

PUT AN END TO THE
EPIDEMIC

**ORGANIZATIONAL EFFECTIVENESS SERIES:
BUILDING HEALTHY ORGANIZATIONS**

FUNDRAISING & MARKETING

Tools and Resources for Building Healthy Organizations



ORGANIZATIONAL EFFECTIVENESS SERIES: BUILDING HEALTHY ORGANIZATIONS- FUNDRAISING AND MARKETING

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Chapter 1 – Getting Started

Welcome and Introduction

Welcome to the National Minority Aids Council’s *Fundraising and Marketing Guide*. We’re excited you’re participating with us and are confident you’ll be glad you did. Your mission, vision, values, strategic plan, and work are critical to your community’s wellbeing. Your organization makes a major societal contribution. In order to thrive, however, your resource engine needs fuel—philanthropy from individuals, corporations, and foundations is a powerful ingredient.

It provides:

- Flexibility—allowing you to put money where you, as leaders, know it will do the most good.
- Freedom—to do what you know is right for the people you serve rather than just meeting government requirements.
- Impact—helping you change and save lives.
- Dependability—providing money you can count on, year after year.
- Visibility—helping you spread the word throughout the communities you serve.
- Opportunity—to innovate, try new things.

What We Hear

“It’s too much trouble.” “Takes too much time.” “My board won’t help.” “We can’t afford to hire someone to do the work.” “We tried it. It didn’t work.” “Our community is different.” “The people with deep pockets don’t want to be part of our cause.”

Reality Check

Your needs are indeed unique and you have challenges others might not face. You’re right that philanthropy is a lot of work and it definitely takes intentionality and time. You’ll need the right people helping you—staff and volunteers. It requires upfront investment. But here is the reality that matters most.

The payoff is **HUGE**. And any and every nonprofit can succeed at it. **ANY. EVERY. Guaranteed.**

Follow the action plans spelled out in this guide and **YOU WILL:**

- **Impact** the individuals, families and your community in new and better ways.
- **Grow** your organization while ensuring a “broader and deeper mission impact.”
- **Strengthen** the results achieved.
- **Establish** a culture of philanthropy and a robust fund development program.
- **Intensify** the strategic contributions made by each and every staff and board member.
- **Enhance** your reputation throughout the community.

What You Will Find In This Guide

Each chapter includes:

1. Objectives
2. Practical, achievable content
3. Activities to help you move forward
4. Tools you can use
5. A checklist to keep you on track

Overview of Resource Development and Marketing

Objectives:

- Increase understanding of where philanthropic investments come from and where they go.
- Increase knowledge about the various sources of philanthropy.
- Strengthen understanding of a balanced portfolio of sources and techniques.
- Master the basics of the fund development process and the role of marketing and communications in that process.
- Initiate the process for developing a pool of potential donors.

Tools and Templates:

1. **“Glossary of Resource Development Terms”**
2. **“Error! Reference source not found.”**
3. **“Strategies for Identifying Prospective Donors”**

Philanthropy in the USA

Nonprofits in the US fuel their resource engines in a variety of ways.

Fee for Service and other “business” such as selling Girl Scout Cookies or donated clothes to shoppers	Philanthropy from individuals, corporations, family foundations, and institutional foundations
Government grants and subsidies	Endowment and investment income

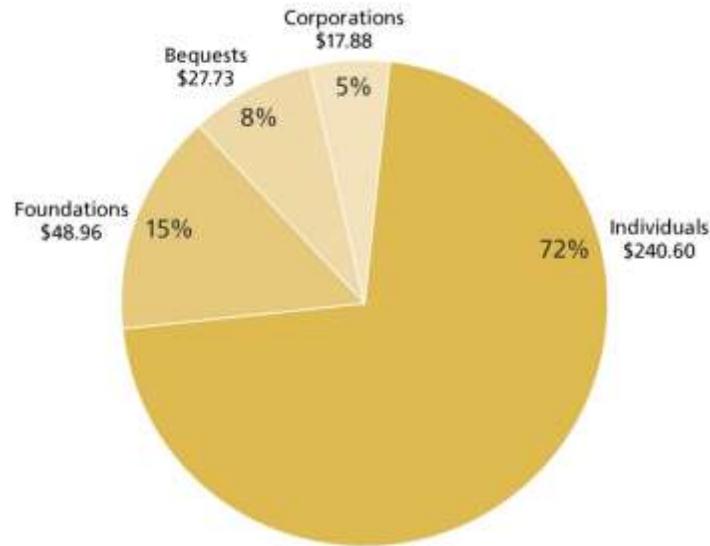
Our focus is on philanthropy from individuals, corporations, family foundations, and institutional foundations. In 2013, according to Giving USA, US donors invested over **\$335 billion** in charities.

Note the distribution depicted in the pie chart below. Seventy-two percent came from individuals. Another 8 percent came in bequests (also from individuals) and the 15 percent from foundations includes 5percent from family foundations—so approximately 85 percent of the \$335 billion came from

individuals, with 5 percent from corporations and 10 percent from institutional foundations such as Ford, Gates, Mellon and others.

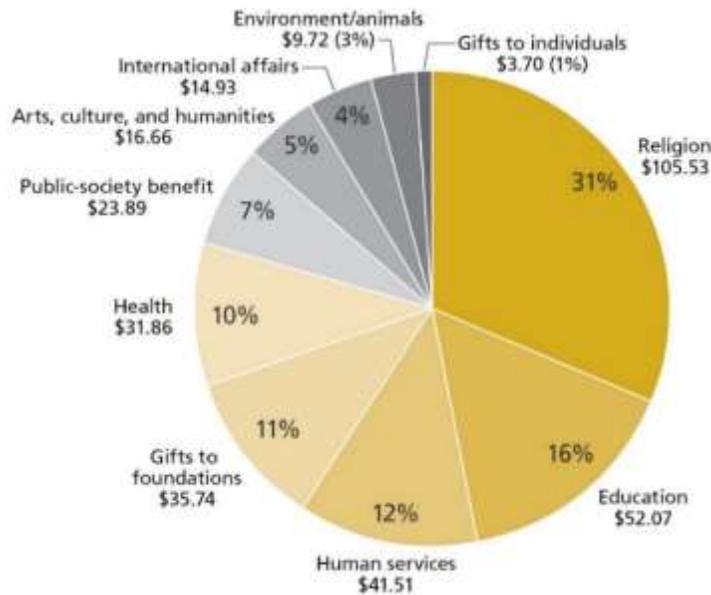
Knowing this is important as you build your fundraising and communication programs. You want to follow the money. Focus your time, energy, expectations and resources accordingly.

Figure 1: 2013 Giving in the US



Where does the money go?

Again, according to Giving USA, religion receives the most money with 31% of the total, followed by education, human services, grant making community and family foundations, and healthcare. Figure 2: 2013 Distribution of Charitable Giving



How nonprofits raise money

Nonprofits use a wide variety of techniques to raise money. Each has pros and cons, different costs and returns on investment (ROI). Just as you want to follow the money in terms of the philanthropy sources, you also want to deploy resources according to the strongest ROI.

Refer to the ***Glossary of Terms*** for definitions of all terms and concepts described in this guide.

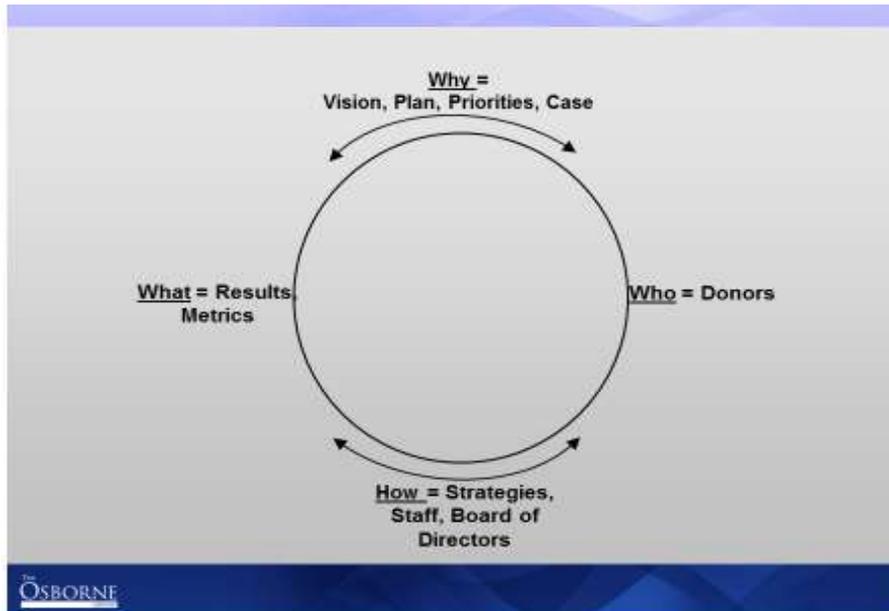
Table 1: ROI Technique Chart

Technique	Description, Activities, and Implementation Strategies	ROI
Annual or Regular Giving (from all sources)	Direct Mail Social and New Media (including crowdfunding, mobile) Email Street canvassing or peer-to-peer Special events	Lower ROI overall. However, annual giving often provides the highest percentage of unrestricted dollars. Annual or regular giving is an important component of balanced program.
Monthly or Sustainer Annual Giving	Donors make payroll deduction or other set giving each month (automatic credit card charge often).	Much higher donor retention rates, larger average gift size.
Leadership Annual Giving	Usually relationship-based seeking gifts of \$1,000+	Highest ROI of annual giving techniques.
Institutional Giving	Raising money from corporations and institutional foundations via relationship building and proposal or grant writing. Corporate employees raise money on the CBO's behalf.	Only 15% of the national pie, but ROI can be strong if the focus is on larger gifts (\$10,000 and more). In addition, if volunteers are primarily raising the smaller amounts (for example, seeking sponsorships, selling tables to corporations or raising money via social media) and therefore not taking significant organization and staff resources, the ROI can make sense. Conversely, if the emphasis is on grants under \$10,000 and staff does all the work, you are over allocating resources on a small piece of the pie.
Major Gifts from all sources but primarily high net-worth individuals (HNWI)	Based on relationship building. Focused on gifts of \$10,000 and more. Most resources, energy invested	Best ROI
Planned Giving	Bequests Annuities and other gift planning vehicles that provide solutions to donors charitable and family objectives	Good ROI Usually doesn't take a significant investment. Bequest expectancies provide a return over the long-term. When planned giving is part of a major gift program, it can provide a high, shorter-term return.
Cause Marketing	Not really philanthropy but can be part of a marketing and communications effort, or tied to an institutional giving program.	Wider range of ROI than other techniques, depending on goals and program effectiveness.

The Fund Development Management Process

As shown in Figure 3, the Fund Development Management process first identifies the “Why” (vision, plan, priorities, and case or reason for fundraising) and “How” (strategies, staff, and board of directors) of fund development and then addresses “What” (resources) and “Who” (potential donors).

Figure 3: Fund Development Management Process



Why

No matter which techniques you use, this process is key to a greater or lesser degree.

In later chapters, we go into greater depth. Here we summarize it as part of the overview.

As explained by Simon Sinek, for-profit marketing and leadership guru and author of “Why Start with Why,” most organizations talk about what they do and how they do it, differentiating themselves by their unique “how,” and track record of success. Sinek urges us to explain the larger societal impact we’re trying to achieve.¹

Although speaking to for-profits, his message resonates for our sector. Most of us explain our mission by stating what we do and how we do it. Easter Seals, for example, helps people with disabilities, from birth to old age, achieve their full potential. That’s what they do. Here’s how they do it: They are trusted experts who provide direct services, educate caregivers and the medical community, and advocate for their clients and others like them.

Are you inspired?

Now, try this. Every day 20,000 veterans commit suicide. Homelessness and unemployment among our nation’s veterans is two, three, and four times higher than for non-Vets (the “why”). Easter Seals leads the way in stopping suicides and helping our nation’s veterans receive the physical and emotional

¹ See Simon Sinek’s TED talk (only 18 minutes): <https://www.youtube.com/watch?v=sioZd3AxmNE>

therapy they need, gain suitable housing, good jobs, and become thriving members of our communities (the “what”).

Do you see the difference between the first example of how Easter Seals speaks about its work and the second example, which is focused on helping veterans? In the first example, they tried to explain everything they do. In the second example, they made their work and current focus concrete and therefore more compelling. They shared *why* it is important before telling *what* they do about it.

For fund development, as part of the why, you also need a strong values statement, strategic plan, and fundraising priorities. Chapters 2 and 4 cover this in more depth.

The second part of the management process is the health of the donor and prospective donor pool.

The number one reason fund development programs fail is lack of identifying and sustaining enough rated and engaged donors or prospective donors. You have to pay attention to this.

Table 2 provides guidelines for building a Table of Gifts, a fundamental and powerful tool to help you set and monitor donor identification goals. In Chapters 2, 4, 6 and 8 we discuss multiple strategies for identifying, rating, and engaging prospective donors. Review the “Strategies for Identifying Prospective Donors” tool for a summary of the strategies and guidelines for rating donors.

Guidelines for Identifying Enough Rated and Engaged Donors or Prospective Donors

Base the Table of Gifts on your fundraising goal.

For example, your board and executive team have set a goal of \$1,000,000 for the next fiscal year. Applying techniques with the strongest ROI, you agree on an objective targeting 60% of the \$1,000,000 from donors who can give \$1,000 and more, 20% from gifts of \$250 or more, and the last 20% from gifts of under \$250. Your reasoning is based on best practices.

You know that 90% of charitable dollars come from 10% of the population. In previous times, the 80/20 rule applied. But in today’s market place, pyramids have gotten skinnier in the middle. The best use of your resources, therefore, is working to secure fewer large gifts than many, many small gifts. However, there are no hard and fast rules around building your gift table. Just be sure to back it with names of known donors and potential donors. Work from your reality.

We do know for sure, however, that for every gift you need, wisdom and experience suggest you identify three to four times as many prospective donors because not everyone will say yes.

Table 2: Sample Table of Gifts

Giving Level	Number of Gifts Needed	Cumulative Total	Number of Prospective Donors Needed	Number of Corporations Identified	Number of Individuals Identified	Number of Foundations Identified
\$50,000	2	\$100,000	6			
\$25,000	4	\$200,000	12			
\$10,000	10	\$300,000	30			
\$ 7,500	16	\$420,000	48			
\$ 5,000	20	\$520,000	60			
\$ 2,500	25	\$582,500	75			
\$ 1,000	25	\$607,500	75			

Once you have articulated your “why,” developed your strategic plan, identified your fundraising priorities and costs and calculated (therefore, how many prospective donors you need ranked and engaged), you can next develop the **strategies** needed to achieve those goals.

1. Staffing (Chapter 11)
2. Board of Directors composition and engagement (Chapter 3)
3. Culture of philanthropy goals and action steps (Chapter 5)
4. Donor engagement, solicitation and stewardship (Chapters 6, 7, and 8)

Finally, as shown in Figure 3 on page 8, we end with **metrics**. There are many ways to measure success. Dollars raised, donors identified and engaged, and donor retention and upgrade rates are the most critical. If you focus on these, you’ll have the kind of information you need to make sound decisions going forward. See Chapter 12 for more in-depth discussion.

The Role of Marketing and Communications

Nonprofit consultant David Williamson offers a helpful analogy for understanding the difference between marketing and communications. Marketing is a “pull” strategy that tries to meet the audience where it is and steer them to the desired action. Communications are often classic “push” strategies through which the organization pushes out information about its activities and agenda. According to Williamson, best-practices for nonprofits combine the best aspects of both approaches and appeal to the head and the heart.

We would add that in today’s marketplace, the goals of both pull and push strategies are strategic conversations and engagement. We pull stakeholders toward being advocates, joining our cause or organization, giving time, talent, and treasure through strategic dialogue and engagement with our work. We push communications out with the goal of enrolling and engaging stakeholders in our mission, vision, values, and work.

We recommend an integrated approach to marketing and communications (rather than focusing on gaining customers as one activity, increasing visibility as another, and securing donors and volunteers as a third strategy). Leveraged resources, clear messaging, and positive change will result from these strategic conversations and engagements.

We go into greater depth on this topic in Chapter 9, including the uses of social and new media.

Action Steps

1. Using the **Revenue and Technique Chart** your philanthropic revenue. How much (in dollars and percentages) are you currently raising from individuals, corporations, and foundations? Chart your fundraising techniques. How much (in dollars and percentages) are you currently receiving through giving channels (annual giving online, direct response (mail), phone solicitations, in-person solicitations, from the board, via the board, from special events; major gifts, bequest intentions, and realized bequests)?
2. Set tentative goals for your two charts three years from now. What changes would you like to achieve?

Fund Development Management Process Checklist

Building Blocks	Yes, Completed	No, What Information Do I Need	No, Steps You Will Take to Complete	Due Dates	Person Responsible
Philanthropic Revenue and Technique Chart					
Draft Goals					

Strategies for Identifying Prospective Donors

When you think about all of the activities that can have a profound effect on your fundraising ability, five stand out as top priorities.

1. Mission, vision, values and strategic plan. You need these building blocks to run your organization well, build an outstanding board and attract top prospective donors.
2. An outstanding board of 20 to 30 smart, passionate, generous individuals
3. An engaged CEO
4. A Competent Chief Development Officer (CDO)
5. A large enough pool of prospective donors

Use the following strategies to find and engage the number of donors you need for your program to thrive.

1. **Start with a goal.** Know how many donors and prospective donors you need and at what giving ability levels. Use a table of gifts with a 1:3 or 1:4 ratio (three or four potential donors for each gift required).
2. Once you know how many you need, **figure out how many you already know.** Create a realized table of gifts for the last three to five years. Write down the names represented by those numbers. Your best next donor is a current or recently past donor.

Giving Level	Number of Gifts Last Year	Number of Gifts Year Before	Number of Gifts 3 Years Ago	Number of Gifts 4 Years Ago	Number of Gifts 5 Years Ago
\$Largest gift amount					
\$100,000					
\$ 50,000					
\$ 25,000					
\$ 10,000					
\$ 5,000					
\$ 2,500					
\$ 1,000					
\$ 500					
\$ 250					
\$ 100					

Do the same kind of analysis for **event attendees**. Your table of gifts will use lower numbers but still can be quite helpful. Who attended your events in the last three years? Identify those who came more than once, paid the higher ticket price, and brought someone with them.

3. **Get more information** about this group of donors. Begin to engage them (or engage them more deeply).
 - Start a thank you, impact, and discovery campaign. Get everyone on the staff leadership and all board members to make thank you, impact, and discovery phone calls and visits. Concentrate your efforts during one month or over a quarter. Make it a contest or have a monthly or weekly celebration. This will have multiple positive results.
 - Say thank you for past gifts. Share the IMPACT their gifts have had on our mission and work. Ask questions: “Who else should we thank for these (this) gift?” “What inspired you to give?” “Why do you continue to give to us?” Invite to come for a tour, attend a webinar conversation with the CEO, and participate in a hosted discussion of the issues your CBO is addressing.
4. **Look for clues** of interest and giving capacity among current donors, visitors to the website, and people engaged with you via social media. The following actions are usually indicators of those who have an affinity for your cause and organization:
 - Who opens your emails.
 - Who actively promotes (likes) and/or shares about your organization via social media.
 - Who has provided updated demographic information.
 - Who gives more than the average gift size.
 - Who gives every year no matter how small the gift is.

5. **Expand your reach.**

- Ask current donors and board members to host vision and/or issue discussions. “Join friends and neighbors for a lively discussion about healthcare, wellness and winning the battle against HIV. Your ideas and experiences will make this 90 minute gathering worth everyone’s time.”
- Reach out to fraternities and sororities, organizations such as The Links and The Guardsman, minority golfing associations in the communities, and local churches. Invite them to a forum or co-host an event like the ones listed below. Seek their advice about engaging their members and others in the community; ask board members about their affiliations with these groups.
- Host a free cooking clinic on eating healthy. Make it broad so it includes people with HIV as well as diabetes, hypertension, and other illnesses that affect the minority community in significant numbers. Include sign-ups requiring name, address, email address, and cell phone number.
- Offer free webinars on related health and social issues.
- Use social media like Twitter and Google Hangout to share content and engage potential donors.
- Share lists of foundation board members and corporate officers with your board members. Seek possible connections.

