. Don't be offensive and try to educate them. Find those who share your passion.</p>	

Here's the really big secret: Relationship building (between donors and volunteers and your organization) produces loyalty and lifetime value. Giving is not a financial transaction. It's a highly personal and emotional act.

And here's another big secret: Donor loyalty depends upon creating a donor-centered organization.

Topic	Reference / Resource
4. Creating a donor-centric organization in order to nurture relationships	
<p>A. Nurturing the qualified relationship. The donor or prospect is at the center, not your organization.</p> <ul style="list-style-type: none"> It's an essential way of thinking and behaving, even when you're mission-centered. 	<p>See Burnett, Sargeant / Jay, Burk, Ahern / Joyaux.</p> <p>See handout, page 13, <i>Donor Centric Pledge</i></p>
<p>B. Importance of emotions, documented in neuroscience and psychological research.</p> <ul style="list-style-type: none"> Your agency is the conduit to achieve the donor's desires. 	<p>See Simone's bracelet and <i>Keep Your Donors</i>. Tom Ahern talks about twin sets, not the sweater kind!</p>
<p>C. Focus first on retaining your donors. Then consider acquisition.</p> <ul style="list-style-type: none"> The first step in acquisition is identifying the predisposed. Then qualifying them (or not!) as prospects. And if they're prospects, continue with D below. 	<p>All this is described in <i>Keep Your Donors</i> and other resources in the profession.</p>
<p>D. Get to know your donors and prospects better.</p> <ol style="list-style-type: none"> <u>Research</u>: Find out their interests and <u>disinterests</u>. Understand their values – which of course direct their motivations and aspirations. Understand their emotions. (Studies show that decisions are made based on emotions; and then we rationalize so we can say the decisions were intellectual.) <u>Conversation, asking questions, and listening</u>: It's not about "presenting information about your agency and its needs." It's all about engaging the prospect / donor in "conversation" about his/her/its interests and feelings. It's about questioning and listening and defining the mutually beneficial exchange between them and your agency. <ul style="list-style-type: none"> What do donors want to talk about? What questions can you ask them? <u>Useful strategies to learn more and cultivate relationships</u>: focus groups, surveys, events, personal meetings (formal and informal), and thank-you phonathons. What else? (And these are great strategies for nurturing existing relationships.) 	<p>Collect donor surveys and modify them for your use. See samples in <i>Strategic Fund Development, Keep Your Donors, Donor-Centered Fundraising, and Building Donor Loyalty</i>.</p> <p>Practice your conversational skills.</p> <p>What questions would you ask donors of time or money? See handout page 16. See Chapter 17 in <i>Keep Your Donors</i>.</p>
<p>E. The myth of visibility</p>	<p>NCAA basketball championship and World Cup</p>
<p>F. Learn to tell stories well. Tell stories about real people and results. Explain <u>why</u> you do what you do and <u>why</u> it matters.</p> <ul style="list-style-type: none"> What makes a good story? 	<p>See handout pages 14 – 15, <i>Telling Your Story: the Case Statement</i>.</p>
<p>G. Learn to write better. Pay attention to readability. Consider frequency and regularity. Use diverse mechanisms.</p> <ul style="list-style-type: none"> And if newsletters are too difficult for your small agency, then try Simone's newsy letters. 	<p>See Tom Ahern's books and workshops. See <i>Keep Your Donors</i>.</p> <p>Visit Merkel Domain on the web.</p>

Topic	Reference / Resource
4, continued: nurturing relationships through your donor-centered organization	
<p>H. Cultivate – and that’s different than communications.</p> <ol style="list-style-type: none"> 1. Cultivation is more than your communications. 2. How will you create cultivation opportunities to engage people? What can you realistically manage? 3. Consider these strategies: <ul style="list-style-type: none"> • Your existing organization activities; cultivation gatherings hosted by individuals or by the organization; one-on-one meetings. What would you add? 	<p>Share ideas with your colleagues. (Forget the threat of competition!) The techniques are not special – it’s the prospect/donor interest / disinterests that matter.</p> <p>See PDF <i>Building Relationships</i> on Joyaux website. Click on Resources / Free Library / Fund Development.</p>
5. Designing and implementing a relationship-building plan (and monitoring progress)	
<p>A. Relationship building is an intentional process outlined in a plan.</p> <ul style="list-style-type: none"> • The plan’s purpose is to build donor loyalty through donor-centered strategies and tactics. Your relationship building plan gets the prospect / donor ready to be asked and ready to be asked for more. 	<p>Contact AFP Resource Center and your colleagues for samples.</p>
<p>B. Your plan should include the following components:</p> <ol style="list-style-type: none"> 1. Process to identify the predisposed, qualify them as prospects or release them. 2. Process for getting to know your prospects and donors better and better. Remember, the greater the intimacy, the better the possibility of retaining and upgrading the gift. <ul style="list-style-type: none"> • There is greater risk of failure (and embarrassment) when you don’t have sufficient intimacy and ask prematurely. 3. An effective donor-centered communications plan, and an effective cultivation plan. 4. Some strategies directed to everyone. Some strategies directed to specific market segments, e.g., women or Gen Xers, etc. 5. Some strategies personalized to a specific individual, family, corporation, etc. 6. Testing your donor-centric quotient: measuring more than money 	<p>See sample fund development and cultivation plans in Joyaux’ book, <i>Strategic Fund Development</i>.</p> <p>See the <i>Pyramid of Engagement</i> on page 12.</p> <p>See lots of details and examples in <i>Keep Your Donors</i>.</p> <p>See handout page 17, <i>Monitoring progress and measuring results</i></p>

What’s your current relationship-building plan? How can you improve it? What information do you need to improve the plan and how will you get it? What kind of communications and cultivation strategies will you use? What’s your donor-centered quotient? What do you measure and how?