6. **Develop and act on E (engagement) Scores.**

- Who increased their giving or gives generously now? What do they have in common? Through what giving channel did they come to you? In which engagement opportunities did they participate prior to increasing or making the large gift? Give those activities a higher e-score. Use the higher e-score opportunities to engage others. Rank activities on a 1-5 scale. Here is an example. Let’s say the vast majority of your most loyal donors all came via direct mail but also advocated in some way. The next highest percentage of loyal donors attended a specific event. The third highest, were solicited by a volunteer.
- Among those who increased their gift, a volunteer solicited the largest percentage of donors. The next highest percentage of donors who increased advocated in some way. The next highest group attended a specific event. And so forth.
- In this example, based on the analysis, advocacy gets your highest e-score, so you want to get more donors and potential donors involved in advocacy because it gets you the best giving result.

Engagement Scores

	Donor Behavior				
	Loyal (5+ consecutive years)	Increased over last year	Gives More than average gift	Gives \$250+	You are in their will
Giving Channel					
DM	5				
Event (list all)		3			
Volunteer solicitation	3	5	4		5
Staff solicitation				5	
Other (list)					
Engagement					
Board member			5	4	
Advocate	5	4	3	3	
Hosted					
Attended (list all)	4				4
Other (list)					

7. **Consider a wealth and philanthropy overlay.** Many organizations take your list of donors and screen them against public records, returning a capacity and affinity score to help you focus on the top potential donors. They charge by the record. This is only worth doing if you have someone on the staff to follow through with verification, rating, assigning, and tracking.

Chapter 2: The ED Leading the Way

Objectives:

- Define our terms and their relationship with resource development and marketing and communications—including mission, vision, values, strategic plan, fundraising priorities and costs, and case for support.
- Increase your understanding of the Executive Director’s (ED) roles and responsibilities in all of the above.
- Determine the qualities and behaviors needed in a fundraising-savvy ED.

Tools and Templates:

1. “Asking Strategic Questions”
2. “Guidelines for Developing Leadership Annual Fund Impact Statements”
3. “Error! Reference source not found.”

Mission and Vision

Mission is the reason your organization exists, the measurable outcome you are trying to create. Mission rarely changes over time, but sometimes due to the dynamic environment in which nonprofits exist, changes are needed in order to stay relevant and successfully meet the needs of the community. NMAC recently revised its mission. Chances are the organization won’t do that again for many years, if ever.

“NMAC will educate, advocate, collaborate and compel—**with urgency**—for health equity within communities of color in our tireless quest to end the HIV epidemic.”

What is your CBO’s mission statement?

Vision, how you will achieve your mission in the short-term, often changes over time.

NMAC created a compelling vision, which states that by 2020:

- America is a just, innovative, and compassionate country for people living with and at-risk for HIV.
- America has achieved health equity by race and the country is marking record-low new incidence rates in a waning epidemic.
- All people living with HIV have broad and affordable access to high quality and culturally intelligent health care, and citizens and governments do not define disparagingly those living with HIV.
- NMAC continues to be a respected partner in achieving these ambitious outcomes.

This vision meets all of the criteria needed for fundraising as described below.

Leadership and change management guru, John Kotter, defines vision as “A compelling picture of the future with some implicit or explicit commentary on why people should strive to create that future.”

Vision is life saving, changing, community building, nation and/or world improving. It is bigger than your organization (others will have to help you get there) and you're already on your way.

What is your CBO's vision? It should be:

- Bold
- Urgent and compelling
- Imaginable
- Desirable
- Feasible
- Focused
- Flexible
- Communicable

The ED's first and most important responsibility is *creating a powerful vision* that meets the above criteria and then *sharing this vision with everyone*. First, with internal staff and board members. Do this through generative conversations. In small group gatherings, ask, for example:

1. *What do we know so far/still need to learn about (America's attitude, health equity, affordable access and our reputation)?*
2. *What are the dilemmas/opportunities we face?*
3. *What assumptions do we need to test or challenge?*
4. *What would someone who had a very different set of beliefs than we do, question?*
5. *What conversations, if begun today, could ripple out in a way that created new possibilities for our future?*
6. *How might we talk about our vision with others? What words, data, stories and examples might make it come alive?*

These are powerful conversations that help make the vision real, tangible, and usable. You need every staff member, no matter his or her role, and every board member and volunteer to be able to articulate the vision. Question 6 is critical.

Each staff and director needs to make the vision and your story his or her own.

Second, the ED needs to share the vision with your most important external stakeholders—donors, potential donors, community influencers, key government officials, and media representatives. You do this through strategic conversations (one-on-one or in small groups). For example, ask,

1. *To what extent do you believe the needs of minority men and women stricken affect our community, state, region?*
2. *In what ways does this impact you, your family, your neighbors, your beliefs, your values?*
3. *What are your impressions of our vision for the future?*

4. *To what extent do you believe the mission we have and that the issues we're solving are serious problems for our community, state, region, country, world?*
5. *As you read or hear our vision for the future, in what ways do you see our CBO effectively addressing these issues?*
6. *Are there other ways we could help solve this problem?*
7. *In what ways might you help us address these issues?*
8. *What impact do you believe achieving our vision will have on your family, our community, our state, the nation, global society?*
9. *What do you believe our staff, program staff, board, or closest friends should do to help make this vision a reality?*

Are there any questions about our vision, mission, and work that we've not answered?

The goal is to enroll and engage stakeholders rather than pitch and sell. When you pitch, people either buy or don't buy what you are selling. When you engage in strategic conversations, the audience begins to sell themselves. You gain a better understanding of their views, and are able to shape the conversation in ways your audience will hear.

Values

Organizations sometimes skip over values. Or if they have them, no one talks about them. But here is an example of just the opposite.

A while ago, some guy backed into my car. The resulting damage sent me to a collision center. I opened the front door. On the wall in front of me was a huge plaque detailing the center's organizational values. Wow. Customer service, listening, respect, commitment. I have to admit, I was skeptical. After all, a collision center fixes cars. It doesn't save lives. I asked the young woman behind the desk about the values. She enthusiastically told me how they live them every day and receive evaluations on them monthly.

Now, if a garage can live its values, surely your CBO can and should. Here's why.

Values statements help define the culture of your organization. They help the organization attract potential staff members, board members, and other volunteers whose personal values align with the organization. According to Cella Consulting, a values statement should:

- Reflect the core ideology of an organization, the deeply held values that do not change over time.
- Answer the question: How do we carry out our mission?
- Include the values your organization lives and breathes in all its activities.

In today's philanthropic marketplace, more donors seek NGOs with aligned values. So be sure to put your values out there—on your website, on a wall in the conference room, in your communications.

The Cella consultants recommend finding ways to involve as many people as possible in the mission/vision/values creation processes, because engaging team members (including board members and donors you count on) will help them to take ownership, while also providing more minds to help craft statements that accurately reflect the diverse organization.

In many ways, NMAC has laced its new mission and vision with values. Access, health equity, dignity, acceptance, cultural intelligence, justice, innovation and collaboration. For your CBO, what would you add or remove and why?

Once you've created your values statement (or as part of the process) ask your donors, volunteers, board members and influencers:

1. *What are the guiding principles that have helped you achieve success in your business life? (Personal life?) (Philanthropic life?) (Volunteer life?)*
2. *To what extent does our mission (vision, values, work) dovetail with your beliefs? How so?*
3. *If you could pass along a lesson to (your grandchildren) (the people you help with your philanthropy) (other organizations like us), what would that be?*
4. *What values underpin your philanthropic and volunteer decisions?*
5. *What values do you believe people who work at your CBO should share? To what degree do you share those same values?*

These strategic conversations will give you insights into your donors as well as help them feel a stronger connection with your mission, vision, and work resulting in increased investments.

Reality Check

Question-filled conversations with donors and potential donors may feel scary or unrealistic. *How do I get started? It feels pushy. Why would someone answer these kinds of questions? We get it.* In Chapter 6, we go into depth about how to get the appointment, enter the conversation, move through it, and end with grace—coming away with the information you need. Read it, try it, and practice on donors and board members you know well. You'll find the conversations both powerful *and* enjoyable for both you and the donor.

Strategic Plan

Every organization needs a strategic plan. It helps you set and clarify direction and provide the path to achieving the mission and vision. It gets everyone in the organization on the same page. Priorities are clear. A good plan simplifies decision-making.

From a fundraising point of view, the plan provides credibility. Donors get excited about our ambitious and inspiring vision. But for them to invest, they must believe the vision is achievable. This plan shows them the way.

Engaging top donors and prospective donors in the strategic planning process most often results in a feeling of ownership and therefore drives philanthropic investing.

Does your CBO have a strategic plan that flows from the mission and vision? Are resource development and marketing part of your plan? If yes to both, how are you connecting the plan and fundraising to your vision? How are you communicating your vision and values? If you are not, get started. A vision without a plan is a pipe dream. A vision with a plan is a compelling reason to get on board and take action.

Big Ideas, Fundraising Priorities and Costs

A youth development organization in Boston enjoyed the support of a wonderful donor named George. Whenever the ED needed help, the donor said, “Yes.” When the ED \$50,000 for a special initiative, \$20,000 to close a budget gap, he could count on this donor. One day the ED learned that his go-to friend had given not one but two \$1,000,000 gifts to other organizations in the community. The ED was devastated. He visited his old friend.

“George, congratulations on these amazing gifts. You must feel wonderful.”

“I do.”

“May I ask how they came about?”

George’s face lit up. He explained what the money would accomplish.

“May I ask,” the ED said, “Where are these two organizations on your list of priorities? Where are we?”

George looked perplexed. “You know you are number one.”

Now the ED was totally confused. “If we are number one, how come you gave them the \$1,000,000 and not us?”

The donor’s answer was quite compelling. “You never gave me a \$1,000,000 idea.”

Just because a donor cares deeply about your organization and has the capacity to make a \$10,000, \$100,000 or \$1,000,000 gift doesn’t mean he or she will. Even if you ask them. You need BIG ideas that require investments of that level. What would you be able to accomplish, what BIG outcomes could you achieve with major gifts? In the example below, see Figure 4, a CBO charts giving and naming opportunities that reflect their big ideas—the giving opportunities, amounts, and what can be accomplished at each level.

Figure 4: Giving and Naming Opportunities Grid

Giving Level	People	Physical Plant	Technology and Innovation	Programs Advocacy
\$1,000,000	Provide health access to everyone infected in our community through our community activities program.			Secure needed legislation needed for access.
\$ 500,000			Innovation fund that can be used as new technology and medicines become available	
\$ 250,000				
\$ 100,000				
\$ 50,000				
\$ 25,000				
\$ 10,000				

For what else do you need philanthropic dollars? Do you need to hire more staff, fix up or expand your physical space, develop new or enhance existing programs? How much do you need to accomplish your strategic goals?

Be sure to tie all your goals back to the vision and strategic plan.

For example, a goal might be capacity building: We will strengthen our advocacy program by hiring new staff and expanding our marketing and communications program by (month, year). This will help us achieve health equity by race.

To achieve this goal we must add one person to our team and develop an annual budget of \$100,000 for a total need over the next four years of \$600,000.

Here is how you might convert your goal and objective into big idea giving and naming opportunities.

Figure 5: Giving and Naming Opportunities Grid 2

Giving Level	People	Physical Plant	Technology and Innovation	Programs Advocacy
\$1,000,000				
\$ 500,000				Advocacy capacity building for four years
\$ 250,000				
\$ 200,000	Marketing professional for four years			
\$ 100,000				Advocacy capacity building for one year

Giving Level	People	Physical Plant	Technology and Innovation	Programs Advocacy
\$ 50,000	Marketing professional for one year			
\$ 25,000				
\$ 10,000				

Of course, a big part of your need is for *unrestricted dollars*—gifts of \$100 to \$10,000 that pay for operations. They too need concreteness. What will you accomplish with those unrestricted gifts? Review the “Impact Statement Guidelines Resource.” It will help you create a compelling case for unrestricted dollars.

People give because they want to make a difference.

Getting these foundational building blocks (why, values, vision, big ideas, strategic plan, table of gifts, giving and naming opportunities) in place is critical to organizational and fundraising success. Doing so is the ED’s number one job.

Action Steps

1. Check out other organizations’ websites. Look for their mission, vision, and values statements. Are any inspiring? Successful examples include:
<http://www.girlsinc.org/about/code-conduct.html>
<http://www.greenpeace.org/usa/en/campaigns/forests/Our-vision/>
2. Review your vision and values statement. If you don't have them, create them.
3. If you don't have a strategic plan, set up a process for completing one over the next six months.
4. Identify your fundraising Big Ideas, priorities, and how much you need for each; map them in the “**Error! Reference source not found..**”
5. Create your unrestricted giving impact statements (see “Guidelines for Developing Leadership Annual Fund Impact Statements”).
6. Practice asking strategic questions. (See the sample list of strategic questions.)

Checklist

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Building Blocks	Yes, Completed	No, Information I Need	No, Steps I Will Take to Complete	Due Dates	Person Responsible
“Why”					
Vision					
Values Statement					
Strategic Plan					

Building Blocks	Yes, Completed	No, Information I Need	No, Steps I Will Take to Complete	Due Dates	Person Responsible
Fundraising Big Ideas Priorities and Costs in Giving and Naming Opportunities Grid					
Impact Statements					
Philanthropic and Technique Revenue Chart					
Draft Goals "balanced" portfolio goals					

Asking Strategic Questions

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People remember more of what they say than what you say. People believe what they say more than what we say. People enjoy conversations in which they speak the most. Therefore, it is our responsibility to elicit the case for support from our potential donors! We want them to tell US whatever we want them to REMEMBER.

Following is a list of sample questions to help you do just that. You can weave them into a variety of purposeful conversations or use in an interview. Structured for positive responses and for gaining specific information that will help you in your leadership and major gift work, each question has a different purpose. Together, they will help you probe for information, advance the relationship, answer all the "Rights," and receive a joyful "yes," to your request for increased engagement with your institution and/or a significant gift to one of your priorities.

About Your Institution

1. How did you (your mother, your uncle) come to choose (institution name)?
2. What were some of your best experiences with us?
3. When were you last back to visit us? What brought you? What were your impressions?
4. In what positive ways has (institution name) impacted your life?
5. Which doctors, nurses, or administrators made an impact on your life? (Is making an impact on your family member's life?)
6. What are your perceptions of our effectiveness in providing outstanding health care?
7. How well do you know our programs? Which ones? How did that come about?
8. What do you believe are the perceptions of (institution name) in the community?
9. What are your perceptions of our effectiveness?
10. Do you feel good about the gifts you make to (institution name)? In what ways?
11. Do you believe your gifts to us are making difference? If so how? If not, why not?
12. Do you feel we use your contributions wisely? How do we demonstrate that?
13. Do you believe that we are fiscally well managed? How do we demonstrate that?
14. Who do you know on our Board (our foundation board)?

15. What is your impression of our Board?
16. How does the community perceive our Board?
17. Who do you perceive are our chief philanthropic competitors in the area?
18. What are your impressions of our publications?
19. Have you attended any of our events? Which ones? How did that come about? What was your impression?
20. Do you have any particular concerns you would like me to share with our CEO, Board?
21. Do you feel you know our CEO and trust (his, her) leadership?

Additional Planned Giving Questions for Current Donors

1. We so appreciate you including us in your estate plans. What aspects of our program inspired that decision?
2. As you think about the future of the (people we serve, our planet, the arts, our children, education in America) what are some of your worries, hopes? What role do you see our organization (institution) playing in addressing those concerns (aspiration)?

Personal and Lifestyle

These questions should come from observations around the home or office, prior knowledge, etc.

1. What are the ages, names of your children? Grandchildren? Where do they live?
2. Do you get to see your children often? Grandchildren?
3. Have you had a chance to take some time off this year? If so, where did you go? If not, what would you like to do?
4. Do you enjoy entertaining in your home?
5. How's business? How is this economy affecting you? Your business?
6. How does the economy (your business situation) affect your philanthropic decisions?
7. What a beautiful (piece of artwork,) (collection of cars). Do you enjoy collecting? Why?
8. What do you like to collect? Why is that? How did that come about?
9. How often do you get a chance to get away?
10. Where is your favorite get-a-way?
11. Are you concerned for your children's (grandchildren's) future? How so? What are the implications of those concerns?
12. In what ways do your financial goals dovetail with your philanthropic goals?

Additional Planned Giving Questions

1. Many of our donors, especially those who have been with us over the years, would like their children and grandchildren to be part of our philanthropic family. To what extent is that important to you?
2. How do you involve your children (grandchildren) in your philanthropic interests?
3. How might we help you engage your children (grandchildren) in our mission, vision, and work?
4. Are there others with whom we should meet, perhaps a financial planner or other members of your family who help you with your charitable giving? Who might they be? How might we do that?

World View, Philanthropy and Giving Interests

1. What do you hope to accomplish with your philanthropy? Is that true for your spouse as well? What are her/his philanthropic goals?
2. What role does passion for a cause, project, or outcome play in your philanthropic decision-making?
3. How do you uncover that passion? How have organizations and institutions you care most about succeeded in tapping into your passion?
4. If money were not a consideration, what would you like to accomplish with your philanthropic investments?
5. What other organizations do you currently support? Volunteer for? Serve on the board of? What does your spouse support?
6. To what degree do you include your children in your philanthropic decision-making?
7. How have you taught philanthropy to your children (grandchildren)?
8. Which organizations are your top three and why? Is that true for your spouse as well? Which are his/her top three?
9. Where does our organization fit on your (your family's) list (if not among the top three)?
10. What are your expectations of the organizations in which you invest? Is that true for your spouse (your children)?
11. As you think about medical facilities in this country what do you think are the greatest contributions they have made? Which of those contributions do you believe are essential?
12. How do you see our institution contributing to the health and well being our community? To what degree does your spouse feel similarly?
13. What values underpin your philanthropic decision-making? To what degree do you share values with our institution?
14. When you give, do you give both annually and to capital projects? To what degree is that true for your spouse?
15. As you think back on all the philanthropic investments you and your family have made over the years, which gave you the most joy? (Which were most aligned with your values) (Which were most aligned with your personal passions)?
16. What capital gifts have you given that have given you pleasure? Made an impact?
 - How did it come about? What was the impact? What made it so pleasurable? Are you still involved with them?
17. As you think about your philanthropy, are you most interested in having high quality healthcare available for your family, saving and changing a life, improving healthcare in our community, or having a wider societal or global impact? Can you say more about that?
18. Have you ever made a gift using a planned giving vehicle like a trust or annuity? (Has your spouse)?
 - How did that come about? Is that something that interests you? Do you feel knowledgeable about such vehicles? Would you like to know more?
19. Under what circumstances would you be willing to make a stretch, capital gift to a charity? To (name)? (What role would your spouse, your children, a financial advisor) play in that decision?
20. Among our fundraising priorities, which do you find the most compelling? Why? Least compelling? Why?
21. What factors go into your philanthropic decisions?

22. In our household my spouse and I make all of our giving decisions together. How does it work in your household? Can you walk me through the process?
23. Is (name) part of your estate plans?
24. How are decisions made at your family foundation? Who is involved? What is the process?
25. Under what circumstances do you make exceptions to your (giving guidelines, average amount)?
26. I noticed (organization) received an extraordinary gift from your foundation, what made their request so compelling?
27. If that (some objection to getting involved or giving voiced prior to solicitation) were not an issue, in which of our priorities would you be interested? What would you most want to accomplish?
28. What role does the CEO play in your philanthropic decision-making? (What roles does the board play?)
29. As you think about your philanthropy, what role does the economy play?
30. When you make gifts in spite of economic uncertainty, what factors go into those decisions?
31. Can you share how your philanthropy has changed over the last few years? Can you give me an illustration?

His or Hers Network

1. To what degree do you use social networking such as Facebook to connect with colleagues and friends (keep up with family, children, grandchildren)?
2. How else do you stay connected?
3. Which social networking sites do you find the most useful, enjoyable?
4. How might we use social networking to connect with (fill in the group)?
5. What is the best way to connect with you?

Engagement

1. Earlier you said that you enjoy your involvement with (x); what do you believe is the impact of your involvement there?
2. What impact do you believe you could have if you got involved with (name)? In what ways?
3. What is your philosophy about volunteering for organizations?
4. How do you feel about the boards on which you serve? Why?
5. What do you believe are the key attributes of an excellent volunteer (board member)? Why?
6. How can we get you more involved with (name)?
7. Would you be interested in helping us identify and engage others? Would you be willing to review a list?
8. Who among your friends and acquaintances might be moved by our work?
9. What one piece of advice would you give us as we plan our future?
10. We would love for you to (insert involvement request here). Is that something you would find of interest?

Additional Planned Giving Questions

1. May I ask what roles your (children) (grandchildren) (financial planner) (lawyer) play in your philanthropic decision-making?
2. What issues do you or did you weigh when making decisions about your estate plans?

Seeking Engagement and Giving Feedback

1. Did I understand you correctly, when you said...?
2. Did I answer your question?
3. Have I done what you've requested?
4. To what degree is your volunteer experience with us satisfying?
5. In what ways is your volunteer experience satisfying?
6. Are there ways in which we can make your experience more meaningful?
7. To what extent have we provided you with the tools and information you need (to make a decision, to carry out your responsibilities, to understand our mission, vision and work)?
8. Have we done a good job in conveying to you the impact of your gift?
9. What aspects of our communication with you have conveyed the (tremendous) impact of your giving?
10. Does (other philanthropic decision maker) feel the same way?

Mission, Vision, Work and/or Project

1. To what extent do you believe the needs of (the community) (the disabled), (families) (children) (employers) (lack of support for families suffering from age related disabilities) affect our (community, state, region)?
2. What are your impressions of (our vision for the future) (our strategic plan) (our bold ideas) (our aspirations)?
3. In what ways do you find our case for philanthropic investment strong and compelling? How would you make it more compelling?
4. To what extent do you believe (the mission we have, issues we're solving) are serious problems for our (community, state, region, country, world)?
5. In what ways did or do these issues impact you, your family, your neighbors, your beliefs, your values?
6. As you (read, heard) our vision for the future, how do see our institution effectively addressing these issues?
7. Are there other ways we could help solve this problem?
8. In what ways might you help us address these issues?
9. As you consider the people and institutions who (that) support us, how might we position our (vision) (plan) (ideas) so they would see the importance of their roles as stakeholders?
10. What impact do you believe achieving our vision will have on your family, our community, our state, the nation, global society?
11. What do you believe our (staff) (program staff) (Board) (closest friends) should do to help make this vision (these ideas) (this plan) a reality?
12. Are there any questions about our vision, mission, work, priorities that we've not answered?

Versions of some questions, which are especially helpful to planned giving professionals

1. You've been so supportive of us over the years, have you thought about including us in your estate plans? Can you tell me about that? Was anyone else involved in the decision? Who?
2. To what extent do your current interests dovetail with those your spouse had when she was alive? How important is that for you?

3. May I ask, what other organizations are included in your estate plans? How did you decide who and how much? Where do we fit among them?
4. Who else knows about your wishes to (fill in what he or she has said is important and why your organization is in the will)? How do they (he, she) feel about that? How supportive are they? We'd love to meet them. How might we arrange that?

Probing for Attitude and Values

1. How and why have you settled on your life's work?
2. What are the guiding principles that have helped you achieve in your business life? (Personal life?) (Philanthropic life?) (Volunteer life?)
3. What's the best business decision you've ever made? How so?
4. What's the best personal decision you've ever made? How so?
5. To what extent does our mission (vision, work) dovetail with your beliefs? How so?
6. If you could pass along a lesson to (your grandchildren) (the people you help with your philanthropy) (other organizations like us) what would that be?
7. What do you expect from the charitable organizations in which you are involved?
8. What do you value most in your philanthropic giving?
9. What do you value most about the impact charitable organizations achieve in our community (state, region, country)?
10. How have other organizations demonstrated to you the impact of your giving?
11. How do you like organizations to demonstrate their appreciation for gifts you have made?
12. If I could demonstrate to you the true impact of your philanthropy, would you prefer: something named for you or someone you love; meeting some of the people you have helped; hearing from some of the people you have helped; receiving a report on how your money has been spent; all of the above?

Additional planned giving questions

1. We're listening to and sharing the philanthropic life stories of our most loyal donors, people just like you. I'd love to hear about your philanthropic journey. How did you learn to be generous? What have been your best experiences? How important is it to you to continue that legacy? Can you say more about that?
2. If we could help you continue that legacy, would you be interested in learning more?

Feelings about Planned Giving Versus or In Addition to Outright Giving

1. Some people believe it is important to leave respected and beloved charities in their will. What are your feelings?
2. How does your family feel about that?
3. Thank you for your inquiry about bequests (annuities), what inspired your query? Why now? Why us?
4. As you think about all your financial and philanthropic aspirations for yourself, your family members, and the causes you care most about, which are the most important for you?
5. What are some of your challenges or worries?

6. Do you have a trusted advisor to help you think through your goals and challenges? When you feel it might be helpful, we would welcome an introduction so that we are all helping you achieve your personal goals.
7. Are others involved? Who? How might we engage them in our mission, vision, and work?
8. I was reading an article about Warren Buffett. He was talking about the importance, for him, to give while he is alive and can enjoy his gifts. Clearly, he also believes in leaving money in his will. What is your take? Is that true for (other decision makers mentioned)?
9. Have you ever made an estate or deferred gift to a charity? How did that come about? How is it working out?
10. Under what circumstances might you consider including our organization in your estate plans? How could we move that forward?

Testing the “Rights” and for Readiness, Closing and Commitment

1. I remember you saying that (insert appropriate constituency) is important to you, is that right?
2. If I understand you correctly, what you’d like to see is (more opportunities for children with disabilities to learn with other children) (more employment opportunities for adults with disabilities) (more people receiving assistance making it on their own) (more able bodied children interacting with a diverse group of children) (more people given hope)?
3. As you think about making a real difference, what projects (priorities, programs, giving opportunities, naming opportunities) have the greatest appeal?
4. Of all the things we discussed today, what has been the most helpful (interesting, made the most sense) to you?
5. Would you share your thoughts with me about the things we have discussed?
6. As you know (insert priority) is a critical piece of our commitment to the community (the world, families, children, etc.). Is that something with which you agree?
7. You’ve shared with me the tremendous impact you believe this project will have on the lives of the people we serve including (impact summary). Is that correct?
8. Then, may I suggest a next step of....?
9. So, as we agreed, we will come and speak with you in the next few days (weeks, months) about (insert what was agreed). Who should be a part of that conversation?
10. As you think about our ambitious goals for the future, which of our priorities do you think should be the most important? How would you rank the others?
11. Are you ready to move ahead? Are we in agreement? Is there anything we’ve not discussed that would be helpful (important) to your ability to make a decision? Is (name) a part of your estate plans? Is that something in which you might have an interest?
12. If you were to leave a legacy by making a philanthropic gift, what kind of legacy would you desire?
13. If I could show you a way to achieve your financial goals as well as make a generous gift to (name), would you be interested?

Overcoming Objections or Soft Answers

1. (Objection: “That’s a lot of money.”) It sounds like you’re wondering why we need that amount in order to get the impact we’ve discussed. Am I correct? The reason is....

2. (Objection: “We’re overcommitted.”) It sounds like you would like to invest in our affiliate but right now you can’t see how you might do that. Am I right about that? Would it be helpful if I explained some of the ways others have managed this problem? They....
3. (Objection: “We don’t believe in giving to operating. It’s just a black hole.”) Perhaps you’d like to know specifically how your gift would be used. Would that address your concern? Here’s how unrestricted gifts make a powerful and specific impact on the people we serve...
4. (Soft answer: “Let me think about it and I’ll get back to you.”) What factors will you consider as you weigh our request?
5. (After objection is stated.) “So, you’re concerned about (restate) is that correct? If that were not an issue, what would you like to accomplish with a gift to (name)?”
6. (After objection is stated.) “So, you’re concerned about (restate) is that correct? I remember the last time we met you said that it was very important to you that (what the gift would accomplish), has that changed for you?”

Follow-up Questions

1. How so?
2. Can you clarify that?
3. Can you give me an example of what you mean?
4. Do you have any questions about what I just said?
5. What specific results are you looking for?
6. Can you say more about that?
7. Did I understand you correctly, when you said...?
8. Did I answer your question?
9. How did that come about?
10. What did that mean to you and your family?
11. How do you feel about that?
12. What do you think about that?
13. Are we in agreement?
14. Are you ready to move forward?

Guidelines for Developing Leadership Annual Fund Impact Statements

People give because they want to make a difference and they believe that your organization or institution is the right place to effect that societal and/or individual change. The alignment of values also plays a critical role in decision-making. Your donors take a leap of faith and trust their philanthropy will accomplish something important and in keeping with their beliefs

Giving small gifts to operating budgets doesn't require a great leap of faith. However, as you seek larger, repeatable, unrestricted, and budget relieving gifts of \$1,000 to \$25,000 (and for some larger institutions \$50,000 and \$100,000), that leap of faith appeals to far fewer people. They often want to give to specific projects and purposes because they want concrete and specific outcomes and they worry about your ability to effect change.

So how do you make leadership annual fund gifts (\$1,000+) as appealing as restricted gifts? **Add impact statements to your giving clubs.** These serve as the case for investment for your leadership annual fund program specifically, though you can use the ideas to bolster your case for the entire annual fund.

Impact statements answer four donor questions:

1. What will the gift support?
2. What difference will this make in the lives of my children, family, community members, and the staff who provide the services?
3. What are the outcomes a donor can expect from this gift or how will this make someone else's life (community better, state, society) better?
4. Why should I, the donor, increase my gift?

The last question is particularly important. As you move up the giving ladder, the impact envisioned should get larger, more significant, and more appealing, thus giving the donor reasons not only to give, but also to give more.

Be sure to tie the gift level to specific services and programs you provide, but don't feel these must be a dollar-by-dollar accounting from your balance sheet. You want to give your prospective donors a sense of the **kinds of things** their gifts will **help** accomplish or support, not what item their dollars will "buy." (This is philanthropy, not shopping!) You **do** want to make the examples included in your impact statements tangible and link them to specific impacts and outcomes.

Examples of Impact Statements -- \$10,000

Gifts at this level help provide:

- Access to health equity and services for minorities with HIV, resulting in better quality of life for the people we serve, their care givers, and their families.
- Advocates to effectively lobby for the enactment of new laws to protect minorities with HIV.
- The tools advocates need to end laws that discriminate against people of color with HIV.

Examples of Impact statements -- \$5,000

- Supports a counselor for one year, enabling a highly talented professional work with an individual suffering with HIV.
- Supports our healthy community program or health and wellness program that decreases life's negative possibilities for those in our community living with HIV while increasing life span, decreasing healthcare costs, and ensuring a better quality of life.
- Enables our leadership to place critical unrestricted funds into those areas where opportunities are greatest and innovations are most needed.

Remember: What you can accomplish with a gift of \$5,000 must be appealing, but not as compelling as \$10,000 outcomes.

Mission-based Names

To the degree that you are able, give meaningful names to giving levels. Don't settle for the Founders Club, or the Diamond Group. Who cares? For example, Easter Seals, an organization that helps people with disabilities of all ages achieve productive lives named their levels Ability, Dignity, Opportunity, Empowerment and, at \$25,000, Independence—the ultimate goal. Tie your giving levels to mission, saving your most prestigious name such as “Justice” for your highest annual giving level—perhaps \$25,000.

***Maxim:** Make sure major gift naming opportunities do not compete with leadership annual giving levels. If someone can endow something for \$10,000 and receive recognition in perpetuity, why should he or she give \$10,000 every year?*

Getting Started

Meet with your CFO and go over the budget. Where do unrestricted dollars go? What do unrestricted funds accomplish? Which of those things would be appealing to donors? Meet with physician and nurse leaders. Brainstorm with them to decide what unrestricted and/or budget relieving programs, initiatives and/or opportunities would have appeal.

Remember, you are not restricting gifts. You are simply letting donors know these are the types of things accomplished with gifts of a given size.

As you develop and refine your impact statements, use this task as another reason to get in the door with your prospective donors: asking for help in reviewing your materials is a great way to generate new ideas about how to use these, but also a terrific way to find out what resonates most profoundly with your individual donors!

How to use Impact Statements:

Use the information you gather to develop your leadership annual fund impact statements throughout your fundraising efforts in support of your organization. They can be:

- Incorporated into your website and printed materials, or as a “stand-alone” brochure.

- Used to bolster all types of special events, including point of entry, engagement, solicitation/fund-raising, and recognition/stewardship events. At a fundraising event, for example, you can offer giving circle level tables at a gala or foursomes at a golf outing, letting participants know what can be accomplished with their collective gifts.
- Included in all speeches given by your staff and leaders and in face-to-face meetings or phone calls by staff or volunteers.
- The basis for all your in-person engagement visits with prospective donors.
- And, of course for Stewardship.

Using Impact Statements for Stewardship

Impact statements “market” your leadership annual giving programs. They offer a promise of change. Stewardship demonstrates the fulfillment of that promise. “This is what we said we would accomplish and we did.” Linking your stewardship and accountability reports, communications, and events to the impact statements reinforces the importance of unrestricted and/or budget relieving giving.

Chapter 3 – A Strategically Composed and Engaged Fundraising Board

Objectives:

- Commit to taking the actions needed to develop a strong board that plays an active and effective role in fund development and communications.
- Gain an understanding of “Personal Capital,” and how to tap into all the gifts board members can bring to bear.
- Achieve a better understanding of the fiduciary responsibility of the board.
- Learn how to help board members be your CBO’s best advocate.

Clarity of Expectations

As a team, the ED and Board Leaders have to decide three things:

1. What do we need our board members to do?
2. Have we given them the inspiration, knowledge, tools, support, and reward to achieve their objectives?
3. Are we asking (requiring) the right people to do the right things or are we asking the wrong people to do the right things?

What do you need your board to do?

When most of us hear the term “fundraising” we automatically think of solicitation—asking someone for money. For many, unpleasant thoughts and experiences come to mind.

- The times you slammed the phone down on a telemarketer.
- Standing outside the supermarket with your children trying to get shoppers to help the basketball team.
- A friend trying to get you to buy a ticket to her charity gala, a cause you don’t care about on a date you’d rather be home.

Why would a board member want to do any of those things?

We worry that whomever we ask for a gift will ask us for one in return. It might damage friendships.

Besides, *“I’m not good at asking for money.” “I didn’t sign up for this.” “I don’t know anyone with deep pockets.”*

So, here is the good news. There are many ways to help raise funds. Most DON’T require asking friends, colleagues, and vendors for money.

Step One: Be a Generous Donor

One of the most important ways board members can help with fundraising is to give. Giving is a joyful experience and a critical responsibility.

When you are seeking new board members, find out first if they are generous. This doesn't mean you only want affluent and rich people on your board. Some of the poorest people we know are the most generous. You want people who understand the power and importance of philanthropy.

Inspire current and former board members with the vision. They helped shape it and/or endorsed it. They know it requires renewed commitment to achieve it.

Sit with each member. Ask for a specific amount. See the “**Error! Reference source not found.**” to help you plan the conversations.

Step Two: Help Steward Current Donors

Your best next donor is a current donor. It takes 4 to 11 times more resources to acquire a new donor than it takes to keep a friend. Holding onto to current donors is one of the smartest strategies—retention fundraising.

Let's say you're average gift is \$50. Last year you gained 500 new donors but only kept 25% or 125. $375 \times \$50 = \$18,750$ out the door. In addition, the average million dollar plus donor to all causes gave at least four or five gifts prior to making the first seven-figure philanthropic investment. Most of those gifts were under \$250. So among the 375 new donors who did not give again in year two, there were probably several potential major donors. (Learn more about this in Chapter 8.)

What to do?

Have board members call to say thank you within 24 to 48 hours of receiving a gift from a NEW donor. The called donor is more likely to stay and give again. The research shows that when board members call new donors, the organization receives 35% to 45% increased gift from those reached. Even leaving a message can be helpful.²

Visit with donors and report on the impact your CBO is having. Tell the donor how they are helping make an impact, show how their gifts matter.

The benefits to these calls and visits are three-fold. Increased giving, better donor retention, and engaged board members.

Step Three: Host Gatherings

Strategic conversations enroll and engage donors and potential donors. For example, my husband and I hosted a small gathering in our home. Hosting includes, of course, paying for the refreshments. The invitation focused on our guests' wisdom and expertise. “Please join us for 90 minutes of robust conversation about homeless children and healthcare. We need your thoughts and ideas.” The twenty who accepted were a mix of current donors and friends.

² Blackbaud Target Analytics

We welcomed our guests and introduced our guest speaker—the ED.

He began the conversation by asking a strategic question.

“What comes to mind when you think about homeless children and healthcare? What is at stake? What concerns do you have?” After a lively exchange, he asked, “What should we, as a citizenry, be doing to solve some of the problems you’ve brought up?”

Notice, he hasn’t made a presentation about his organization. Nor did he ask what his organization should do about the issues?

He listened to everyone’s ideas. “I’d like to share with you what our organization is doing in this space.” He linked his points to things he heard, connecting with the audience.

“What do you think?”

At the end of the third round of discussion, my husband jumped up, thanked everyone for coming again. “As you know, my wife and I are deeply committed to this organization. We value your input and look forward to continuing the conversation.”

Then we followed up. We invited some for a tour of our site. Visited with others. We tailored each next step based on what we knew and heard.

This is an easy, inexpensive way for a board member to:

1. Introduce new people to the cause that doesn’t require solicitation.
2. Help cultivate and engage existing donors prior to asking for another gift.
3. Get comfortable telling the story and sharing his or her commitment to the organization.

Step Four: Provide Insights and Other Connections

At the end of the event, after everyone went home, the ED, chief development officer, my husband and I gathered around our dining room table. We knew a lot about the people we invited to our home. We shared insights into their philanthropic interests, expertise, and passions. That helped the staff decide on the next best follow-up step. We helped with some of those steps immediately following the event. For some, it was an invitation for a tour, others a request for a visit, for still others a solicitation, and for those who seemed the least interested, just a thank you note for coming.

There are other ways to share insights and connections. Board members might know directors of foundations or corporate leaders in the community. They can make introductions by going on a donor visit with you. Not to solicit. To ask questions, listen, share the story and seek common ground. Connect the organization with media leaders. Engage others via social media through Instagram, Facebook, and Twitter accounts. Share relevant news and content.

Step Five: Be an Advocate and Champion

A board member should know the organization’s story and make it his or her own. Know people the organization has served. Know program staff members. You have to require and facilitate this.

For example, one organization picked five different days spread throughout the month and three different times board members could come to learn more about the CBO. Most boards meet in a

conference room with little interaction with mission staff members (who work directly with beneficiaries) or with the people you serve. Even long-standing board members often don't have personal stories to share. Mission moments at board meetings (when a beneficiary comes to the meeting and shares his or her story) help, but it's not the same as spending hands-on time interacting for 60 to 90 minutes.

One a board I serve on is Woodrow Wilson National Fellowship Foundation. We make one board meeting a year an in-depth session on understanding the issues the organization is confronting. We add a full day to the schedule; visit classrooms; meet with education leaders; converse with teachers, principals, and government leaders. The next day, we discuss what we learned.

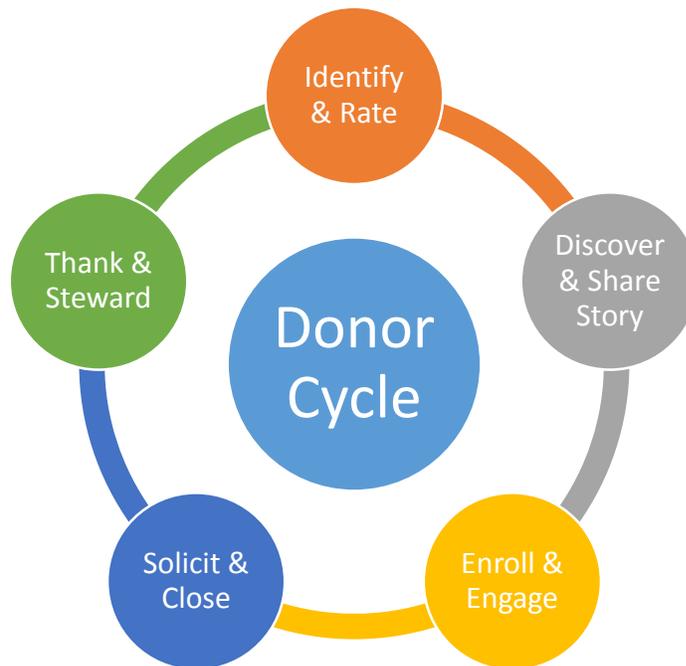
Check out this 3.5 minute video <https://www.youtube.com/watch?v=3dR6jdBZ-Rk&feature=youtu.be>. It focuses on board engagement. The result, however, is passionate ambassadors who understand the why, what, and how of the CBO.