Topic	Reference / Resource
6. Soliciting major gifts	
<p>A. Remember: “major” is in the eye of the prospect or donor.</p> <p>B. Progression from operating support to endowment to bequest.</p> <p>C. What does it really mean to ask, personally face-to-face?</p> <ol style="list-style-type: none"> 1. Anticipating and overcoming barriers before the donor brings them up. 2. Good conversationalist and that means listening well, too. 3. Knowing enough about the prospect / donor interests and feelings. 4. Willingness to share your own interests and feelings. 5. How much detail is necessary when soliciting a planned gift – you know, all those gift vehicles? <p>D. The implications of poor relationship building</p> <ol style="list-style-type: none"> 1. Prospects / donors are not ready to be asked. 2. Donor attrition, a crisis in the U.S. and elsewhere, too 3. Nonpayment of pledges and changes to bequests 4. Dissatisfaction with and disrespect for your organization – and that often produces poor word-of-mouth <p>E. Evaluating readiness to be asked and designing the ask.</p> <p>F. Asking for the gift.</p> <p>G. Nurturing the relationship to build loyalty.</p>	<p>See Laura Fredricks’ books on face-to-face solicitation.</p> <p>See handout, pages 18 – 19, evaluating interest, readiness, and capacity to give.</p> <p>See handouts on face-to-face solicitation, pages 20 – 23.</p>

Ask me about the following stories:

- ❖ Joyaux / Ahern have bequeathed their entire estate to charity. What does that look like? When did we do it? What kind of relationship building is going on and for how long?
- ❖ Big mistake: The direct mail solicitation requesting what I consider a large gift – with little understanding of my interests or aspirations or ...
- ❖ Best solicitation I ever experienced: From Equity Action, the LGBTQ fund at the Rhode Island Foundation. Why was it so good?
- ❖ Understanding the real interests and aspirations of a donor: The establishment of the Georges Jules Joyaux Scholarship Fund at Michigan State University.

Valuing Diversity – Do You? Really?

What is diversity?

Sometimes it's called pluralism. Diversity is the quality or state of being different.

The federal government's anti-discrimination law stipulates "...discrimination on the basis of race, color, religious creed, age, sex, marital status, sexual orientation, national origin or disability..."

The National Conference of Community and Justice (NCCJ) notes that "diversity is defined broadly to include all people." NCCJ goes on to say that "diversity is a demographic reality. It is not, by itself, an opportunity or a threat."

How do I define diversity? Diversity describes the differences that significantly affect the way each of us experiences our own self and the way each of us is treated by others. Diversity includes ethnicity and race, sexual orientation and age, gender and gender identity, nationality and religion, disability and socioeconomics, education and opinion, and generational differences.

Diversity (or pluralism) is one of my basic fundamental values. And values are the basis for my life: what I stand for; what I fight for by speaking out; how I do my work and live my life. I hold myself accountable to live in accordance with my values.

Diversity is about **equality** – that all people have the same rights – and **equity** – that all people deserve fairness, impartiality, justice, and opportunity.

The world we live in

The world we live in is not just. Our communities are burdened with social injustice – an intricate web based on privilege that is too often defined by gender, economics, and sexual orientation.

Injustice is enforced through social and cultural values and individual acts, public policy, and institutional systems in the for-profit, not-for-profit and government sectors.

It's about power. And power needs to be redefined.

Even philanthropy and the independent sector are not safe from privilege, power and social injustice. Instead of acting as a democratizing influence, philanthropy too often reinforces the traditions of power and privilege.

What is the basis for diversity in your organization? In your life?

- A mission reason?
- A business reason?
- A responsible corporation reason?
- A moral (social justice) reason?

Proposed diversity principles by Jan Masaoka • Quoted from Board Café, April 2002, Volume 6, Number 4 • www.boardcafe.org. Subscribe to this wonderful site!

Discussions about diversity arise in a variety of situations. Many boards are reluctant to bring up sensitive topics, and race, sexual orientation, and other matters are often difficult to discuss

constructively. Mostly white boards committed to diversity still have difficulty recruiting and integrating people of color onto the board. We propose the following principles as a starting point for boards:

1. A **“mission reason”**: It’s hard to imagine an effective board serving people with disabilities with no members with disabilities, a Vietnamese community center with no board members who are Vietnamese, or a theatre board with no members who are theatre-goers.