Step Five: Participate in an Artful Solicitation

Asking can be hard when it feels out of the blue: "Hello, how are you? Give me money." But if all of the above five steps take place, the solicitation will be easy.

The donor cycle looks like this.

Figure 6: The Donor Cycle



Board members can and should participate in as many of these steps as possible.

Have you given them the inspiration, knowledge, tools, and rewards needed to achieve the goals?

- Has each board member participated in a small mission, vision, and issue gathering?

- Have you provided seminars on making stewardship visits, asking questions, listening?
- Have you helped them practice telling your CBO's story?
- Have you made it easy to meet beneficiaries and program staff?

Are you asking the right people to do the right things?

This is the toughest question of all. What are the qualities of the “right” people? Here are some to consider.

Must Have Qualities and Behaviors for All Board Members:

1. Put your CBO number one, two, or three on their list of charities; be passionate about the cause.
2. Be a generous donor at his or her financial ability.
3. Demonstrate integrity.
4. Be able to get along with others. This doesn't mean being a yes person, but be respectful of differing points of view, be willing to listen, and ask thoughtful questions.
5. Be an informed advocate and champion.
6. Understand the importance and power of philanthropy.

Very Important Qualities and Behaviors for 40 to 70 Percent of the Board:

1. Possess needed expertise.
2. Be a strategic thinker.
3. Have a network of influence and affluence.
4. Be capable to give larger gifts (\$10k+, \$100k+, \$1,000,000+).
5. Meet diversity goals.

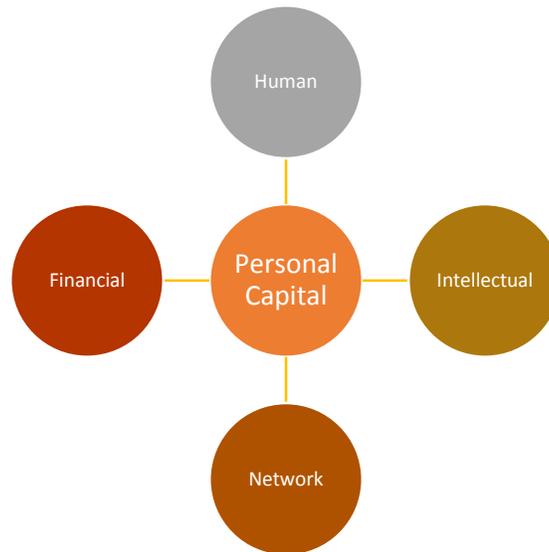
For many of our organizations we focus on the wrong the things. “We don't have enough people from this corner of the state.” “We need a physician representative.” “We need someone who has benefited from our services.”

Yes, these may all be important. As you identify a physician, for example, he or she should also meet 100% of the Must Haves and at least one of the Very Important qualities and behaviors.

Another way to look at this is thinking about Personal Capital.³

³ Ernie Ludy, Founder of Medstat

Figure 7: Personal Capital



Our goal is “Inspired, joyful, generous giving of personal capital (human, intellectual, network, and financial) over a life time and at every life stage in support of the mission, vision and work of the organization.” – Karen Osborne

Human capital represents one’s life experiences, his or her time (what that person is able to devote to your CBO); an individual’s background and how that helps them contribute; competencies such as empathy, strategic agility, and grit; worldview.

Intellectual capital represents areas of talent and expertise, intelligence, strategic or tactical thinking, relationship and/or coalition building skills.

Network capital represents connections writ large. College connections, business, faith, civic, and so forth.

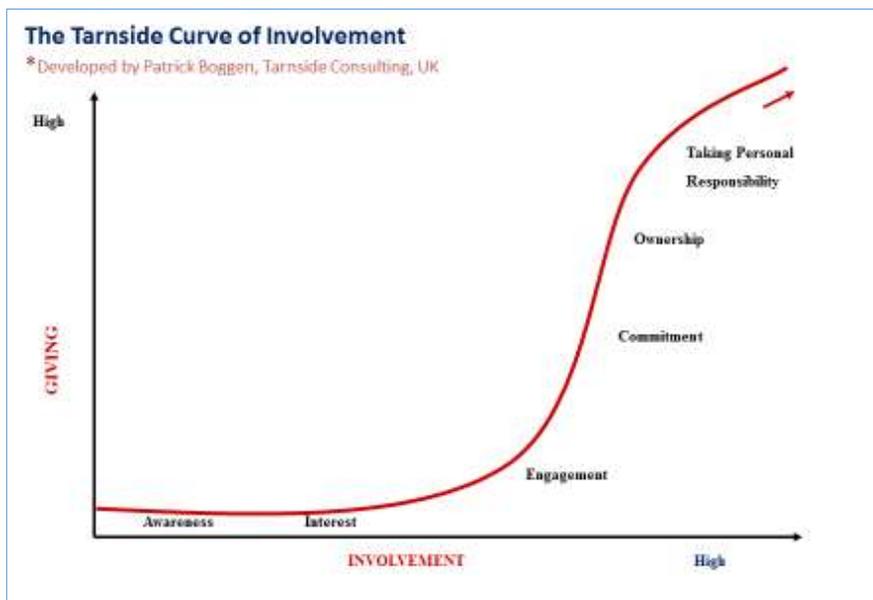
Financial capital represents the capacity to give philanthropic investments, access to other sources of funds, and the ability and willingness to fundraise.

When thinking about the composition of your board, ask yourself:

- What is the make-up of personal capital that you need in your board?
- What personal capital already exists?
- How are you maximizing these resources?

Finally, you want to know where on the Tarnside Curve of Involvement each board member and/or candidate resides (see Figure 8).

Figure 8: Tarnside Curve of Involvement



This curve represents the donor’s journey with your CBO. Notice the slow ramp up starting with awareness and moving to interest. Giving is low if at all. Then the big bump at engagement. We’ll discuss this in greater detail in Chapter 6. Engagement with the donor is two-fold: intellectual and emotional. True engagement is not passive. Instead, it requires action on the part of the donor. Advocacy activities are often powerful engagement. From there the curve goes almost straight up—commitment and then ownership. You know someone has reached that level when they use they word “we” instead of “you.” For example: “We need to get more people involved.”

Ideally, every board member is at the “Taking Personal Responsibility” level. Volunteering to help. Introducing you to their network. Actively participating. All in. Sharing all of his or her personal capital.

Most candidates, of course, won’t be at this level but they should be at the engagement level—knowing and experiencing your mission, vision and work, and willing and able to make a financial, time, and expertise commitment.

A Word about Board Size

The average board in America has 15 members. Research found that organizations with larger boards—20 or more—had a bigger mission impact in the communities they serve. Larger boards give you a chance for greater diversity of thought, networks, expertise, gender, background, sexual orientation, intelligence and so forth. Consider a board of at least 20 to 30.

Recruiting a Strategically Composed Board

At any given time, there are between 900,000 and 1.5 million not-for-profits in the United States seeking great board members. Competition is fierce for good people. It can be a daunting task. This chapter helps you break the tasks down into manageable parts that you can accomplish. You have an opportunity to become the board of choice in your community.

Your vision and strategic plan require a smart, engaged, and generous board. But because you are not starting from scratch, you already have a group of directors. As you explore the qualities you need for outstanding fund development, the need for change may become evident.

Change is hard. There are no two ways about it.

For some of your Board members, the changes you seek reflect poorly on their own behaviors. Everyone giving, for example, might be a new concept. For others, it might feel like more stress than they were seeking in a volunteer role. For the ED and senior staff, you may wonder if it is really worth it, because it is difficult and time-consuming.

Change requires leadership and collaboration.

This is a partnership between the ED, chair of the Board, and chairs of the governance and fund development committees. Together, as a powerful voice for progress, you will inspire the will to change and provide the tools of change.

Change needs champions.

As leaders, you each need to be champions for change. Others can help. To achieve your goals you need a group of passionate, forward-thinking individuals who will help you shape and sell the change. This “powerful guiding coalition”⁴ leads the way, solving problems and influencing and enrolling stakeholders.

For many Board members it will represent a breath of fresh air. They were wondering when your CBO would be ready to move from “Good to Great.”⁵ When you provide an exciting vision, a clear path, and a viable change plan, your team will not only get on board, they’ll help you overcome the obstacles and inspire others to join you.

Change is intensely personal.⁶

“For change to occur in an organization, each individual must think, feel, or do something different.”⁷

That is asking a lot of the ED, Board leaders, Board members, and staff. It is only human to question, “What does this mean for me?” and to worry that personal implications are negative. Our job, therefore, is to make change essential, transparent, exciting, and positive for everyone affected. Finally, they have to believe that change is achievable.

This is where the vision and strategic plan help. Together, they provide the inspiration for change and the confidence that it is doable. They provide the sense of urgency that requires change.⁸

Action Steps

1. Start with your champions; identify them; discuss what you’re trying to achieve; seek advice and assistance.
2. Develop a set of criteria and behaviors and assess your current board against the criteria.

⁴ John Kotter

⁵ http://www.jimcollins.com/article_topics/articles/good-to-great.html

⁶ Jeanie Daniel Duck

⁷ Jeanie Daniel Duck

⁸ John Kotter

3. Chart your board’s personal capital.
4. Determine what changes need to be made.
5. Plan more engaging meetings.
6. Develop an engagement, solicitation, vetting and recruitment process.
7. Identify a pool of potential board members and start your discovery visits.

Checklist

Building Blocks	Yes, Completed	No, Steps I Will Take to Complete	No, Information I Still Need	Due Dates	Person Responsible
Identify a pool of potential board members via recommendations, from your donor pool, via introductions and mission/vision gatherings.					
Go on discovery visits with those in the pool.					
Research and fill in the board nomination form.					
Expose them to your mission, vision and work.					
Further engage.					
Solicit for a leadership annual gift.					
Provide stewardship.					
Vet with other board members, people of discretion you know and trust.					
Recruit, sharing expectations, and listening to responses.					
“Why”					
Vision					
Values Statement					
Strategic Plan					
Fundraising Priorities and Costs					
Impact Statements					
Balanced Portfolio and Technique Chart filled out					
Draft “balanced” portfolio goals					

Chapter 4 – Creating a Culture of Philanthropy

Objectives:

- Increase understanding of what a culture of philanthropy is by defining terms.
- Identify how a culture of philanthropy benefits your CBO.
- Unpack the ED's role in leading the way.
- Support the development of change management skills.
- Enhance the role of board members as your CBO's best advocate.

Tools and Templates:

1. "Culture of Philanthropy Assessment and Action Strategy Worksheet"

Defining Our Terms

A **culture of philanthropy** exists when every constituency **understands, embraces, believes in, and acts on** his or her collective and individual roles and responsibilities in philanthropy, in a collaborative, co-ownership and donor-focused manner.

As we consider this culture, it is important to de-couple philanthropy from solicitation. It is just one step in the process. As you recall from Figure 8 in Chapter 3, the donor cycle includes identification, discovery, engagement, solicitation, and stewardship. Philanthropy includes engaging the whole person—all of their "personal capital." We need help with every aspect of the process of whole person engagement.

When you've achieved a culture of philanthropy, the ED, senior staff, program staff, board members, advocacy volunteers, receptionist, *everyone* plays some role in the process. And they do not do so as a favor to the fund development officer, but out of a shared sense of responsibility.

Benefits

When you consider all the ways in which an ED and board leader can help make the resource engine more robust and balanced, creating a culture of philanthropy jumps to the foreground. It is a leadership assignment with a huge payoff that can be seen in the following:

1. Increased number of identified prospective donors
2. Increased donor retention
3. Increased information that helps the organization build meaningful and productive relationships
4. Increased giving from staff and board members
5. Increased advocacy
6. Increased understanding of the issues, challenges and opportunities
7. Greater bandwidth
8. More money, fuel for the resource engine to help you move your agenda forward

Getting There

To an outsider, achieving such a culture may seem both reasonable and easily achieved. But to an insider, this is a daunting task. Mission staff often sees this as, “not my job, which is busy enough, thank you very much.” Some worry about ethics and blurring of the lines between client relationships and seeking funds. Competent individuals who are comfortable in their jobs may feel discomfort or ill prepared for their roles in resource development and marketing. Beneficiaries wonder if this is a requirement of receiving services. Parents and family members of beneficiaries sometimes believe they are already paying for the services; why should they give more. So, achieving such a culture can be an uphill task at best.

In our experience, however, when you expose the team to the transformative power of giving time, talent and treasure freely and joyfully above and beyond expectations, the results are not only amazing for the organization but also just as awesome for the givers.

Why philanthropy—and therefore achieving a culture of philanthropy—is important:

1. *Philanthropy provides flexibility.* You don’t have to chase funding (do only what the government is willing to fund), instead you have the money needed to do what you and the program staff think and believe is right.
2. *Philanthropy provides a cushion for innovation and problem solving.* Rather than tightly restricted dollars tied to projects, philanthropy provides money that supports core operations and future opportunities.
3. *Philanthropy is an important component of a balanced portfolio,* so you are not overly dependent upon any one source of funding; if the government cuts back you have other resources; if a big foundation grant runs out, you have individuals you can go to.
4. *A culture of philanthropy elevates your operation:*
 - When it exists, you raise more philanthropic dollars from individuals, corporations, and foundations more easily, quickly, and successfully.
 - A culture of philanthropy that includes stewardship and engagement also inspires staff and boards.
 - It’s worth creating and nurturing!

Drivers of a Culture of Philanthropy

1. ED leadership is number one. When the ED builds a board that understands its role in philanthropy and a staff that includes philanthropy as a shared responsibility, a culture of philanthropy can thrive.
2. “Elevating Philanthropy” by The Advisory Board Company, a DC based research firm, identified these additional core actions as necessary for philanthropy success:⁹
 - Board leadership must make philanthropy a significant part of board responsibility; they must model the behavior sought from others (inspired, generous giving).
 - Resource development staff must make it easy for boards to participate.

⁹ <https://www.advisory.com/Research/Market-Innovation-Center/studies/2003/elevating-philanthropy>

- Provide needed training, steward their efforts, tap into their strengths, provide tools and resources.
 - Engagement of mission staff—make sure staff are actively participating in engaging donors and potential donors.
 - Help them understand their roles.
 - Resource development makes it easy for mission staff to participate by providing training, stewarding their efforts, tapping into their strengths, and providing tools.
 - Philanthropy is infused throughout the **organizational culture**.
 - Core revenue “lever” is part of the “resource engine.”
 - Giving is based on relationships with donor/investors as trusted partners (not just sources of money).
3. Philanthropy is tied to the core vision and values of the organization.
- Not funding the “frills” or “extras.”
 - Central to achieving vision for the future.
 - In some organizations, especially those that heavily depend on either government or fee for service, philanthropy can be seen as a frill and therefore not receive ED’s, staff’s and board’s time and attention.
4. Philanthropy is **donor-centric**.
- All decisions throughout the organization are focused on developing “360 degree” relationships with donor/investors.
 - Not transactional—not “do this for me,” or “this is what you get from us if you give.” Rather the request for support is focused on accomplishing mission, vision, big ideas, and strategic goals, and is tied to donors’ motivation, values, and interests.
5. A culture of philanthropy is **collaborative and there is co-ownership**.
- Every aspect of the organization has a role to play that is discussed as a team.
 - Resource development and marketing staff members, senior staff members, and board members are all partners with shared goals and are held accountable for achieving those goals.
 - If getting from \$1.4 million to \$2.7 million is important for the people and cause you serve, you lay out the CFO’s, chief program officers,’ other senior staff members’ specific roles or together you identify them—who will do what by when. Yes, the chief development officer bears most of the responsibility but everyone has some. Be specific.
 - Program staff, for example, are not doing resource development a favor when providing outcome stories and development staff pitch in to help program staff as appropriate and needed.
6. **Shared Data and Relationship Management.** It is critical to keep good records and write things down. When a culture of philanthropy exists, everyone who has a relationship with a political leader, media rep, donor, potential donor, or grantor is updating the database with information—not just the resource development or marketing team.

7. When a Culture of Philanthropy exists:

- Leaders demonstrate the behaviors they seek. They are generous donors. They actively participate in identifying and engaging donors and potential donors and in the stewarding current and past donors.
- Success is celebrated throughout the organization; credit is shared.
- You've adequately and appropriately resourced resource development and marketing.

Resource Development and Marketing Adequately Resourced

Fund development is quite cost effective. A mature program that includes major gift fundraising of gifts of \$10,000 and more from all sources (but emphasizes individual giving) will cost between 8 cents and 16 cents for each dollar raised. In the beginning, of course, as you build capacity, costs will be higher. Each year, however, they will go down.

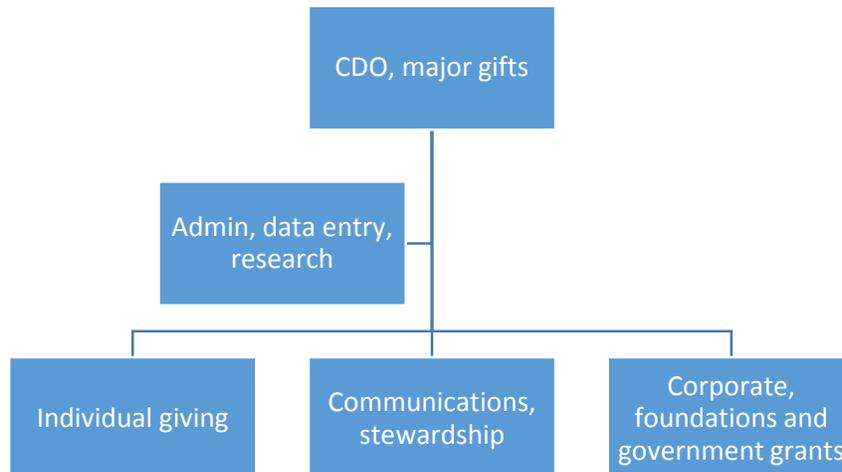
Staffing is the biggest expense. While not all of the following positions have to be full-time employees, you do need a way to cover the responsibilities and activities of these positions with a full or part-time employee, intern, volunteer, or outsourced worker. See Figure 9 for how these positions might look as a Table of Organization.

With a bit of creativity, even the smallest organization can cover these responsibilities.

- **Chief Development and Marketing Officer (CDO)**—Full time position no matter the size of the organization.
- **Researcher**—Someone's responsibility, can be outsourced for a small organization; a volunteer or intern can take this role, one person shared with other CBOs within your network. Responsibilities can be part of the data-entry staff member's job.
- **Stewardship**—Someone's responsibility but doesn't have to be full time depending on the size of the organization; in a small agency this is often part of marketing and communications.
- **Annual giving or individual giving**—In a small agency this might be the CDO's role; in a slightly larger operation, this may be a full time person. You need someone with strong people skills, empathy, and high emotional intelligence, a listener willing to visit with donors.
- **Government relations and proposal writing**—Can be one person or more; if a two-person operation, the second person can be responsible for all research as well.
- **Major gifts and planned giving**—In a small agency, this can be the CDO or the individual giving officer; annual or individual giving officer focuses on gifts under \$10,000, CDO on gifts \$10,000 and over.
- **Administrative support**—Too often this is neglected and folks provide their own administrative support, which takes time away from relationship building; they spend too much time on the computer; in a small agency the position can be shared with the CEO.
- **Data entry and acknowledgments**—Bare minimum critical position; can be part of the administrative support or research operation.

- **Chief marketing and communications officer**—Sometimes this is the CDO but ideally, there is someone responsible for this in a full time position.
- **Webmaster and social media**—Someone’s responsibility; doesn’t have to be full time but needs to be enough time devoted to keep social media and the website fresh and responsive; perhaps interns and/or volunteers.
- **Special events**—Can be part of the annual giving or individual giving staff member’s responsibility but if there are a lot of events, you need a full time person to focus on this. Make sure there is a good return on investment (ROI); events are very expensive in terms of time, opportunity costs and ROI. You can outsource this.
- **Corporate and foundation officer and grant writer**—Sometimes this is also part of the government relations position; depending on your portfolio balance, part of the CDO’s portfolio for larger gifts; can be outsourced, or use intern or volunteer for the writing.

Figure 9: Sample Table of Organization



Partnership

Your ultimate goal is for everyone to embrace and act on their individual roles. You want to achieve a level of partnership as shown in Figure 10—one of collaboration and co-ownership. Co-existence is the most harmful. In this environment, also referred to as “silos,” everyone focuses on his or her objectives resulting in inefficiencies, lost opportunities, and often customer and donor dissatisfaction. Striving for collaboration and co-ownership will not only help fund development, but the overall effectiveness of your CBO.

Figure 10: The Five Degrees of Partnership



Mission Staff Engagement—what mission staff need to do for resource development and marketing

- Help with stewardship (sharing the impact of investments, advocacy).
- Help identify donors and provide insights.
- Be personally generous donors (and so are you)
- Make donor visits with resource development staff
- Be experts for media opportunities.
- Make connections with media, corporate, foundations, and individual people of influence and affluence.
- Share impact stories.
- Add content to blogs, podcasts, and videos.

High Performing Boards Leading the Way

We've already discussed what a high performing board looks like and does in Chapter 3. We recommend that fundraising is 50 percent of a board's responsibilities with governance 25 percent and strategic thinking 25 percent.

Does a Culture of Philanthropy Already Exist?

Creating and nurturing a culture of philanthropy can have a direct impact on your organization's bottom line. As a new ED or board leader, this is a terrific goal, to achieve a culture of philanthropy by (a pre established date).

Start with a vision of what a culture of philanthropy looks like. Identify the difference it could make for everyone in the organization.

**Consider a staff retreat. Create your vision of culture of philanthropy.
Assess where your organization is now.**

Next, assess where your organization is on a scale of 1 to 5.

One	Two	Three	Four	Five
We don't have any elements of a culture of philanthropy. Everyone sees resource development and marketing as the unit's responsibility and not theirs	We don't have a culture of philanthropy but we have a few elements.	We don't have a culture of philanthropy but we are in the planning stage and have some of the elements.	We don't have a culture of philanthropy but we are well on our way—we have a plan and many of the elements in place.	We have a culture of philanthropy and a plan for continuing to nurture it.

Set **SMART goals** (specific, measurable, actionable, results oriented and timed), monitor and celebrate progress, and adjust as needed.

For example:

1. Increase our level of partnership from two to four on the one to five scale by (date)
2. Achieve 100% board giving by (date)
3. Increase staff giving from 50% to 75% by (date)
4. Increase the percentage of mission staff actively engaged in providing stewardship from 20% to 50% by (date)
5. Achieve 100% board involvement in stewarding current donors by (date)

Finally, develop a change plan for moving from wherever you are to where you want to be!

Change Management

1. Your vision and big ideas drive the change—why we need to change and why we need to do it now. Change requires urgency and clarity.
2. Hold honest conversations about change with key champions first (staff and board). Draft your best people to collect data and start the conversation.
3. Create a “guiding coalition” of champions and influencers, as recommended by leadership guru John Kotter.
4. Get folks to care by making it personal, “What’s in it for me?” Make a personal connection, get people personally involved, give them a personal reward.¹⁰
5. Be sure to protect those who engage in the conversation.
6. Ask generative questions.
7. Distill what matters.
8. Make it safe to present findings.
9. Diagnose what is wrong.

¹⁰ “Discovering the Activation Point,” by Kristen Grimm

Empower others to act.¹¹

10. Plan changes
11. Test the plan and make needed adjustments

Remember Change is not easy.

In fact, it is very hard. The late great management guru Peter Drucker famously said, “Culture eats Strategy.” You can have a great plan, but if the culture of the organization doesn’t support the changes you desire, they ultimately fail. You must look at the current culture and align it with the changes you desire. If you are going to build a culture of philanthropy it will probably have to start with Change Management unless you inherit an organization that “gets it” or build an organization from the ground up.

Maybe start with something easy that has a huge impact. What if everyone helped with stewardship? Have all mission staff be required to provide impact stories, the CFO provide financial information that speaks to impact, all board members call and thank donors and report on impact.

Wow! Just getting that going would be a big step towards achieving a culture of philanthropy.

Action Steps

1. Create your culture of philanthropy vision.
2. Using the tool provided, assess where you are today.
3. Develop goals for three-years from now, where you want to be.
4. Set year-one objectives.
5. Identify at least three high-impact activities that will help you move closer to your goal (consider starting with stewardship). See Chapter 7.
6. Consider a culture of philanthropy task force of staff and board members.

Checklist

Building Blocks	Yes, Completed	No, Steps I Will Take to Complete	No, Information I Still Need	Due Dates	Person Responsible
Create a change vision for culture of philanthropy.					
Develop three-year goals.					
Identify high impact action items.					
Monitor and report on progress.					
Work on action steps for a strategically composed board.					

¹¹ John Kotter

Building Blocks	Yes, Completed	No, Steps I Will Take to Complete	No, Information I Still Need	Due Dates	Person Responsible
Identify a pool of potential board members via recommendations, from your donor pool, via introductions and mission/vision gatherings.					
Go on discovery visits with those in the pool.					
Research and fill in the board nomination form.					
Expose to your mission, vision, and work.					
Further engage.					
Solicit for a leadership annual gift.					
Provide stewardship.					
Vet with other board members, people of discretion you know and trust.					
Recruit, sharing expectations, listening to responses.					
"Why"					
Vision					
Values Statement					
Strategic Plan					
Fundraising Priorities and Costs					
Impact Statements					
Balanced Portfolio and Technique Chart filled out.					
Draft "balanced" portfolio goals.					

Culture of Philanthropy Assessment and Action Strategy Worksheet

Using a score of one to five, with five being perfect, rank where you are in terms of having a culture of philanthropy. Identify potential champions and obstacles to achieving a five for each milestone.

Milestone	Score	Potential Champions	Barriers
<p>All see resource development and marketing as essential to the fulfillment of the organization’s mission, vision and work.</p> <ul style="list-style-type: none"> • CEO • Staff members • Board members 			
<p>Philanthropy is a core value of the organization.</p>			
<p>Resource development and marketing are part of everyone’s job description.</p> <ul style="list-style-type: none"> • CEO • Staff members • Board members 			
<p>All senior staff members have resource development and marketing goals and are evaluated on achieving these goals.</p>			
<p>We’ve achieved:</p> <ul style="list-style-type: none"> • Collaboration within the office • Co-ownership within the office 			
<p>All understand, embrace and acts on his or her roles and responsibilities for resource development and marketing.</p> <ul style="list-style-type: none"> • CEO • Staff members • Board members 			
<p>All give generously</p> <ul style="list-style-type: none"> • CEO • Staff members • Board members 			

Milestone	Score	Potential Champions	Barriers
Everyone can share several concrete examples of how philanthropy has an impact on the mission, vision and work <ul style="list-style-type: none"> • Staff members • Board members 			
Everyone is an informed advocate for the organization <ul style="list-style-type: none"> • Staff members • Board members 			

For each milestone, indicate what steps you will take by when:

Milestone	Action	Who	By When

Chapter 5 – Building Meaningful and Productive Donor Relationships

Objectives:

- To develop skills in building relationships
- Learn how to ask generative and strategic questions
- Strengthen listening skills—listening to understand rather than just to respond
- Learn how to plan donor visits, follow-up, and create donor plans

Tools and Templates:

1. “Visit Planning Worksheet (Blank and Example)”
2. “Contact Report Template”
3. “**Error! Reference source not found.**”
4. “Suite of Engagement Opportunities”

Defining Our Terms

Good relationships require connections characterized by:

1. **Knowledge**—You know the donor and the donor knows you. You know what they value, how they think, their personal capital as described in Chapter 3, their family and work situations, what matters to them, their passions, loyalties, and interests; you know their “agenda.”¹²
2. **Trust**—A donor is unlikely to give a significant amount of time, ideas, connections, and money to an organization and/or to people they don’t trust. Trust is at the heart of all strong relationships.
3. **Mutuality**—Each party gains something from the relationship: satisfaction, joy, the ability to do more, recognition, expertise, and so forth.
4. **Productivity**—We can have personal relationships that are wonderful but without productivity involved. Just fun, for example. But donor relationships need to be productive, accomplishing important goals.
5. **Meaningful**—The goal must be productive for the organization and meaningful for the donor.
6. **Respect**—Each has a high opinion of the other; values and feels valued.
7. **Loyalty**—Give each other the benefit of the doubt. Work things through rather than give up and walk away.
8. **Generosity**—Each gives willingly, freely, and abundantly what is expected and has been agreed to.

At the heart of relationship building are “great conversations.”¹³ You can’t know someone, build trust and respect and engage them in meaningful and productive ways without sitting across from them,

¹² “Power Relationships,” Sobel and Panas

¹³ Sobel and Panas

asking questions, sharing a bit about yourself and the organization, and listening with ears (words, tone) and eyes (facial expressions and body language).

Everyone can play a role in relationship building.

As an ED or board leader, you will be responsible for developing relationships with the top 20 to 50 donors and prospective donors. In many cases, the Chief Development Officer will drive the process. But these are your relationships, and your responsibility, so you must have an understanding of how the process works so you can make meaningful contributions to the strategies. It is important that the ED, board leaders, and senior staff have excellent reputations. People don't trust individuals they don't know; you have to meet folks in person, learn about them, be interested in them, and share things about yourself. Your job is asking strategic questions and listening to the answers.

1. Share your vision, values, and strategic plan.
2. Ask questions and LISTEN.
3. Engage potential donors in discussions about the issues, the problems you are solving.
4. Ask more questions and LISTEN.
5. Engage potential donors in the work of the organization.
6. Yep, ask more questions and oh, did we mention listen?
7. Make sure you've built a strategically composed and engaged board to help you.

What you need to learn/know about the donors and potential donors in ADDITION to facts about family, business, and lifestyle:

1. Their capacity to give based on income and assets as discussed in Chapter 2.
2. Affinity—Do they know someone with HIV, have been touched by the disease in some way, are they philanthropic and believe in philanthropy as a tool to cure society's ills?
3. Their philanthropic values that underpin their giving and engagement with ALL charities, not just yours.
4. Their philanthropic interests.
5. What organizations are on their list, why, and where is your CBO on that list?
6. Who makes the philanthropic decisions in the household, at the foundation, or within the corporate structure?
7. What do they expect from the organizations in which they invest, what stewardship do they like receiving?
8. How do they like being engaged?
9. What is true for the other decision-makers (questions 2, 3, 4, 5, 7, and 8)?
10. Who are "natural partners" who may help us get the appointment, advance the relationship, and aid solicitation?
11. Possible obstacles to giving.

The way to find out this information is to have a strategic conversation.

You: "Thank you for meeting with me today. As I mentioned on the phone (in my email), I'm seeking input on our vision for the future. We want to make sure it resonates with leaders like you. I only need thirty minutes of your time. Does that still work for you?"

Potential Donor: "Yes. That's fine. Happy to help."

You: “Here’s what we’re trying to do. HIV is decimating our community. Taking a toll on individuals, families, local businesses, and our schools. Is that something you’ve seen first-hand or have thoughts about?”

Potential Donor: “Not first-hand, but second-hand. A dear friend lost her husband. Drug use. Couldn’t get the care he needed. People blamed him for his troubles.”

You: “We see that every day. What do you think about that? How did you feel when you learned about his lack of access?”

Do you see how we are engaging the potential donor in a conversation about the issues, not pitching or trying to sell her something? Instead we are finding out about affinity and point of view.

For other questions you might ask during a “discovery visit” see the [List of Strategic Questions](#) in the appendix.

Transitions can feel awkward. How do you get to find out about philanthropy for example? Not hard at all.

You: “I appreciate your insights on our vision. You’ve given me a lot to think about before getting back to you. May I ask, how does our vision compare, in terms of being important and compelling, to the visions of other organizations in which you’re engaged?”

See how smooth that was.

Here are some key points about strategic conversations:

- Listen 70 percent of the time. Ask questions and make your key points during your 30 percent.
- Stay in control. People remember very little of what we say. In fact, social scientists tell us people forget 50 percent of what we said ten minutes after the conversation. You can improve these numbers by being a great storyteller. Even so, they still forget a lot. So talking most of the time won’t serve you well. They won’t remember what you said and you’ll walk away knowing very little about them. Wasted your time and theirs.
- Plan your key questions. Have three or four questions you must ask. Keep them in mind as the conversation progresses.
- Have an agenda. When you call to make the appointment, set it up so you have permission to ask questions. In the example above, the purpose was feedback on the vision. Other reasons can be seeking advice, reviewing a new initiative, planning an event (not the logistics but the purposes and program). Use your agenda to steer the conversation.
- Unpack. Be sure to ask follow-up questions. People rarely give full answers after one question. “How so?” “Can you say more about that?”
- Be interested. People can tell when you’re bored, not listening.
- Document. Be sure to write up your notes immediately after the visit. Consider using the contact report template provided.
- Practice. The only way to get good at this is to practice. Role-play visits with staff members and volunteers. Give each other honest feedback. Time how long you talked versus listened.

Consider videotaping the role-plays so you can look at them later and work on the things that didn't go as well as you'd like.

The Relationship Building and Solicitation Process

1. We first must identify potential donors. We've already talked about how to fill the donor pool and use a table of gifts.
2. Research is next and we do this in four ways:
 - Look at your own records.
 - What relationships already exist?
 - Is this an existing donor?
 - How much did they give in the past?
 - How have you engaged them in the past?
 - Has any member of your team met them before? Under what circumstances? What transpired? What resulted?
 - Research online:
 - Do a "Google" search.
 - Do a news search.
 - Visit "natural partners" (people who know you, your organization, and the donors well) and have a strategic conversation with them about the potential donors. Ask strategic questions and, of course, listen to understand!
 - Go on a discovery visit as discussed above.
3. Write up what you've learned.
4. Develop a strategic donor plan based on what you know about the donor.
5. Implement the plan through engagement. (Remember The Tarnside Curve.)

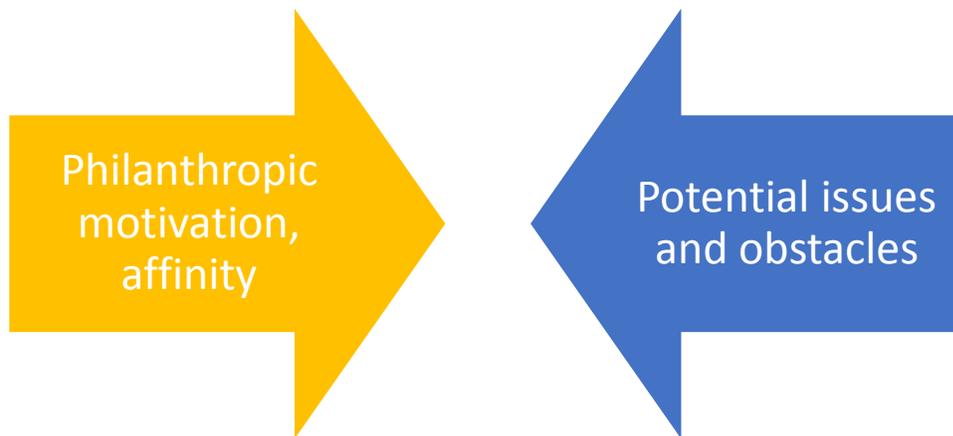
Engagement requires opportunities that connect the donor to your mission, vision, and work in an interactive manner. There should be a thinking component (asking for their ideas, impressions, advice); a feeling component (direct connection with program staff, beneficiaries, or through videos, and/or storytelling); and a doing component (advocacy, hosting, giving, providing expertise, etc.).

6. Solicitation is next. "Ask" or solicit at the right time (when the donor is excited about the project, impact or desired outcome). Taking strategic steps first to increase motivation and overcome potential issues substantially increases chances for success. Learn more in Chapter 6.
7. Closing is important. Once you submit a proposal or conclude a solicitation conversation, many donors need time to think, consult others, or have questions. You need a follow-up plan to close and document the gift. Learn more in Chapter 6.
8. Thanking within 24 to 72 hours. Pick up the phone. Send a handwritten note. For new donors, send a welcome package. We will discuss this in more detail in Chapter 7.
9. Engage in stewardship. We've discussed this briefly earlier and we'll go into even more depth right after our discussion of marketing and social media. Just to review, stewardship consists of thanking, being accountable and transparent, providing appropriate recognition and most importantly, reporting on impact and outcomes and connecting donors directly with your cause. Learn more in Chapter 7.

Strategic Donor Engagement and Solicitation Plans

In any given moment in time, there are motivating forces (reasons) working in your favor—reasons the donor might want to say yes. But there are also forces working against you. Your donor plans must increase motivation and overcome obstacles. Each engagement step you take should be strategic and purposeful. You might hear this referred to as “moves.” A move is the same as a strategic and purposeful engagement step or action.

Figure 11: Strategic Donor Initiatives or "Moves"



Let's work through an example.

You are hoping to secure a \$50,000 gift from the possible donor you spoke with earlier in this chapter. From that visit, you learned:

Discovery Information	What You Learned
Capacity	\$50,000 to \$100,000; they live well but you don't know how much they make. Learned they gave \$50,000 to their church's building drive. Because they also give to other causes, you think \$50 to \$100k is reasonable. The most they've given to your CBO is \$500.
Affinity	High. Close friend lost her husband to HIV. Believes his lack of access was tied to prejudices about the husband's drug use and race.
Philanthropic values and motivations	Believes in generosity. Learned first by giving to church, then through church giving to those in need.
Giving interests	Youth, hunger, homelessness.
Decision-makers	Husband and wife make their decisions together.
List of other charities and where your CBO is on that list	Church, number one, they give 10% of the income as a tithe. Girls, Inc., number two, wife on the local board. Boys and Girls Club, number three, husband on local board. Local food bank – give mostly time. You're not on their list yet. Only made one gift last year at the request of their friend who lost her husband.
Expectations from charities they support	To tell them how they used the money Thank them Don't care about recognition Make something happen and let us know
Engagement preferences	Like being on boards. Enjoy mentoring. Enjoy hands on work of feeding the hungry every Saturday.
Natural partners	Close friend who introduced the donors to your CBO.
Possible obstacles to giving	You're not on their list yet. Heavily engaged with other organizations.

The Rights (remember this from Chapter 1?)

How many do we know?

- Right Purpose – Do you know what part of your program might appeal to them the most?
- Right Amount – Even though you know, they have the capacity to give \$50,000 that might not be the right amount at this time. They've only given you \$500 in the past so a jump to \$50k may be too big. Perhaps \$5,000 to get them started as a leadership giver.
- Right Solicitation Team or Method – Need to involve their friend. Not sure who else.
- Right Time – Too soon. Need to learn more.
- Right Participants at the meeting or receiving the proposal – Husband and wife.
- Right Place and Materials – Not sure if they like proposals or not. Need to learn more.

Remember – Purpose Drives Amount. You want to get an enthusiastic yes to the vision, big ideas, and/or project first before you ask for a gift. Learn more about this in Chapter 7.

Developing a Strategy

When developing a strategy, literally write up what you know, what the pluses and minuses are, and then as you craft your strategic steps or “Moves,” make sure they are taking advantage of the pluses and minimizing the minuses. Once you’ve thought through the strategy, discussing it with others is likely to strengthen it. Ask yourself “With whom should I discuss this strategy?”

Using What You Know, You Develop a Strategy

Which of the above pieces of information are particularly helpful? Which are the most troublesome? What would you do to try and increase motivation and overcome obstacles? Think about two to three strategic steps you would take.

- What specifically would you recommend happen?
- Who should do it?
- Why are these right steps?
- What concrete outcomes are you seeking for each?

Donor Engagement Strategy Worksheet

Using what we learned, here are some possible steps.

Figure 12: Strategy Worksheet Example

What	Who	Why
Vision meeting hosted by board member	Board member and ED Friend is invited as well	We’ve had one discovery meeting. Now we have to expose them to our vision in a more in-depth and personal way; connect our vision to the things they care about—homelessness, children. HIV affects both.
Follow-up visit with friend	Development officer	Thank her for her help. Ask about her impressions from the vision meeting, impact she believes we can have in the community; ask if she’d help us get another appointment.
Follow-up visit	Friend gets the appointment	Find out their impressions of the vision; what impact they believe we can have in the community. Learn more about their philanthropy.
Advocacy Day participation	Development officer	They like hands on work. Get them more engaged with our mission and work. Meet others affected by HIV.