To help ensure that the perspectives of people utilizing services are reflected in planning and operations, organizations should have on their boards members of the communities being served, including clients, customers, and volunteers. Examples: • “We will strive to have two or more members of our board be parents whose children are residents in our treatment program.” • “One way we ensure our organization is responsive to the diverse community we serve is that we are committed to a board that includes individuals from different racial and ethnic communities, different genders, ages, sexual orientations, and physical disabilities.” • “As an organization fighting for rights for the elderly, we want to have 50% or more of our board members be 60 years old or older.”

2. A **“business reason”**: An organization’s board should include individuals who bring contacts, sensibility, and knowledge related to the organization’s business objectives. Examples: • “To help us attract Latino volunteer docents and Latino visitors, our museum wants to have two or more Latino board members connected with the community.” • “To reach the donors and leaders in communities of color, we want to have leaders of those communities on our board.”

3. A **“responsible corporation reason”**: Even beyond an organization’s client population, today’s diverse communities need diverse organizations as community building blocks. As an employer, nonprofits have a responsibility to community building (although a small organization doesn’t have the same scope of responsibility as a large one). Example: • “In line with our commitment that our staff and board reflect the larger community we serve, we will strive to have our staff and board have racial and ethnic composition comparable to the civilian labor force in our area.”

Articulating your values:

Ethnic-specific and gender-specific organizations (and others) should clarify and articulate their policies (whether/how to diversify) as part of their missions or their strategies for working with their communities. Examples: • “Because our organization is built on the idea of self-help for the immigrant Central American community, our board’s composition as 100% Central American immigrants is an important aspect of how we do our work.” • “As a shelter for battered women, we have seen our board’s composition of 100% women as a component of our mission to empower women. Now, as we move forward, to seek a broader base of support, connections, and advocacy, we have decided to open our board to men.” • “As a group advocating for the advancement of women in science, we see our board’s composition of 100% women as a component of our mission.”

Discussions about diversity are difficult to hold. The topics of race, ethnicity, gender, and sexual orientation evoke deeply felt, complex emotions, and participants in the discussion frequently have quite different points of view. These discussions, though they may be difficult, are an important part of the way a board develops its values and vision, and provide a unique platform where individuals can develop their own thinking.

There is no one right answer on diversity that is appropriate for all organizations. The discussion about diversity is itself an important process through which a board (and staff) can consider in what ways diversity may be important in achieving its mission.

More from Joyaux

I urge you to read two books in particular: *Effective Philanthropy: Organizational Success Through Deep Diversity and Gender Equality* by Mary Ellen S. Capek and Molly Mead. And then

read *When Generations Collide: Who They Are. Why They Clash. How to Solve the Generational Puzzle at Work* by Lynne Lancaster and David Stillman. Both books offer important insights into diversity and pluralism.

“At the heart of every company and at the root of everything are people.” (Harvey MacKay, from the foreword to *When Generations Collide*.)

People. Exploring the life experience, culture, beliefs, and values of individuals and groups allows us to reach out with sensitivity, find mutual interests, act respectfully and responsively, and design messages and communications strategies that connect with diverse audiences. This is certainly the basis for getting along with others, nurturing relationships, weaving webs of connectedness, and building healthy communities.

Lancaster and Stillman define the mission of their company, BridgeWorks: “To bridge the gap between generations [but one could add ethnicity, race, gender, and so forth] by helping people look beyond their own perspectives to understand the events, conditions, values, and behaviors that make each generation unique.” Just substitute “individual or group” for generation – and surely this is a mission that we must all share to create a sustainable world, nurture healthy communities, build a successful organization or business, and create personal bonds for friendship and collegiality.

Keep in mind – people and groups who feel that they don’t “fit” will likely leave – or not participate in the first place. The implications are huge – for recruiting and retaining staff, volunteers, donors, clients, friendships, and ...