Do you have additional ideas? What are they? Write them down.

It’s Art but Science Lurks Below

The values, needs, and motivations of the donor drive the relationship. You manage every donor relationship through the model (identification and research, discovery and sharing your story,

engagement, solicitation and closing, thanking and stewardship). Every donor has a unique key staff member and/or volunteer responsible for maximizing that donor's relationship.

Keep Good Notes

You can see how important it is to write things down. Keep good notes in a robust database designed for resource development. There are many on the market. Some are quite expensive but it is an investment worth making. As a leader, you must invest in resource development and marketing if you are going to fuel your resource engine.

Record all the information about the prospective donor just as we have above. Your strategies and strategy updates need to be in writing. This is all confidential information, so it is critical to decide who has access and that there are written protocols for what is recorded and how.

Strategic Versus Manipulative

Sometimes, people express misgivings about writing donor plans, especially for individuals. But remember, you are not asking for money for yourself—it's about the people and cause you serve.

You are connecting good people to a great cause, helping them do something that matters. It's your responsibility. You are not tricking anyone by pretending it's a personal friendship, you are building a relationship for and with the organization; yes, you can like each other but the focus is on the mission, vision, and work. You are not wasting their time, or your resources.

Being strategic makes sense!

Action Steps

1. Identify a potential donor you believe can give a five, six or seven figure gift.
2. Research the potential donor.
3. Plan the visit, practice asking strategic questions.
4. Go on a Discovery visit.
5. Write up your notes.
6. Develop a strategy.
7. Implement.

Checklist

Building Blocks	Yes, Completed	No, Steps You Will Take to Complete	Due Dates	Person Responsible
Begin meetings to plan visits and develop donor strategies.				
Complete your suite of engagement opportunities.				
Set up training sessions to practice strategic questioning.				
Assess your current culture of philanthropy current state.				
Identify one to three high impact steps you will take this year.				
Work on the action steps for the strategically composed board.				
“Why” and Vision				
Values Statement				
Strategic Plan				
Fundraising Priorities and Costs				
Impact Statements				
Two Pie Charts				
Draft Goals “balanced” portfolio goals				

Visit Planning Worksheet (Blank and Example)

Visit Planning Worksheet©

Name		Date
Address	Staff Assigned	
	Primary Natural Partner Secondary Partners	Philanthropic Decision Makers
Phone No.	Capacity Rating	Inclination Rating
Who will attend:	Readiness Rating	Tarnside Curve Location

Right Amount
Right Impact or Outcome
Right Solicitor(s)
Right Time

Three Purposes for the Visit:	Maximum and Minimum Outcomes from the Visit: INCREASE MOTIVATION
	Maximum and Minimum Outcomes from the Visit: DECREASE ISSUES
	Maximum and Minimum Outcomes from the Visit: OTHER

Points to Cover:	Strategic Questions to Ask:

Use the Visit Planning Worksheet for planning a discovery visit, a visit with a leadership annual fund donor who is not a major gift prospective donor and therefore does not need an engagement strategy, or to "blow-out" all the details of a visit that is part of a major gift strategy.

Visit Planning Worksheet®

Name James and Betty Bird		Date
Address 12 Mahogany Ridge Your Town, State	Staff Assigned	
	Primary Natural Partner: Bob Greene Secondary Partners	Philanthropic Decision Makers: ?
	Capacity Rating 100-250K	Inclination Rating High
Phone No.	Readiness Rating 6-9months	Tarnside Curve Location: Interest

Right Major Gift or Campaign Amount \$100K?
Right Purposes(s) Advocacy Initiative?
Right Solicitor(s) CEO and Bob Greene?
Right Time Unknown

Purpose of the Visit: <ul style="list-style-type: none"> Deliver stewardship for \$10K annual gift (bring outcomes report and smart phone video from a grateful family) Get commitment to join our advocacy task force Confirm purpose of future gift 	Outcomes from the Visit: INCREASE MOTIVATION <ul style="list-style-type: none"> Understand the difference strategic advocacy makes
	Outcomes from the Visit: DECREASE ISSUES <ul style="list-style-type: none"> Demonstrate tangible impact and how we measure them, how we know we're motivating change
	Outcomes from the Visit: OTHER <ul style="list-style-type: none"> Get a read on Betty's priorities -- is she standing in the way of a gift or supportive of it?

Points to Cover:	Strategic Questions to Ask:
<ul style="list-style-type: none"> Profile on outcomes seen there 	What kind of difference is it most important to create in our community for the people we serve?
<ul style="list-style-type: none"> Professionalism of advocacy initiatives, on-going support 	How have you seen advocacy efforts, in any setting, have a significant impact? How might we be more successful?
<ul style="list-style-type: none"> Understand Betty's motivation 	What aspects of our work most resonates with you? What other organizations do you support in our area?

Contact Report Template

CONTACT REPORT GUIDELINES - FOR RATED PROSPECTIVE

Name of donor: Greene family
Visit by: RELATIONSHIP MANAGER NAME
Visit/Contact on: DATE
Date written: DATE

RECORD UPDATES:

- *Include information here that Information Systems team member or data manager would need to review or input. For example, **new** address or additional address, **new** info on employment or spouse employment, children, email, mobile number and so forth*
- *Updates needed to ratings: Capacity rating changed or confirmed? New information on inclination or readiness ratings?*

SECTION ONE:

List of the specific purposes of the visit/call/contact

What you or the volunteer intended to accomplish. Be specific. For example, “cultivation” or “relationship building” is not specific. Here are examples of concrete visit objectives:

- Deliver stewardship for \$10K annual gift (bring outcomes report and smart phone video from a grateful family)
- Get commitment to join our advocacy task force
- Confirm purpose of future gift

SECTION TWO:

Outcomes as they relate to the purposes of the visit and other unplanned results

- What strategic initiatives (or “moves”) were completed, outcomes accomplished, engagement goals reached and/or research questions answered? For example, we found out that advocacy means a lot to Betty. Her brother died of AIDs in 2000. She wants to be part of the solution.
- Were any of the “Rights” uncovered/confirmed—Purpose, Amount, Solicitor, Time, Participants, Place, and Materials? For example, we didn’t learn any of The Rights. We think advocacy is important to her but not sure of James is on board.
- Were any of the “Yeses” uncovered/confirmed (Moved your organization up the donor’s list, respects leadership, likes the vision for the future and strategic goals, and/or understands the role of philanthropy for the CBO)? I think we are not yet high enough on their list priorities. Their church is number one, the hospital where Betty’s brother was treated in number two, their alma maters are number three and four.
- How did you end the visit—what “yes” to a next step did you achieve? They agreed to come to the advocacy initiative task force’s first meeting,

SECTION THREE: CONFIDENTIAL

It is imperative that this section contain objective information and not include any information which, if read by the prospective donor, could embarrass the donor or the institution.

New and/or confirming information about *The Donor Puzzle*®:

- Income and assets, personal or family foundation
- Personal, business, philanthropic commitments that might affect the size and timing of the gift
- Philanthropic priorities (other organizations), philanthropic motivations, values and interests, philanthropic interests of spouse/family and other decision makers
- Philanthropic decision makers and process
- Interests tied to your organization’s mission, vision, and work
- Family members, names, relevant information
- Relevant relationships
- Natural partners who can help advance the relationship
- Affiliations (corporate, serves on Boards)
- Motivation to give to your institution/organization
- Issues that might prevent a joyful, inspired, generous philanthropic investment in your institution/organization
- Readiness to make a gift for a priority purpose at close to the desired amount, at this time
- Engagement and stewardship preferences
- Where your institution/organization sits on the potential donor’s list of philanthropic priorities; what organizations are on top and why

SECTION FOUR: Next Steps (This is different from the next moves (donor initiatives) updated as a result of the visit). These are the follow-ups you promised (thank you note, materials, invitations) and actions you need to take (update next strategic initiatives (“moves”) on the strategy worksheet.

Action Steps	Due Date	Person Responsible

If you would like to learn more about major gift fundraising, strategy development, Moves Management, powerful and purposeful donor visits, strategic questioning and listening for intent or any other aspect of fund development or institutional advancement contact us at 914 428 7777 or mail@theosbornegroup.com

Suite of Engagement Opportunities

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Ideally, you have a variety of highly personal involvement opportunities for your most important donors and those prospective donors with high capacity, inclination, and readiness. In addition, you have a broader set of opportunities for those with lower capacity or are farther out on the readiness pipeline and therefore not ready for more intense, personalized engagement.

Opportunities should be both short term and long term so they provide engagement for people with different interests and needs. You're responsible for turning engagement opportunities into meaningful initiatives that advance the relationship. Keep in mind, engagement is interactive, two-way, and includes thinking, feeling, and doing.

Finally, in today's philanthropic market place, having online engagement opportunities and opportunities that involve families is increasingly more important.

Start by Asking Questions

Before deciding on HOW you will engage potential donors, you must find out more about them.

1. Uncover through strategic questioning and listening, **ALL** of your donor's areas of expertise. These include his or her "Personal Capital" (human, intellectual, networks and financial) and Philanthropic Profile" (motivation, values, interests, decision makers and process, priority organizations, and size gifts they tend to make). Don't just look at what he is currently doing for a living or where she is giving. Find out all they have to offer professionally as well as personally.
2. Learn how he enjoys being involved. Does she like projects with clear start and end dates? Is he a joiner who likes on-going committee work? Does he like to entertain? Is she a strategic thinker who likes problem solving? Is involving their children or employees important?
3. Discover how the donor makes her decisions and who else is involved. Are children part of the decision-making? As a family, are they trying to pass on philanthropic values? Is there a financial planner or other family members in the mix? Does he have a family foundation or invest in a community foundation.
4. Finally, trust remains an ongoing issue. Find out how trusted your organization is; discover perceptions.

Here are examples of engagement opportunities. Use this list to spur your own thinking and planning.

High Touch

Short Term

- Visit by the ED, board chair, senior staff member
- Serve on a task force; chair a task force
- Borrowing art, photography, etc. for showing on site and hosting the event
- Private dinner with board member or mission leader
- Field trip, on-the-ground with mission staff and beneficiaries

Lower Touch

Short Term

- Magazines or newsletter with a note about a particular article tied to donor's interest
- Website engagement and stewardship messages
- Special events attendee
- Networking opportunities

- Participate in a local mission; host a local mission
- Report on the impact of a gift personally delivered and discussed
- Mentoring opportunities for staff, beneficiaries
- Meeting with the CFO, head of programs to discuss important issues facing the organization
- Use of home, office, club for reception, vision meeting, service discussion, mentoring; helping plan and implement
- Use of your site for a foundation board meeting
- Testimonial dinner
- Request for advice, expertise, assistance
- Feedback on marketing, stewardship, website, etc.
- Phone call from recipient of gift or gift impact
- Presenting a distinguished service award; receiving award
- Special seating for an event; celebrity function
- Naming an existing entity in appreciation; attending the dedication or inauguration
- Personalized tour
- Potential donor screening sessions—participating, hosting
- Helping with fund-raising strategies
- Making in-person cultivation, solicitation and/or stewardship visits
- Leading task force; non-board member serving on board committee
- Organize and host a “Family Pay It Forward Day”
- Organize and host a “Women in Philanthropy Day,” or Roundtable
- Host a wellness day
- Annual report with a note about the materials inside
- Participating in a site tour with lots of other people
- Films and slide shows
- Brochures
- Attending receptions and dinners
- Fundraising events
- Lower level annual giving activities
- Helping with event mailings and so forth
- Stewardship
- Writing letters to legislatures
- Participate in Family Pay It Forward Day

Long Term

- Request for advice, expertise, or assistance on a longer term project, task force, or committee
- Make stewardship visits with you to foundation or corporate donors
- Make stewardship calls or visits to individual donors
- Serve on the board of directors
- Serve on an advisory board
- Serve on a board committee as a non-board member
- Serve on fund-raising committees for major gifts, campaign, leadership annual fund as a non-board member

Long-term opportunities are not appropriate for individuals with lower capacity and/or far out on the readiness pipeline.

- Serving on lobbying or advocacy committees to help secure important legislation or appropriations
- Form, lead a giving circle for the organization
- Participate in strategic planning for the organization, for marketing, for fund development, for government relations
- Providing hands on expertise, serving as lawyer, or building project manager, or other task in lieu of hiring someone
- Serve on a speaker's bureau for the organization
- Serve as a chair

Chapter 6 – The Artful Solicitation

Objectives:

- Increase knowledge of The Rights and their role in great solicitations.
- Understand the importance of The Rights in the solicitation process.
- Understand the structure of the solicitation conversation.
- Develop solicitation conversation skills and how to put them into action.
- Understand closing and follow-up.

Tools and Templates:

1. "Corporate Strategic Questions"
2. "Corporate Solicitation or Pitch Deck Guidelines"

Preparing to Solicit

Getting ready to solicit takes thought, planning and time. The last result you want is to ask for the gift and hear six or seven objections to giving. You're on the defensive, trying to address each one instead of leading an inspiring conversation that will result in a joyful, generous "yes." Be sure to use the "Error! Reference source not found." to increase your chances for success.

Sometimes, you can do everything wrong and still get a "yes." Or, you can do everything right and still hear "no." Over the long run, however, doing things right will get you the results the people you serve need and deserve.

Researched, Rated, Discovery Complete

As discussed earlier, this is the beginning of the donor process. Using the "Error! Reference source not found.," indicate the answers to the first two factors. For example, this is what it might look like for someone ready for an annual (rather than major gift) solicitation.

Figure 13: Solicitation Readiness Checklist for Annual Gift

Factor	Yes, Notes	No, Notes	Plan
Researched, know capacity and affinity	The Browns earn \$150,000 a year between the two of them; capacity rating for all annual gifts is \$7,500; gave \$100,000 to Boys and Girls Clubs, so we're suggesting a major gift capacity rating of \$100k until we learn more. Moderate affinity. Gave us \$500 in the past; good friend lost husband to HIV.		Steward past giving

Factor	Yes, Notes	No, Notes	Plan
Had discovery visit; confirmed capacity and affinity	Met with the Browns. Learned more about their philanthropy. They've not made many major gifts. Need to start with annual, get them more engaged.		Solicit, in person for an annual gift of \$1,000 (based on past giving and annual giving capacity) Use the solicitation to learn more about the Browns and get them more engaged.

Here's what it might look like for someone not ready for solicitation.

Figure 14: Solicitation Readiness Checklist for Annual Gift 2

Factor	Yes, Notes	No, Notes	Plan
Researched, know capacity and affinity		Couldn't find out much about them except value of primary home -- \$1,200,000	We have a good donor who lives near them, going to visit to try and find out more. Will use a solicitation visit as discovery as well.
Had discovery visit; confirmed capacity and affinity		Not yet	See above

Inspired and Joyful Generous Giving

As you recall from our earlier discussions, are goal is an inspired gift. Why? Because when you inspire people they give more, they tell others, and hey stick with you.

So, the next factor on your Solicitation Readiness Checklist for a current or recently past donor is, have I made the donor feel great about investments already made? Did I demonstrate in an inspirational way, the impact already achieved? See more about this in the next chapter. Here's what we might enter on the checklist for a yes followed by an example of no.

Figure 15: Solicitation Readiness Checklist for Annual Gift 3

Factor	Yes, Notes	No, Notes	Plan
Provided inspirational stewardship for past gift	We shared how we used the total amount raised at our gala and the impact they and other attendees had on our work. Included a short gratitude/impact video.		
Provided inspirational stewardship for past gift		Not yet	Intend or attempt to do that next week and set the solicitation visit for two weeks after that.

The next important part of inspiration is exposing the decision-makers to your mission, vision, values, plan, and work. Perhaps the decision-makers attended a house party or Advocacy Day briefing where they participated in a discussion about the vision and work.

Following are the remaining factors. Insert each one into the matrix as demonstrated above and fill in the information you have and your “plan” or action steps.

Decision-makers

For individuals, this can be one member of the family or all members. A financial-planner might be involved. For a corporation, it could be the head of marketing, a division head, a giving committee or a professional in HR. Some foundations give the program officer tremendous authority and influence; others do not. You have to ask early on, so you are engaging the right people.

Purpose Drives Amount

**The Rights: Right Purpose, Right Amount, Right Solicitation Team, Right Time,
Right Decision-makers, Right Place, and Right Materials.**

Get a yes to purpose and/or impact BEFORE settling on or asking for a number. You want to hear during one of the earlier interactions, *“Yes, that is so important. We have to make that happen.” “Yes, I feel strongly about that. It’s so important.” “Yes, I love that idea.”* Get a yes to purpose and the money will follow.

A corporation, especially if the money is coming out of the marketing budget, needs a yes to purpose first but also for recognition and visibility plans.

Are you high enough on their list?

If I’m a very wealthy person and your hope is a gift of \$5,000, you have to be ON my list but not very high. If my capacity is \$7,500 as in the example above, your CBO needs to be very high if you’re hoping for \$5,000. Be sure to ask, early in the relationship, *“What organizations matter the most to you? How so? Where do we fit on your list?”*

Asking for the Right Amount

As we’ve discussed before, many factors go into choosing the right amount.

Capacity, affinity, level of engagement, where you are on their list, largest gifts they’ve given others, largest gift they’ve given to you and, of course, the amount required to achieve the priority purpose and/or impact they and you desire.

Donors’ Expectations

This can also influence the right amount. In a corporation, for example, the amount of recognition and visibility they desire may have a direct impact on the amount. In a building and/or endowment campaign, the naming opportunities may influence the amount. Some donors want reassurance that you will stay in touch and report on progress. Most foundations want this. Ask them! Know your donors’ expectations.

“As you think about the organizations you care about the most, what are your expectations when you invest?” “How well do they deliver on those expectations?” “Can you share some examples?”

The Right Methodology

There are many ways to solicit a gift. Mail, peer-to-peer street solicitations, email, social media, phone, at an event or in-person. These are donor visits with the decision-makers and representatives from your CBO.

The best return on investment comes from in-person solicitations. In a national study conducted by Johns Hopkins University, they found a 70 percent ROI for in-person solicitations as compared to 25 percent by phone and only 5 percent by mail.

Use your resources wisely.

Figure 16: Solicitation Method Grid

<p>Solicit in Person or via Phone Highest capacity, lower affinity, less engaged, current, recent or not a donor</p>	<p>Solicit in Person Highest capacity, higher affinity, more engaged, current or recent donor</p>
<p>Solicit via Phone, Mail or Email Lower capacity, lower affinity, less engaged, current, recent or not a donor</p>	<p>Solicit via Phone or in Person Lower capacity, higher affinity, more engaged, current or recent donor</p>

The Right Solicitation Team

Volunteers who are passionate givers often make great solicitors. They can also be reluctant. “She’ll ask me for the same amount.” “I don’t want to hurt my relationship.” “I’m not good at this.” “I won’t fundraise. I hate it.”

1. All solicitors need to be inspired, joyful, generous donors.
2. You want them to share their passion, enthusiasm, tell your story in a personal and powerful way. Make sure they can.
3. Solicit your board and those you hope will be solicitors first.
4. Inspire them first.
5. Engage them beyond the board meeting.
6. Solicit in person.
7. Share the impact of their gifts.
8. Get them sharing the impact (without asking for money) with donors you want them to solicit later.
9. Make it easy. Go with them. Provide training and/or a solicitation script.
10. Start with someone you are confident will say yes. Build confidence.

**The ED should also be part of the solicitation team for most top donors.
People want to know and trust the ED.**

The Right Time

As part of your research and discovery visit, uncover when the family or donor tend to make their annual gifts. Do they make them in November, right before the end of the year, or in the spring? Once you know, be sure to schedule your solicitation conversation before that time. For example, if they tend to give in April and May, ask them in early March.

For a major gift, the right time to ask is when you are confident of The Rights—right purpose, amount, and solicitation team. You inspired and uncovered these rights through your engagement strategy and visits as discussed earlier.

Be careful about putting all your annual giving solicitation activities and visits towards the end of your fiscal year. Even if you hold your big event in November, you can still ask for support in September. Perhaps you hold a big spring event. Ask your top donors for support in October or November of the prior year. Try not to load up at crunch time.

The Right Materials

You can enhance some solicitations with props or tools. For example, a formal proposal or corporate pitch deck and/or sponsorship packages.

Making the Solicitation Appointment

There is something magical about the rules of threes and thirds. It works in so many areas. For securing an appointment, the rule of threes applies. Notice in the following example that one of the reasons given for the visit is a solicitation conversation. You don't want to surprise your donor, saying you're coming for one reason and then ask them for money.

Conversely, if you are not going to ask for money, it can be helpful to say so. *"I'm looking forward to sharing our vision and hearing your thoughts. In addition, I'm hoping you'll help us think through our social media strategy. You always have excellent marketing ideas. Finally, I wanted to discuss our Advocacy Day. Please be confident, this is not a solicitation visit."*

Sample Conversation

You: "It was wonderful seeing you at Advocacy Day. And thanks for bringing the Smiths. We loved meeting them."

Donor: "So important that we get health care access right. We were happy to help."

You: "I'd love to visit with you over the next several weeks. First, to get your insights into how we can strengthen Advocacy Day. I have about ten questions I'd like to ask. Second, we're thinking about hosting an awareness fair but not sure about it. I wanted to bounce some ideas off you and your husband and get your perspectives. Finally, I'd like to discuss your investment this year in helping us move our access agenda forward. I'm looking at Tuesday or Wednesday of next week. Which day works best for you?"

Donor: "Next week isn't good. I have a lot going on at work."

You: "No worries. Our conversation will only take about 30 to 40 minutes. Let's look at Tuesday, Wednesday or Thursday of the following week. Which day works best for you?"

Notice several things about this example.

1. You gave three reasons for the visit. The donor might want to handle one reason over the phone. “No need to come all the way out here. I have a few minutes. Let’s discuss Advocacy Day now.” Two reasons feels like a long phone call but doable. Three reasons feel like a meeting.
2. You let the donor know that one of the reasons is solicitation. “I’d like to discuss your investment in helping us move our access agenda forward.”
3. Note that you didn’t say, “I’d like to discuss your gift to us.” Or, “I want to ask you for your annual gift for this year.” Instead, you focused on the gift purpose.
4. “I’m looking at Tuesday or Wednesday of next week. Which day works best for you?” This is a great way to seek an appointment. You have the donor focused on when to meet not if they want to meet.
5. You offered alternative dates.
6. You gave a time frame under an hour.

Who Needs to Be There

Notice, in the above example, that you found a reason for both husband and wife to participate. “I wanted to bounce some ideas off of you and your husband and your perspectives.”

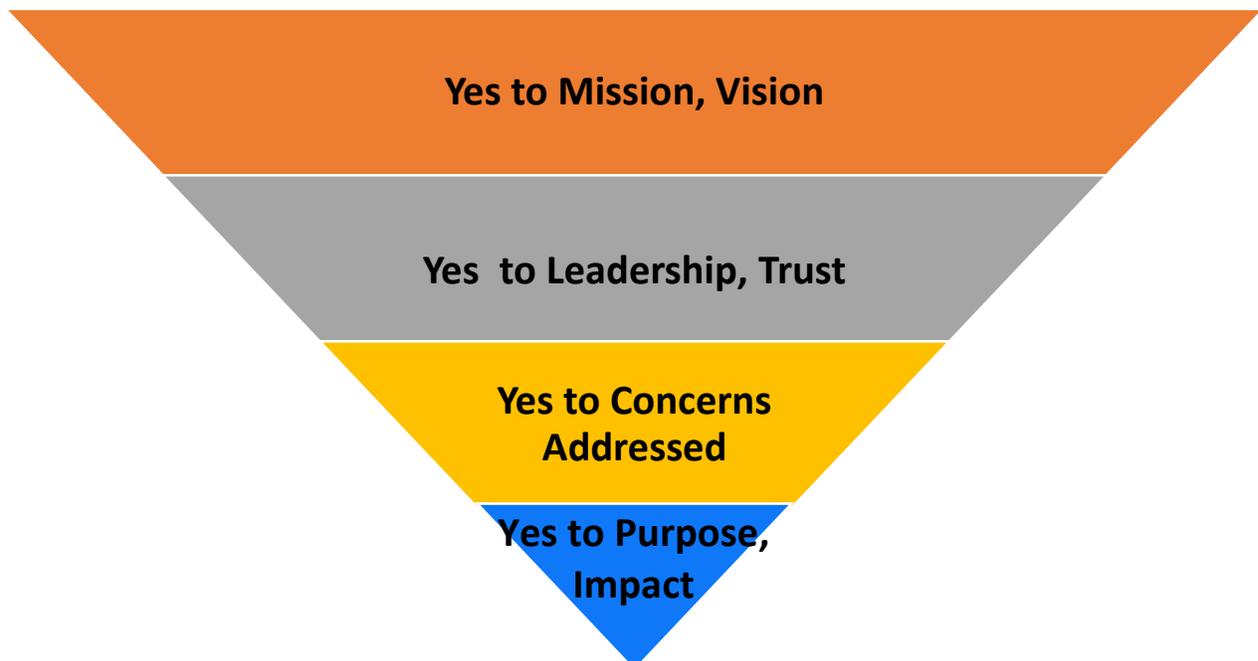
Make sure you know who will make the decisions and try hard to include all of them in the conversation.

Scripts (Conversation Framework) and What Ifs

No conversation goes exactly as planned. Having a plan, however, helps keep things on track. It is especially useful to think through all the “what ifs.” What if she says this, how might we respond? She might bring up that. What should we say?” Preparation often carries the day.

Here is a good rubric for the conversation. The point of the conversation is the point of the inverted triangle.

Figure 17: Solicitation Conversation Framework



The Point of the Conversation

“Please consider an investment of \$x,xxx.” Don’t offer a range. Be sure to ask for a specific amount. Once you put the number out there, stay quiet. Wait to hear what the donor has to say.

Overcoming Objections

Here’s the beauty of securing a yes to the first purpose. If the donor says the amount is too much, empathize, but then move back to purpose.

“I felt the same way when the ED asked me to be a leadership donor for our access campaign. It was more than I was planning to give. But then I thought about how many of our folks get healthcare too late or worse. The hospital sent a friend home with his IV bag and a handful of prescriptions that he was too weak to go to the pharmacy and fill. This can’t be. You said you feel strongly about access to good healthcare. How can we make this happen?”

Notice how the volunteer re-enforced the case for support, shared her own commitment and then engaged the donor in problem solving.

Review the list of **Strategic Questions**. There is a section on overcoming objections. Remember:

1. Empathize.
2. Never argue.
3. Listen.
4. Engage the potential donor in problem solving.
5. If you receive a “No,” leave the door open for a following up conversation.

You: “I’m sorry that this isn’t the right time you and your family. We’d still love to get you financially involved. May I visit again and tap into your wisdom from time to time and keep you apprised of our progress?”

Corporate Solicitations

You might receive funding from any of the following sources:

1. Matching funds
2. Giving program or corporate foundation
3. Senior management discretionary funds
4. Marketing budget
5. Operating budget of a unit manager or senior staff member

Gifts can be:

- In-kind (expertise or physical gifts like new carpeting or furniture)
- Cash
- Employee volunteers

What motivates the company’s giving? Are they burnishing their reputation, using it as an engagement strategy for their employees, part of their marketing strategy, or a reflection of the culture of the

organization's leadership—a strong belief in giving back? Your pitch to the company has to reflect their motivation and goals.

Asking for a sponsorship is usually transactional based on a quid pro quo—we'll do this for you if you do this for us. But you still want to mix in a bit of inspiration and relationship building. The marketing team members who are considering your request are individuals who could become personal donors, ambassadors who might tell your story to others, and/or your access to the corporate leadership and perhaps larger gifts. Approach a sponsorship solicitation for \$5,000 with the same care as an individual gift.

Making the Corporate Case

Remember to tailor your deck or proposal based on what you learned about the company through your research and a discovery visit. In addition, here are some factors to include even if the company didn't express a specific interest. According to Cone Marketing of Boston:

- When price and quality are equal, 86 percent of Americans choose the charitable company.
- 89 percent of consumers said they believe nonprofit groups and companies should work together to support a cause.

Employees want to make a difference. You can include that in your pitch as well. When Impulse Research surveyed employees about what mattered most to them, almost 40 percent said they wanted to make a difference. Your agency can help.

Foundation Solicitations

These are often the easiest. Foundations publish their guidelines, interests, and timing. Follow them carefully. As you are able, still try to get a visit before submitting your proposal. Seek it right after a decision-making time when the workload is less. If they are past donors, make a stewardship visit and personally update them on your progress. Ask your strategic questions. Share your vision. If you can't get an appointment, at least call and ask questions. Relationship building works for all types of solicitations.

Action Steps

1. Identify two to five solicitations you want to complete over the next one to three months.
2. Work through the Solicitation Checklist found below.
3. Practice the conversation.

Checklist

Building Blocks	Yes, Completed	No, Steps I Will Take to Complete	No, Information I Still Need	Due Dates	Person Responsible
Prepare to solicit two to five donors and/or potential donors over the next month or two					
Prepare a solicitation deck you can use a template for future corporate solicitations.					
Identify a pool of potential board members via recommendations, from your donor pool, via introductions and mission/vision gatherings.					
Go on discovery visits with those in the pool.					
Research and fill in the board nomination form.					
Expose to your mission, vision and work.					
Further engage.					
Solicit for a leadership annual gift.					
Provide stewardship.					
Vet with other board members, people of discretion you know and trust.					
Recruit, sharing expectations, listening to responses.					
“Why”					
Vision					
Values Statement					
Strategic Plan					
Fundraising Priorities and Costs					
Impact Statements					

Building Blocks	Yes, Completed	No, Steps I Will Take to Complete	No, Information I Still Need	Due Dates	Person Responsible
Balanced Portfolio and Technique Chart filled out					
Draft "balanced" portfolio goals					

Corporate Strategic Questions

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Following is a sample list of questions that you can use during phone and in-person conversations with corporate and foundation leaders. Asking strategic questions is essential when developing relationships with decision makers. Through your questions, you will learn about motivation, values, issues, decision makers and process, benefits the corporation is seeking and so forth, allowing you to develop an excellent, comprehensive strategy, followed by a great proposal, and a joyful yes to your request.

About Organization Alignment

1. What are you trying to accomplish from a marketing perspective?
2. What roles does philanthropy (grants, sponsorships) play in achieving those goals?
3. What are the corporate values that underpin your objectives (vision) (areas of focus)?
4. How do you feel about our organization, our work?
5. To what degree do you believe there is alignment with your goals and the problems we are solving?
6. Why have you supported our organization in the past?
7. How well do you know our programs? Which ones? How did that come about?
8. What do you believe are the perceptions of our organization nationally, in our community, within the corporate world, within the foundation world?
9. What are your perceptions of our effectiveness?
10. What are your impressions of our vision for the future (our priority projects) (our big ideas)?
11. Do you believe we have a strong case for support? If so why? If not, why not?
12. Do you feel good about the investments (grants) you've made in/to our organization?
13. Do you believe your gifts (grants) (philanthropic investments) to us are making difference? If so how?
14. How do your employees feel about their engagement with us?
15. How well has our employee engagement strategy worked from your perspective? How so?
16. How might we strengthen our employee volunteer engagement?
17. Do you believe your philanthropic investments in our organization have provided your company (your employees) with real benefits? How so?
18. Do you feel we use your contributions wisely, that we are fiscally well managed?
19. What do you think about the quality and effectiveness of the stewardship we've provided you? How so?
20. Have you (your employees) participated in any of our programs? Which ones? How did that come about? What was your impression?
21. Do you have any particular concerns you would like me to share with our President (CEO)?

22. Do you feel you know our President (CEO) and trust his/her leadership?

Philanthropy, Giving Interests, Motivation

1. In our research we found that you support a lot of organizations like ours (very few organizations like ours), how might that affect your decision making about requests from us?
2. (For corporations and family foundations but not for private foundations) When you give, do you give both annually and to capital projects? What goes into those decisions?
3. Among our fund raising priorities, which do you find the most compelling? Why? Least compelling? Why?
4. What factors go into your grant-making decisions that might not be obvious from your guidelines?
5. How are decisions made at the foundation (company)? Who is involved? What is the process?
6. Under what circumstances do you make exceptions to your (giving guidelines, average amount)?
7. I noticed (organization) received an extraordinary gift from your foundation (company), what made their request so compelling?
8. We have an excellent relationship with a member of your board but don't want to ask him/her to do anything inappropriate. What is the best way for (name) to help us with our proposal to you?
9. We'd love an opportunity to discuss some projects with you that appear to be directly in line with your mission and priorities, what is the best way for us to do that?
10. As you think about the future of the foundation (corporate giving program) what is your vision?
11. When you've turned down worthy organizations, what are some of the most common reasons?
12. In our letter of inquiry we outline three projects that we feel match your mission and our priorities, which one has the greater appeal? How so?

Involvement and Engagement

1. What advice would you give us as we plan our future?
2. We would love for you to (host a reception for other grant-makers; conduct one of your Board meetings at our site; attend one of our lectures; meet some of the people your investments have benefited; etc.). Under what circumstances would you would find that of interest?
3. We would love for the foundation to make a site visit. How can we make that happen?
4. Under what circumstances do members of the foundation board participate in (activity) of organizations with which you have relationships?
5. As a corporate leader in our community, we welcome your feedback on (our marketing plan, vision, strategic plan, marketing materials, etc.), what is the best way to make that happen?
6. We are holding an excellent program on (topic) and would welcome your participation. Is that something of interest? Would members of your Board find it of interest?
7. How have you been involved with other organizations?
8. How does your personal philanthropy dovetail with that of the company (this is a question for corporate leadership)?

Implication and Values Questions

1. To what extent do you believe the need for (the problem you are trying to solve) affects our (community, state, region, nation, world)?

2. In what ways do these (did these) issues dovetail with the mission of the foundation (impact you, the foundation, your family, your neighbors, your beliefs, your values, the values of the Board; the corporate philosophy, your employees, your brand strategy)?
3. As you (read, heard, watched) our ideas for the future, in what ways do you see our organization effectively addressing these issues?
4. Are there other ways we should think about (examine) (address) these issues?
5. In what ways might you help us address these issues?
6. Are there any questions about (our organization, our project) that we've not answered?

Testing the "Rights" and for Readiness

1. I remember you saying that (insert appropriate project) is important to (the foundation, the company, the board, the corporate leadership), is that right?
2. As you think about making a real difference, what projects (priorities, programs, giving opportunities, naming opportunities) have the greatest appeal?
3. We would like to come and speak with you over the next few weeks (days, months) about making an investment in our organization. Who should be a part of that conversation?
4. As you think about our organization's ambitious goals for the future, which of our priorities do you think should be the most important? How would you rank the others?
5. As you know, (insert priority) is a critical piece of our organization's commitment to the nation (the world, engineers, women, children, the community, etc.) is that something with which you agree?
6. It is our intention to submit a proposal for your next round of decision-making, in your view is the timing right?
7. As you know, the project we're discussing requires an investment of \$(amount), is that the right amount to seek in our proposal?
8. Are there any specific things we should or shouldn't do, beyond your printed guidelines, which could strengthen our proposal?
9. In our letter of inquiry we outline three projects that we feel match your mission and our priorities. Does one have greater appeal? Which one has the greater appeal? Why?
10. How could we make our top priority (name) have greater appeal to the foundation?

Seeking Feedback

1. Did I understand you correctly when you said...?
2. Did I answer your question?
3. Have I done what you've requested?
4. To what extent have we provided you with the tools and information you need (to make a decision; to better understand our mission, ideas, and work)?
5. Have we done a good job in conveying to you the impact of this project?
6. Does (other philanthropic decision maker) feel the same way?
7. How so?
8. Can you say more about that?
9. In what ways?
10. So, do I understand correctly that you (re-state the impression, feeling, thought)?
11. What have I not asked you that would be helpful for me to know?

Closing, Overcoming Objections or Soft Answers

1. Then, may I suggest a next step of....?
2. (Objection: "That's a lot of money.") It sounds like you're wondering why we need that amount in order to get the impact we've discussed. Am I correct? The reason is....
3. (Objection: "We're over committed.") It sounds like you would like to invest in our organization but right now you can't see how you might do that. Am I right about that? Would it be helpful if I explained some of the ways other companies (foundations) have managed this problem? They....
4. (Soft answer: "Let me think about it and I'll get back to you.") What factors will you consider as you weigh our request?
5. (After objection is stated) "So, you're concerned about (restate) is that correct? If that were not an issue, what would you like to accomplish with an investment in our organization?"
6. (After objection is stated) "So, you're concerned about (restate) is that correct? I remember the last time we met you said that it was very important to you that (what the gift would accomplish), is that still important to you?"
7. So, we're agreed that...?

Corporate Solicitation or Pitch Deck Guidelines

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What It Is and Does

- Well-organized, concisely written presentation in PowerPoint format to be “walked through” rather than shown on a screen.
 - Your roadmap when meeting with company representatives (hopefully, decision makers and/or influencers)
 - The tool for engaging the representatives in a strategic conversation
- Demonstrates your understanding of the company’s environment, vision, goals and motivations.
- Speaks in their language, terms, from their perspective.
- Demonstrates your ability to work with the company to achieve mutual goals.
- Explains why you do what you do (the societal problems you are solving and why they matter, how things would be different once solved), how you do it and finally what you do.
- Highlights your successes in the community.

Getting Started Creating a Deck: Organize by the Audiences’ Train of Thought

Use the following to assemble the content of your deck:

- Write the subject of your communication in one sentence—the purpose of the presentation.
- Now think about the audience’s point of view. Read it back to yourself as if you were the listener, the person you want to engage in the strategic conversation.
- Re-do it so that you state it from the listener’s viewpoint, words, and interests.
 - For example, from your frame of reference: “Partner with us to enhance our ability to serve more at risk children.”
 - From their frame of reference: “Strengthen your ties to the community and build a positive image through a partnership with our organization.”
- Jot down your best understanding of what the company is trying to accomplish. Is it employee engagement, burnishing its image in the community, or meeting marketing objectives? Try to confirm this prior to completing the deck.
- Now, write up what your organization is trying to accomplish – your “why,” then “how” and finally your “what.” Keep this brief and engaging. (See Simon Sinek’s TED talk on Why Start with Why.¹⁴)
- Look over both goal statements—your organization’s and the company’s. Where is there overlap? Is there a common vision, objectives, or desired outcomes? This is your bridge to your idea.
- Now, from the point of view of the company and community, list the benefits of your big project and the desired partnership.
 - How do your ideas solve his/her (the company’s) needs?
- You’re now ready to create your deck.

¹⁴ <https://www.youtube.com/watch?v=sioZd3AxmNE>

Content Elements

1. Cover page
2. Agenda or table of contents
3. Purpose of the presentation; the goals you are trying to accomplish during this meeting
4. Common objectives or vision of your organization and the company (a perfect time to ask strategic questions and engage in a conversation before moving on)
5. Strategies to achieve objectives (another opportunity for meaningful interaction)
6. Project or Big Ideas tied to the company's and your objectives (pause here, seek reactions)
7. Benefits of partnering with your organization (pause here, seek reactions)
8. Call to action. What do you want to happen and when (wait for reaction before speaking again)?

A Few Additional Pointers

- New consumer research or data are always of interest. Consider using info graphics to display the data in an engaging manner.
- Present your ideas as “discussion starters.”
- Convey your flexibility.
- Ask, “How does this seem to you?” “Is this on target with your objectives?”

Create an Appealing Look

- Customize each presentation.
- Place their logo and yours on the cover.
- Use their logo liberally throughout.
- Use color, pictures, charts, infographics.
- No long sentences—it's a tool for a conversation. You don't have to write everything out. Bullets and numbered items are fine.
- Use 12 point type or larger.
- Ask a good writer to edit for you.

Confirm Your Approach

- Make a trial presentation to your original contact and/or “natural partner” or champion.
- Ask for feedback and how to make it more successful/compelling to Mr. or Ms. So-and-So.
- Ask contact or partner to facilitate getting a meeting.
- Know whom you are going to meet.

Deck or Proposal?

- Sometimes a proposal is also called for.
- Or, is needed instead.
- Find out what will have the best impact.
- The “Deck” might be excellent for pre-solicitation.