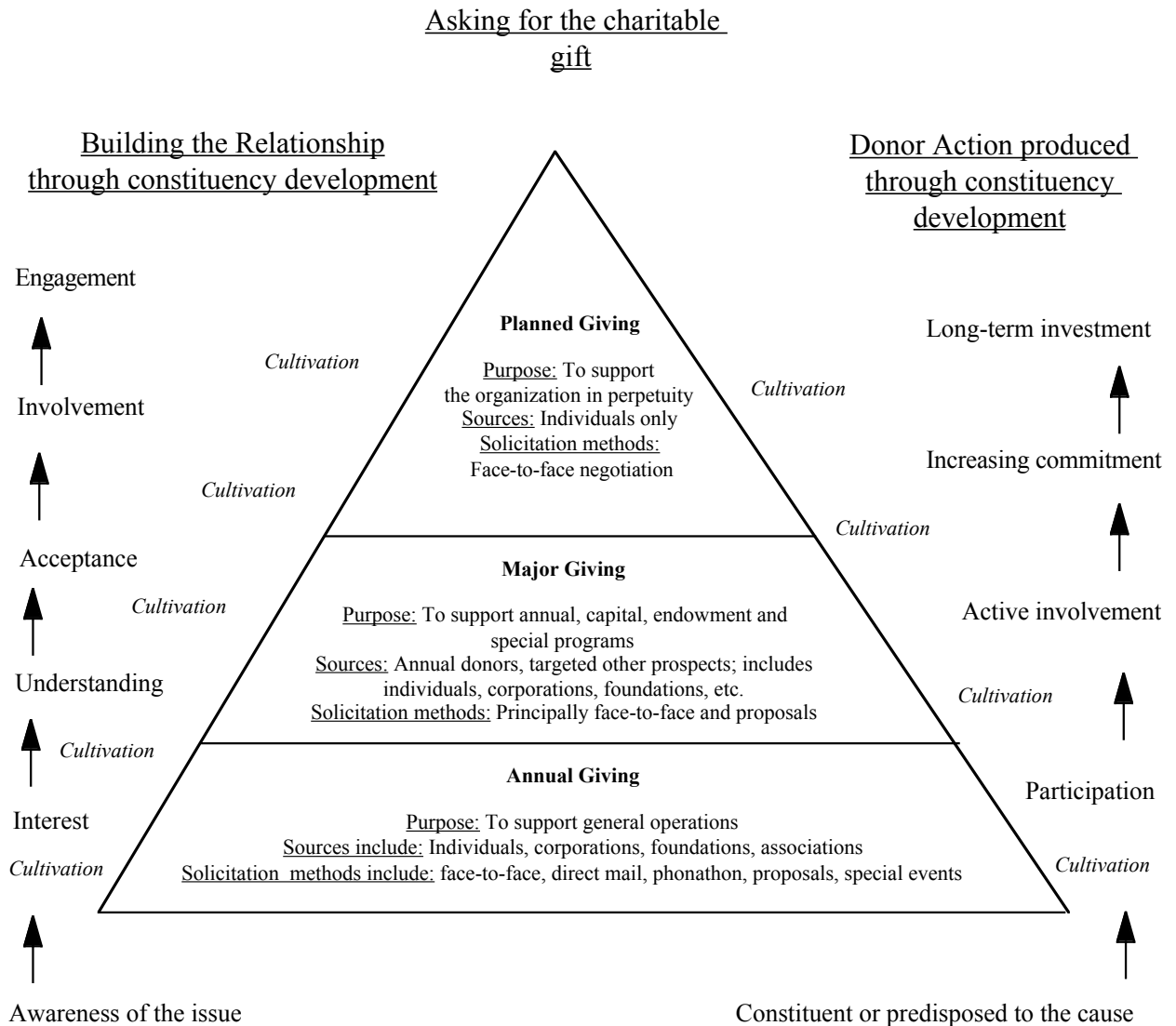
People are influenced by events and environment. People are shaped by their ethnicity, gender, sexual orientation, and socioeconomics.

And people who care – and want to connect and build community – seek out information and tools, develop their own skills, and expand their own insights. As Lancaster and Stillman note in their book: “We assume that our readers have the moral sense to try earnestly not to use this information to stereotype people, but rather to become better listeners, better observers of the human condition, better bosses, and better friends. Our goal is not to put people in a box, but to open up the box so that we can all get a better glimpse of who and what is inside.” (Page 33)

Basic Principles of Fund Development

1. Philanthropy is defined as voluntary action for the common good – and hence volunteers are critical to the process. Volunteers help cultivate relationships and solicit gifts. Professional staff enables volunteers to identify, cultivate and solicit.
2. You must nurture a culture of philanthropy in your organization – and build a donor-centered organization.
3. The mission of fund development is to secure donors, not donations. It's about loyalty and commitment.
4. Focus on the donor or prospective donor. "It's not what your organization is selling, it's what I'm buying that counts. I'm interested in my interests, my motivations and my aspirations. Match those and then I'll give to you."
 - Don't universalize your own passion. Not everyone is interested in your particular cause, no matter how convincing you are. Please do not try to convince them! That's offensive. Find those who share your passion.
5. Don't trespass on personal and professional relationships. Use your connections to identify those who are predisposed and build relationships between the cause and those who are predisposed. Leave them alone if they aren't alone. (See #3.)
6. Giving is an emotional act, not a financial transaction. Your organization is the means by which donors live out their own interests and aspirations.
 - a. Psychological research says that all human decisions are triggered emotion. Then rationale steps in. "Emotion is multi-dimensional: it focuses on a person's core goals, directs attention and interest, arouses the body for action, and integrates social group and cultural factors. It is thus a central component of meaning making." (Carol Saunders, PhD, Brookfield Zoo)
 - b. Research from the direct mail industry says that people give in response to one or more of 7 emotions: greed, guilt, anger, fear, flattery, exclusivity, and salvation. Just take a look at Simone's bracelet! Read all about emotions in *Keep Your Donors: The Guide to Better Communications and Stronger Relationships* (by Joyaux and Ahern).
 - People move from one emotion – e.g., anger – to hope, by using your agency as the means to make change. Tom Ahern refers to this partnering of emotions as "twin sets."
7. More visibility does not produce more contributions. Everyone focuses on what interests them. Your agency can be more and more visible – but if I'm not interested, I'm not paying attention. And I sure won't send money. Just ask Simone about the NCAA basketball championship and the World Cup! (Or read about these experiences in *Keep Your Donors*.)
 - a. It's okay if someone doesn't know who your agency is or what it does. Tell them, if they're interested. That's identifying the predisposed.
 - b. Do not solicit someone unless you know for sure that the person knows about your agency.
 - c. Where do you need to be visible? Among your current donors, because you want to build their loyalty. Absence does not make the heart grow fonder –it's out of sight and out of mind! Nurture these donor relationships.
8. You have to give first. (*You* means each board member, the CEO and development officers, and fundraising volunteers.) Why? Because you cannot represent an agency or cause without demonstrating your own financial and volunteer investment.
9. Why do most people give? Because they are asked. It's that simple. But only ask those who are interested. Ask the right prospect for the right amount at the right time for the right project in the right way with the right solicitor.
10. Each year, individuals give the largest portion of philanthropic gifts in North America. Is that true elsewhere?
11. Fund development is a process and a profession. The profession is founded on ethical principles and standards, based on a body of knowledge and best practice, and protects the public through voluntary certification of professionals.
12. Most fund development problems are actually not fund development problems. Most problems relate to other areas of operation Fix the real problem. (See Joyaux website: Resources / Free Library / Fund development / *Choosing your road*.)
13. A balanced funding mix of solicitation strategies and donor sources ensures stability and credibility. Whenever possible, the best way to solicit a gift is through face-to-face solicitation.

Aligning the engagement process with solicitation activities and donor action



From *Strategic Fund Development: Building Profitable Relationships That Last*, by Simone P. Joyaux, ACFRE, Jones and Barattelli Publishers, 1st edition, 1997; 2nd edition, March 2001. Adapted by Joyaux from James Greenfield, ACFRE, FAHP, *Fund-Raising: Managing and Evaluating the Development Function*, (John Wiley & Sons, Inc., 1996.) Aspen Publishers, Frederick MD, 1-800-638-8437.

Where do the pyramids in fund development come from? What is the research / documentation that supports our pyramids? Pay attention to Adrian Sargeant's research at the Center on Philanthropy at IUPUI, Indianapolis, IN, USA.

The Donor-Centric Pledge

We, [fill in the name of your nonprofit organization here], believe...

1. That donors are essential to the success of our mission.
2. That gifts are not "cash transactions." Donors are not merely a bunch of interchangeable, easily replaceable credit cards, checkbooks and wallets.
3. That no one "owes" us a gift just because our mission is worthy.
4. That any person who chooses to become our donor has enormous potential to assist the mission.
5. That having a program for developing a relationship with that donor is how organizations tap that enormous potential.
6. That we waste that potential when donors are not promptly thanked.
7. That "lifetime value of a donor" is the best (though often overlooked) way to evaluate "return on investment" in fundraising.
8. That donors are more important than donations. Those who currently make small gifts are just as interesting to us as those who currently make large gifts.
9. That acquiring first-time donors is easy but keeping those donors is hard.
10. That many first-time gifts are no more than "impulse purchases" or "first dates."
11. That we'll have to work harder for the second gift than we did for the first.
12. That a prerequisite for above-average donor retention is a well-planned donor-centric communications program that begins with a welcome.
13. That donors want to have faith in us, and that it's our fault if they don't.
14. That donors want to make a difference in the world -- and that our mission is one of many means to that end.
15. That donors are investors. They invest in doing good. They expect their investment to prosper, or they'll invest somewhere else.
16. That we earn the donor's trust by reporting on our accomplishments and efficiency.
17. That individual donors respond to our appeals for personal reasons we can only guess at.
18. That asking a donor why she or he gave a first gift to us will likely lead to a amazingly revealing conversation.
19. That fundraising serves the donors' emotional needs as much as it serves the organization's financial needs.
20. That we are in the "feel good" business. Donors feel good when they help make the world a better place.
21. That a prime goal of fundraising communications is to satisfy basic human needs such as the donor's need to feel important and worthwhile.
22. That the donor's perspective defines what is a "major" gift.¹
23. That every first gift can open a door to an entirely new world for the donor, through participation in our cause.

From *Keep Your Donors: The Guide to Better Communications and Stronger Relationships*, by Tom Ahern and Simone Joyaux (John Wiley & Company Publishers, November 2007)

¹ A repeat donor of \$25 annual gifts who suddenly increases her gift ten-fold to \$250, for instance, is making a major commitment that deserves special acknowledgement.

Telling your story: the case statement

The case statement serves as your organization's communications document, targeted to a particular audience, in order to raise money. You communicate the community need and your organization's response and merits. You explain the benefits to the donor in order to stimulate a gift in return. Information to write case statement includes: history and track record; strategic plan; community needs and trends.

Tell your story with personal stories – about real people! Speak from the heart. Use “you” a lot. Engage the listener. Yes, add in some “facts and figures” also. But “facts and figures” should never dominate! Engage people through their emotions.

A case statement must:

- Reflect your organization's planning (e.g. mission, goals and strategies to achieve goals) and an understanding of your constituents' needs and motivations.

A case statement should be brief, compelling and demonstrate success. The case statement is targeted to the interests and motivations of a specific audience and describes how the donor's investment will solve a problem or meet a community need or opportunity.

Key information to include in your case statement:

1. The problem (or opportunity) to be addressed
 - Talk about community need. Talk about the people who need and want your service.
2. Trends affecting the problem (or opportunity)
 - Demonstrate your knowledge and insight. What is happening in the world and your community that has produced this problem and what is happening now (and what do you anticipate happening in the future.)
3. Your response to the problem (or opportunity)
 - How does/will your organization respond to the community problem or opportunity. How will you respond to the trends?
4. Your mission
 - Now is the time to weave in your mission. You exist (your mission) because you wish to respond to community situations. Explain how your response to this particular community situation fits in with your overall mission.
5. Your history, track record and marketplace position
 - Explain why you are the right organization to respond to this community situation. Talk about your track record. Demonstrate why the prospective donor should believe that giving money to your organization is a sound investment. Make sure you position your organization within the marketplace. How are you different than other organizations doing the same or similar work? Talk about collaboration.

6. Goals, strategies and objectives
 - Provide detail about how you will respond to the community situation. What, specifically, are you going to do? Why? When?
7. Organizational resources
 - Justify, prove that you have the resources necessary to address this situation. Describe your staff, professional expertise, volunteer structure, operations, and so forth. Talk about money. How do you currently finance your organization? How do you propose to finance this new activity? What kind of money is necessary? How will you raise the money and who is helping you raise the money?
8. Accountability and evaluation
 - You must assure the prospective donor that you will comply with all relevance regulations and laws, and that you are good organization, its programs and finances. Also describe how you evaluate program and institutional health.
9. Future organization plans
 - Present your future organization goals and activities that will continue to help the community address the situation in the future.
10. Role of the prospective donor
 - Engage the prospective donor. Describe how a prospective donor might participate in addressing the community problem or opportunity. Talk about how you can help the prospective donor achieve his or her own goals and dreams. Describe donor acknowledgment and recognition opportunities. Focus on target audiences and the key messages for each audience.

Questions to ask donors – and prospects and often the predisposed, too.

1. Why did you first give to our organization? (Richard Radcliffe, U.K. legacy consultant says this is the most important question to ask.)
2. What interests you most about organization? Why? What is less interesting to you?
3. Why do you give to our organization? What does our mission mean to you? How would you describe our mission?
4. What are the most critical results you expect our organization to produce?
5. What do you tell others about us? How do you describe this organization to others?
6. Why does this cause matter to you? Why now in particular?
7. What do you believe would most transform [this particular situation]?
8. Which other organizations effectively address this cause?
9. How does our organization compare to other organizations working in this cause?

Find out their values and believes. Get in touch with their feelings.

10. If you could change the world, what would you do?
11. What actions do you think would best cause the change you envision?
12. What changes do you believe would make the world a better place?
13. What would you like to pass on to future generations?
14. How do you feel when you make a gift?
15. What makes you angry and sad?
16. What makes you hopeful and happy?

P.S. Of course, you have to determine which questions are appropriate to whom. You must be sensitive to their boundaries as well as your own.

For more questions, see www.simonejoyaux.com. Click on Resources. Then click on Free Library and Fund Development.

For even more questions, see the new book, *Keep Your Donors*, which includes an entire chapter on conversation and questions. And a chapter on how to measure your relationship building.

Monitoring progress and measuring results: how good is your relationship-building program?

From the prospect / donor / volunteer perspective

1. Satisfaction with your organization's execution of its mission and the progress made on your mission
 2. Satisfaction with your organization's customer service (and not just from the development office!) Just look at Sargeant's research about donor loyalty.
 3. Satisfaction with your thank-you process and your recognition program
 4. Satisfaction with the quality of conversations they have with you
 5. Satisfaction with your organization's communications
 6. Degree to which their personal values align with your organization's values (essential for what a donor considers a large gift)
 7. How often the donor refers others to your organization
- And so many more! Seems to me we fundraisers are especially weak in this area.

What you do to nurture relationships

1. Breadth and depth of information in your files, with an emphasis on interests and disinterests, motivations and aspirations
 2. Diversity, regularity, and frequency of organization contacts with prospects and most especially with donors
 3. Level of personalization in communications and cultivation
 4. Effectiveness of cultivation at fundraising events
 5. Effectiveness of communications strategies and content
- And so many more! Seems to me we fundraisers are pretty weak in this area.

Charitable giving measure that reflect donor loyalty

1. Donor retention rate
 2. Rate of transition from first-time donor to regular donor
 3. Percent of donors who increase their gift size and / or number of gifts per year
 4. Size of gift compared to your estimation of donor's level of interest and commitment
- And so many more! We do this pretty well as fundraisers.

And see Tom Ahern's performance measures for effective communications – in *Keep Your Donors: The Guide to Better Communications and Stronger Relationships*.

Evaluating Interest, Readiness, and Capacity to Give, and Designing the Ask

The optimum combination of interest, readiness and capacity produces the best ask. The best ask is the right project, right amount, right time, right solicitor and right manner of asking. Try using a 10-point scale with 10 being the best.

Begin with interest. Determine the point rating for the prospect. Make anecdotal remarks about why you have selected that rating. Indicate what has to be done to improve the rating.

Proceed with readiness and do the same.

Interest + readiness = 20. Great! Design the right ask and go for it.

Interest + readiness \leq 15. You need to cultivate more.

Interest + readiness = 16-18. Talk a lot. Would more cultivation be better?

➤ Interest

Refers to the prospect's feeling of curiosity or attentiveness. Interested people are involved and concerned about your cause and your organization's response to me cause.

Interest also signifies that something is of advantage or benefit to the interested individual. (It's not what your organization is selling, it's what the prospect is buying that counts.)

Estimate level of interest and note date as this may change over time. Add remarks.

➤ Readiness

Means beings prepared for action, likely or liable to act in a particular manner. Readiness means that the prospect is prepared in his or her mind and hart and likely to act in the manner that you seek. The prospect sees how giving will benefit herself by meeting her needs and fulfilling her aspirations.

Estimate level of readiness and note date as this may change over time. Add remarks.

Total interest + readiness and date _____

Not yet ready or sufficiently interested.

If interest and readiness are not sufficiently solid, what will you do to move the prospect along the relationship continuum to be more interested and/or more ready to be asked? Add pages with your cultivation strategy.

➤ **If the prospect is ready to be solicited, then begin designing the ask:**

1. Describe the prospect's interests in some detail. Identify the prospect's feelings and aspirations.
2. Determine the intersection of prospect interests with your organization's interests.
3. Identify potential barriers for the prospect and figure out the responses.
4. Identify the stories that most resonate with the prospect.
5. Decide who is the right solicitor and why.
6. Decide what is the right project and why.
7. Decide what is the right timing and why.

➤ **Capacity**

Refers to the ability or aptitude to do something. Also means the maximum output or production, as in the prospect's wherewithal to do what you ask.

If useful, develop a gift table to help focus on potential capacity.

Consider the following:

- To what extent does the prospect have personal, family and other obligations that affect his/her giving capacity?
2. Does the prospect have sufficient cash to give and to what extent?
 3. Might securities be an option?
 4. Is there some other tangible property the prospect has that your organization would want?
 5. Would the prospect benefit from life income? If yes, what might you want to offer to the prospect as giving strategies? Consider life insurance, pooled income fund, and various trusts.
 6. Would a combination of giving strategies be helpful to the prospect? For example, a combination of life insurance and cash; or bequest and cash; or bequest and pooled income fund; etc. How would you suggest this?

➤ **Now fine-tune your thinking.**

- Bring interest, readiness, and capacity together.
- Fine-tune your responses to the questions located under "designing the ask".
- Then go for it!

See further detail in *Strategic Fund Development: Building Profitable Relationships That Last*, second edition, 2001: Chapter 4, pages 197 – 200. See also *Keep Your Donors: The Guide to Better Communications and Stronger Relationships*, Ahern and Joyaux.

And read Laura Fredricks' book *The Ask*. It's great!

Face-to-Face Solicitation

Thank you for agreeing to be a solicitor!

- First, you are a storyteller. Your job is to tell a story about the organization that resonates with you, and will resonate with the prospect.
- Simultaneously, you are a listener and observer. Listen to and watch the prospect.
- And you are an engager. Engage the prospect in a dialogue about the organization. Remember! A solicitation is a conversation, not a presentation. Ask questions. Engage the prospect. Find out what the prospect cares about.

Your resource materials

- a) Your brain, heart, personal experience, and passion. That's what is most important!
- b) The organization's *case statement*
- c) The *solicitation tips* that are attached to this document (pages 3 and 4)
- d) Prospect sheets (You will select your own prospects. Your staff has made some preliminary recommendations and will review these with you.)

Your job

1. Give your own gift before you ask others to give.
2. Get a meeting with the prospect – preferably in person. If necessary, over the telephone. The key is, a special meeting to discuss giving to the organization.
 - Tell the prospect why you want to meet with him/her/them: To tell you how we have used your prior gifts. To provide you with an update on our accomplishments. And to speak with you about another gift.
3. Tell the organization's story and engage the prospect in conversation.
4. Ask for the gift. (And ask for the specific amount suggested on the *prospect sheet!*)
5. Get the answer regarding the gift.
 - Don't settle for letting the prospect decide later and mail in the gift. You've just lost the power of face-to-face solicitation. If the prospect wants to think a while, set up a time to call back.
6. Report to the organization office with your results.

Your steps

1. First, review the case statement and highlight the key points that you want to cover.
2. Identify some stories you can tell the prospect, based on the prospect's interests and aspirations.

3. Review the *prospect sheet* so you are familiar with the background. Call the office and get more information if you need more to feel comfortable.
4. Call the prospect and set up a meeting. (If absolutely necessary, solicit over the telephone when the prospect will give you 15 minutes or so. But it's best to do this face-to-face: over lunch, over a cup of coffee, at the office, etc.)

Key points for you to remember about soliciting

- H. It's okay if you don't know all the answers.
- Just smile – and say that you will get back to the prospect with the answer. Then call the office and get the answer. Call the prospect back – this is great – another chance to ask for the gift and develop the relationship!
2. Always ask for a specific amount – and that should always be an increase over prior gifts. (See specific amount on the *prospect sheet*. This amount was determined by an analysis of the prospect's gift history and what the organization knows about the prospect.)
 - Industry standards say that 15% of the time, you'll get an increase! And the rest of the time, you'll likely get the same gift as last year. Asking for an increase is the only way to get one – and is an excellent strategy to maintain the same gift level.
 - Use the phrase: “Would you please consider giving \$___.”
 - If the gift is “large”, ask the prospect if s/he needs additional time to pay the gift. Specify by when you want the gift paid. (The organization has to decide if it wants pledge payments and over what time period.)

Key points for you to remember about the organization

- See resource materials developed for your solicitation program.

At the meeting (whether in person or on the telephone)

1. Start out by saying thank you! Thank you for the time and thank you for the prior gifts.
2. Remember: This is a conversation, not a presentation. Engage the prospect in a discussion. Listen. Watch the body language. (Or listen to the hesitations or enthusiasm.)
3. Explain your role as a volunteer. Talk about why you believe in the organization's program. Mention your own gift in the context of your commitment to the cause. (Not the amount but that you gave money and do so every year.)
4. Talk about the community desire for and response to specific services offered by the organization. Highlight a favorite story or program at the organization.
5. Talk about how the organization will use the money. (Look at the case statement – show the *case statement* to the prospect. Leave a case statement with the prospect.)
6. Ask for the specific amount noted on the *prospect sheet*.
7. Get a commitment to you, before you close the meeting. (Or arrange to call back later to get the answer.)
 - Don't leave a gift envelope with the prospect - without a specific amount pledged. It is important that the prospect make the financial commitment to you directly.

Yes! You can ask for (and get) big gifts.

Suggestions for Effective Solicitation

There is only one way to solicit a large* gift: call in person!! Describe your project and the way it helps to solve a community problem; match the prospect's needs to those of your cause; and ask for the prospect's support.

Be interested in the prospect. S/he gives because of personal interest and need. Can you meet that need? * P.S. Remember - "large" gift depends upon your organization's size and needs.

1. Pick the right prospects

- a) It is the appropriate contact that makes the difference in fundraising (and almost everything else!)
- b) Keep this mantra in mind: The right prospect asked by the right solicitor for the right project at the right amount at the right time.

2. Solicit in person

- a) Face-to-face solicitation is the only method. The job is too important and the stakes are too high for it to be done any other way.
- b) Beware: When making the appointment, don't accidentally end up soliciting the prospect over the telephone. Present the information and the request in person. The prospect will respond more favorably.

3. Convince yourself first

- You'll be on firmer ground when soliciting others if you have already made your own commitment. This enhances your ability to convince others. Your gift lends credibility when you ask others to give.

4. Know your cause and tell a good story

- a) Be knowledgeable about the problems and opportunities and the role that your organization plays in responding to this situation. Be familiar with the organization's programs and services. Read the support materials before you begin soliciting. Use these materials in your discussion with the prospect.
- b) And most especially, tell a story about real people who are helped by your organization. Tell a good story and people will respond.
- c) Don't worry if you don't know some answers. That's fine – even good! Tell the prospect you'll get the answer and call back later. Another contact is good.

5. Know your prospect – their motivations, aspirations, interests and disinterests

- Think about their possible motivation(s) for participating in addressing these community issues. Draw on their experience and interests in your discussion.

6. Ask for a specific amount - and secure a promise

- a) Use the phrase: “Would you please consider a gift of \$ ____.”
- b) It is crucial to ask for a specific amount. People are more comfortable when you give them a sense of what is expected - then they can make their own decision.
- c) Get a commitment of a specific amount before you end the solicitation. If the prospect needs time to think about an amount, tell him/her you will call back in a few days to get the specific pledge. Then call back.

7. Know your job

- a) Focus on your job as a solicitor. You are wonderful and your work is important.
- b) Stick to the campaign timetable. Don't wait too long to make your calls. Get them done early!
- c) As soon as someone has pledged a gift, call the organization office with the amount. The office will then send an acknowledgment letter.
- d) Please, do not wait until later to call the office when someone pledges. That means the donor doesn't get a thank-you letter until later. And that's very unfortunate.

8. At the meeting

- a) This is a conversation, not a presentation. Engage the prospect in a discussion. Listen. Watch the body language.
- b) Explain your role as a volunteer. Talk about why you believe the organization's services are important. Mention your own gift in the context of your commitment to the cause.
- c) Talk about community issues and how the organization can help respond to the community issues. Discuss the organization's programs.
- d) Remind the prospect how his/her gift will help respond to this community problem. Talk about how the gift will influence other gifts.
- e) Ask for the specific amount.
- f) Aim as high as you can. Challenge and stretch the prospect.
- g) Get a commitment to you, before you close the meeting. Don't leave a gift envelope with the prospect - without a specific amount pledged. It is important that the prospect make the financial commitment to you directly.

What if...contingency plans!

- a) Don't just accept a gift that is too small. Try first to negotiate it up.
- b) Don't just accept a "no." Keep telling the stories. Ask if you can come back in a month and ask again.
- c) If the prospect agrees to consider your appeal but wants to take more time to decide, make arrangements to follow up personally and secure the final decision.
- d) Remember, your job is to get the answer - not just ask!

After the meeting...

- Report in! Call the office immediately and report your results. The office will send out a thank-you note. (Remember: the faster you notify the office, the faster the donor receives an acknowledgement of the gift!)

For more information, call the organization's office.