Persuasive Proposals Include

- Cover letter
- Executive summary
- Who you are—your credentials and track record
- Context—the societal need
- Your response—your vision
- Project specifics
- Potential impact
- Benefits from their point of view
- How you will measure success
- Costs and budget
- Conclusion

Chapter 7 – Stewardship, Donor Care, and the Power of Wow

Objectives:

- Increase comprehension of stewardship components and benefits.
- Gaining understanding of the benefits of donor care.
- Learn how stewardship impacts donor retention and giving upgrades.
- Strengthen appreciation for customer service and wow donors.

Tools and Templates:

1. “Stewardship and Customer Service Level One Assessment”
2. “Welcome Package How-to-Guide”

Defining Our Terms

Stewardship is the process of acting on your agency’s responsibility for transparent and appropriate promised uses of donors and volunteers’ investments of personal capital and demonstrating over time the appreciation for, and impact of, those investments.

Stewardship Advantages

Your best future donors are your current and recently past donors.

Joe Connolly, a radio personality and blogger who writes for the *Wall Street Journal*, shared this during one of his three-minute radio segments. He was speaking about trends in the for-profit world.

“Retention is the new acquisition and customer service is the new marketing.”

Think about it. Businesses are realizing that retaining customers is now more important than finding new ones. This is huge for them and for us.

- We know donor acquisition is more expensive than keeping old friends is. Some studies cite it as much as four to eleven times more. And how we treat our customers directly affects retention.

Let’s do the donor retention math

Say your average gift from loyal donors (giving 3+ years) is \$350. In this example, you are losing 50% of your donors before year three (not, unfortunately, an unusual percentage). You have a file of 5,000 donors who have given 1 to 2 years but not given in year 3.

- $50\% \text{ of } 5,000 = 2,500 \times \$350 = \$875,000$
- \$875,000 walked out your door!

Those 2,500 donors stop giving to you, but they don't stop giving. They find other organizations with equally compelling missions and give those not-for-profits a chance to fulfill their expectations.

Your file may be smaller. Your average gift may be lower. But you get the idea. In fact, in a small shop losing even a few donors can have a profound effect on the bottom line.

There's more. Opportunity costs

- 34% of major donors had given for five years or more
- \$1m+ donors gave at least 5 times before
- 66% first gifts were less than \$250

Among those 2,500 donors who left, there were lots of potential major donors.

Loyalty leads to bequests

You've heard the stories. A ninety-year-old woman who worked for years as a teacher or the housekeeper leaves a nonprofit \$100,000 in her will. Prior to that gift, the largest gift she'd ever given was \$25. She gave it every year for twenty years.

Loyalty also leads to increased giving

Your most loyal donors tend to be those willing to increase their annual gift every couple of years.

Marketing advantages to donor retention

Joe Connolly goes further. Because of word-of-mouth and social media's ability to spread the word fast and to a large audience, treating customers well is a smart and necessary marketing strategy.

If it's true that customer service is the new marketing, and that customers (and donors) spread the word about being happy with us, then we know they also spread the word about what we don't do. We are not only losing them as donors, we are discouraging others from joining our cause.

Stewardship is the Number One Answer

Creative, consistent, personalized stewardship has a direct impact on retention and upgrades.

- The first component of stewardship is managing the organization's resources with wisdom and prudence, being transparent and openly and accurately sharing the fiscal story.
- The second important element of stewardship is complete and accurate documentation of gifts and all aspects of the relationship.

The numbers of organizations and institutions that don't have written protocols for gift entry and pledges are often staggering. Too many small not-for-profits haven't invested in donor management software. And far too many sophisticated operations don't have enforced guidelines for writing contact reports.

- Who made this gift? Who were the decision-makers? Whom should you thank?
- When did the gift come in?
- Did it come from a personal check, gift of stock, a transfer from a bank specializing in wealth management?

- What motivated the gift at this time?
- What made it possible? Did the donor's circumstances change?
- What do the donors expect from organizations in which they've invested?
- Does the donor have an affinity for the cause? (Were they touched by the cause in some personal way?)

We want to know the answers to these questions up front and we want to document them so we can thank the right people, using the right information.

- The third component is acknowledging the gift within 24 to 72 hours.

Reality Check – Every Donor Deserves a Phone Call

I can remember having a disagreement with my good friend, philanthropy guru Jerry Panas. I was a Director of Development with fifty-five people reporting to me. Jerry had invited me to speak at one of the conferences held by his Institute for Charitable Giving.

“Every donor deserves a phone call,” he had said. “If you’re in a big shop, maybe it’s every gift of \$100 or more. In a smaller shop, \$25.”

“No way. I’m not going to waste our meager resources on calling \$100 donors. We do that at \$1,000 and up.” I thought about it for another few seconds before adding, “When we can.”

Boy was I wrong. I know a lot of professionals agree with my old premise. When I speak with them about calling to say thank you, they complain about resources just as I did back in the day. But as we work with wonderful organizations both as volunteers and as consultants, we see the power of the phone call. Let me give you both the results a study and then a case in point.

Penelope Burk conducts extensive donor motivation and satisfaction research.¹⁵ In one of her studies, she took a group of 2,250 first time direct mail donors. As you may know, when someone responds to a direct mail request, they receive a thank-you along with another request for more money. No stewardship. Ms. Burk wanted to test whether or not personalizing the thank you made a difference in giving. Out of the control group, she had board members call 220 of the donors to say thank you within 48 hours of receiving the gift. Other than that, no other stewardship went out.

The result was a 40 percent increase in giving from the 220 thanked donors. Two years later, 70 percent of the personally thanked donors were still giving; 80 percent of the control group stopped giving. Since that study, Blackbaud replicated it with over 100 test organizations. The result was that 35 to 45 percent increased giving.

Picking up the phone and calling new and loyal donors, no matter the size of the gift, is the first step in exceeding expectations, the first step in getting the answers to critical questions, the first step in building a life-long relationship.

¹⁵ See <http://www.burksblog.com>

For new donors, follow-up with a welcome package. See the “Welcome Packet How-to Guide.” Let the donors know it is coming. Ask them to look out for it. Follow-up with a call. “Did you receive it?” “What did you think?”

Handwritten Notes

Now, you don’t want to spend too much time on acknowledging gifts since there are other aspects of stewardship that have a much bigger impact. But we would be remiss without mentioning hand-written thank you notes. In this age of digital communication, the hand-written note stands out; donors open and read it and most importantly the donor appreciates your effort and thoughtfulness.

- Stewardship component number four is fair and appropriate recognition.

If you made a restricted gift of \$25,000 for a specific program, you’d probably receive a note from someone in charge—the program officer or ED. Later in the year, you might hear from the program officer with news about what she is accomplishing today as well as her future aspirations.

But what if you gave that same amount unrestricted. I’m sure the ED would write you and a gift officer would visit you during the year, but would you hear from a recipient sharing how the agency spent the money? Would you have an opportunity to experience and engage with the people that your investment helped support?

ALL donors who give the same amount deserve similar stewardship. Are some gifts of \$100,000, \$10,000, or \$1,000 worth more than other gifts of the same size?

- The fifth component is connecting the donor to the impact of his or her gift.

This is critically important. What did the donor’s money help you accomplish? Do minorities with HIV have greater access to healthcare in your community? Have more community organizations joined you for Advocacy Day and elicited a promise from the governor? Have you sent me a video, letter from a recipient, phone call from a program officer, visit from a board member sharing the impact of my gift (four to nine months after receiving the gift, calling to thank and sending thank you notes).

- The sixth and final component of stewardship is the WOW factor.

You want to make your donors say, “wow!” and share their enthusiasm with others. Stewardship isn’t expensive, but it takes thought and time. The pay-off is huge.

The gifted writer Maya Angelou, tells us, “*People forget what we said and what we did but remember how we made them feel.*”

Reality Check – Easter Seals and the Wow!

Several years ago, Easter Seals in Little Rock, AK asked if I would donate my time by providing a board seminar. I was going to be in town to speak at an AFP conference and since Easter Seals is both an important client and one of my top philanthropies, I happily agreed.

But my plane landed late and I didn't get to the hotel to almost eleven. Tired and grumpy, I regretted agreeing to all of this extra, unpaid work. Dragging my suitcase behind me, I approached the man staffing the front desk, gave him my name and credit card, and tried to muster a polite smile.

"Welcome. We're so glad you're with us. We have something for you."

A basket filled with my favorite things from my friends at Easter Seals. Earl Grey decaffeinated tea (because it was evening and I need my sleep), a Luna meal bar in my favorite flavor, a mug, an apple, and two chocolate chip cookies accompanied a hand-written note from the ED. Wow. But that wasn't all. The next morning, as I arrived at the site for the training, a sign strung across the entranceway read—"Welcome Karen" and a parent and his daughter in her wheelchair greeted and thanked me for all I do for Easter Seals. Double Wow!

Creativity

You want your stewardship to stand out. Change the voices, format, look and activity. If you do the same thing every year, it loses its impact. Pull in your marketing experts to help you. Take lots of videos with your smart phone or tablet. Thanks to YouTube, most people have a high tolerance for amateur video. In fact, they like them. Capture program staff sharing a story. Get a child's perspective on how much she missed her mom because she was sick and how glad she is now that mom's doing well.

Action Steps

1. Using the "Stewardship and Customer Service Level One Assessment" to determine your current state. Make a plan to do better.
2. Create three to five stewardship communications and determine how you will use them.
3. Develop a stewardship calendar.

Stewardship and Customer Service Level One Assessment

Stewardship and customer service are powerful tools. When administered comprehensively and well the results include the retention of donors, increased gifts, committed lifelong donors and a joyful giving and volunteering experience for everyone who supports your organization.

For each question, give your program a score of 1 to 5.

5 = we do all of this exceptionally well, 95% or more of the time

4 = we do some of this exceptionally well, 75% or more of the time

3 = we do some of this well, 50% or more of the time

Score: 29-35 = Excellent

22-28 = Good

15-21 = Needs Work

1-14 = Hmmm

2 = we do some of this well, but rarely

1 = we don't do this and/or we rarely do most of this well

Management	Questions	Scores	Comments
	<p>Operating in the black</p> <p>Healthy endowment</p> <p>Good fiscal policies</p> <p>All senior staff members understands, embraces, believes in and acts on his or her responsibility for customer service and donor care</p> <p>All mission staff members</p> <p>All other staff members</p> <p>All board members</p>		
	<p>We have an adequate software system</p> <p>Donor's intent is inputted as well as particulars of gifts</p> <p>Documentation is accurate, timely</p> <p>We have customer service and stewardship policies in place and proactively followed</p>		
	<p>Thank you call within 48 hours of receiving a new gift</p> <p>Thank you acknowledgment and receipts within 72 hours for all gifts</p> <p>New donor welcome package is sent within three weeks</p> <p>Letters are fresh and speak to the "promise"</p>		
	<p>Cost per dollar raised within industry standards</p> <p>You report on fiscal management, balanced budgets, charity ratings</p> <p>You respond to customer complaints quickly, politely; right wrongs</p> <p>Your fiscal story is easily found on your website</p>		

Recognition	<p>Guidelines are fair and appropriate (gifts of the same size no matter purpose or source) receive comparable recognition</p> <p>You recognize size as well as longevity of giving (honor donor loyalty)</p> <p>All recognition is designed to satisfy and inspire</p>		
Impact and Outcomes (months after thank you)	<p>Every donor receives an impact report (written, visuals, audio)</p> <p>You connect donors to mission & gift impact</p> <p>You tailor impact communications for top donors</p>		
Overall Effectiveness	<p>There is a customer service and stewardship plan and calendar</p> <p>Progress is monitored</p> <p>Customer service and stewardship is adequately staffed</p> <p>You conduct annual donor satisfaction surveys</p>		

Welcome Package How-to Guide

Welcoming new donors makes sense.

- Perhaps your young donor gave at an event because a friend asked her and not because she believes in what your organization is doing today.
- Perhaps she thought you only were asking for gifts for new program development, when in fact she could help the people you serve directly.
- Maybe she remembers your organization from when her child participated 10 years ago and a lot has changed since then.
- Perhaps she only used one of your services and isn't aware of the outstanding array of programs you've recently expanded.

The first purpose is to thank again (provided that you called to thank and/or sent an acknowledgment).

"Dear (name), thank you again for your gift of \$100 and welcome to our family of supporters.

Moreover, to express explicitly "The Promise" you make to your donors.

"Gifts of this size help us to.... Over the course of the next several months you will learn through our newsletter and personal communications the difference you are making."

The second purpose is to inform.

"You have made a wise choice by investing in us. We've included some information about life in our organization today, as well as profiles of some of the people we've served who are making a big difference in the world. The video is only 3 minutes long. (If you are corresponding via email, share the link to the video.) I think you will find it packed with important facts and compelling stories. The annual report provides a quick overview of how we manage our resources and who else in the community supports us."

The third is to find out more about the donor.

"I've enclosed a "New Donor Survey" along with a self-addressed, stamped envelope. It takes less than five minutes to fill out. Your answers will help us communicate with you in ways you find desirable." If you are sending your package via email with links to the video, change the language accordingly.

Name
Home Address
Phone number
Business address
Business phone number
Email address
Birth date
Spouse
Spouse's birth date
1. Please send all communications to:
• Me only
• Me and my spouse
2. Please send via
• Post
• Email
3. Please send to my
• Home
• Office
4. I (we) prefer to be addressed as:

Finally, the welcome package asks the donor to take another step with you.

If you have a reason to believe this donor has the ability to give \$10,000 or more:

"Please consider the two invitations I have included. One is a hosted gathering at the home of one of our Board members. Our CEO, (name), will share our vision for the future and seek your advice and counsel on how we might engage others in our work. Because you are new donors, your perspectives are of particular interest.

The second is for (i.e. a tour of our site, a vision event, an introductory, networking breakfast). I hope you'll have a chance to participate."

Finally, for those donors who you have reasons to suspect they have the means to do more, the concluding message keeps the ball in your court.

"I'll call you in a few days to see if you received this welcome package, get your thoughts on the contents and personally invite you for a tour and to the Vision Consultation Meeting. Thanks again. I look forward to speaking with you and to meeting you (and spouse's name) in person."

If you don't know about the donor's capacity to give:

"Please consider the invitation I have included for (a tour of our site, a vision event, an introductory, networking breakfast, etc.) I've enclosed a schedule. I hope you'll have a chance to participate."

Remember, telling the story in a compelling manner is an essential component of the welcome package. If you don't have a current or compelling video, substitute a wonderful picture of the people you serve or your program staff members along with a letter from the one of them, thanking the donor for their help.

The New Donor Process

1. Pick up the phone immediately and say thank you. Ask a few questions. *“What inspired this gift?” “What made this gift possible at this time?”* Let the donor know a welcome package is on its way.
2. Send out a thank you within 24 to 72 hours
3. Send or deliver a welcome package a week to three weeks later
4. Send or deliver an impact stewardship communication within four to six months
5. Research capacity and if the donor has the capacity to be a leadership annual fund or major gift donor – get out there! In-person visits are the best way to establish a long term, productive relationship!

Chapter 8 – Marketing, Public Relations and Communications

Objectives:

- Increase comprehension of marketing, public relations and communications.
- Gain understanding of the benefits of taking an integrated approach—clients and donors.
- Strengthen new media strategies and implementing.

Overview

Your goal is to engage your stakeholders, influencers, and connectors in strategic conversations about your mission, vision, values, plan, and work. Back in the day, marketing was about pushing information out in engaging ways that caught people’s attention and inspired them to take action. We still care about that. However, in today’s marketplace, we’ve learned—just as we have with fundraising—that enrolling and engaging key audiences serves us better than advertising and mass marketing approaches.

“Marketing starts with the customers, consumers, groups you want to serve well. In our nonprofit world, they are clients, their families, donors, former donors and potential donors, volunteers, influencers and other stakeholders.”¹⁶

Taking an integrated approach helps you leverage your resources and keep your messages clear. When you have different core messages for different audiences, you muddy the communications waters. Besides, many individuals engaged with your CBO wear multiple hats—advocate, donor, volunteer, and perhaps client.

Your integrated goals include:

1. Behavior changes you seek (think Mothers Against Drunk Driving (MADD) and the huge impact that marketing campaign had on behavior)
2. Education around the problems you are solving, the impact you are having (intend to have); marketing at its best doesn’t try to educate audiences on every service you provide
3. Advocacy for the people and cause you serve
4. Public policy creation and/or changes
5. Generous giving of personal capital
6. Volunteering
7. Enrolling and engaging others through strategic conversations with an emphasis on influencers and connectors, thus leveraging reach

¹⁶ Jane Daley Seaberg

The Power of Brand

By organizational brand, we mean a promise or a position that serves to distinguish your organization and services from other nonprofits in the same business or community.

Nonprofit consultant David Williamson says that brands matter enormously for nonprofits because:

- Recognition = Respect + Revenues
- Brand credibility ensures access to potential donors and influencers.
- Credibility also helps create donor loyalty.

Undermining the brand can be fatal.

Brand can be difficult to build. It takes resources (time, expertise, and budget) for consistency and impact. Sometimes a corporate partner, volunteer, or board member with expertise can help you develop your brand pro bono.

Most nonprofits provide a service and, as such, should market themselves as a service rather than a product. This means it is important to promote or sell the experience, benefit, or outcome of your nonprofit. For this reason, one of the most important tools in services marketing is word of mouth. When considering a service, such as choosing the right agency or a worthy philanthropic cause, we often seek the experience and testimony of others we trust. Word of mouth for a nonprofit can be powerfully persuasive.

One recent study found that 78 percent of consumers trust peer recommendations while only 14 percent trust advertising. What people are saying about you matters. That's why it is so important for you to define your organization's brand. If you don't, others may define it for you.

Positioning Your Nonprofit and Managing Brand

There are two kinds of positioning. "Customers, donors, community members position us—it is what they believe about us whether or not it is what we *want* them to believe."¹⁷ You can uncover this information through market research and (donor, consumer, volunteer, influencer) satisfaction surveys.

One organization polled its stakeholders. Several key words and phrases bubbled up. "Trusted. Pro-active. Accountable. Responsive. High quality." A few negatives surfaced as well. "At times appears disorganized, lack of focus, trying to be everything to everyone. The best kept secret in the community."

Listening first helps you shape your core and supporting messages. This organization capitalized on its positives and worked on ways to change the impression around the negatives. In order to address the appearance of disorganization and lack of focus, they made a strategic decision. Instead of trying to speak to all of its programs, it highlighted two most important over the next five years. At first, internal staff felt left out. But as they worked through it, they got everyone onboard. Yes, we still do all of these different things but here are the two top priorities (vision and big ideas help you focus). They also shared the impact their new focus would have in the community.

¹⁷ Jane Daley Seaberg

- Strategic positioning is the way you influence the perceptions of your organization held by your stakeholders, influencers and connectors. It is proactive and intentional backed by clear goals.
- What are we seeking to achieve? What is our vision?
- What do we do particularly well? What value do we add?
- How can we make ourselves stand out?
- Do these things resonate with our internal and external stakeholders and those we serve?
- Are there threats, opportunities in our environment that we must mitigate?

We can't afford to be all things to all people and expect to succeed. We must think critically at the outset. How to get the response we want?

Start with Your Internal Audience

Your internal audience often consists of:

- Members of your board or volunteer advisory groups
- Staff members
- Current clients and their families
- Volunteers and advocates

If they don't agree with or believe your brand and positioning, they will undermine it. Not necessarily on purpose, but through regular interaction. For example, part of your positioning is that your CBO is changing healthcare, access, and acceptance for minorities with HIV through effective programming and advocacy. In a conversation with a potential donor or influencer, a staff member laments, "I wish we had better programs backed by impact measures. I know we're doing the right thing, but I wish we had more data." This undercuts your positioning. The listener believes the staff member and not the marketing materials.

**Work with the internal audience first.
Then create a culture of allies and front-line ambassadors to strengthen and create a seamless
and integrated front. Only then do you move to your external audiences.**

Move to Your External Audience

Your external audience often consists of:

- Donors, past donors, and potential donors
- Funding agency decision-makers and influencers
- Alumni of your program, past beneficiaries
- Opinion leaders, connectors, and influencers
- The media
- The community you serve

As we think about all of our audiences, we must segment (just as we've discussed for fundraising and the concept of the critical few). You would ask, "Who could make what I need happen and what do we know about them?"

- Focus on the key decision-maker/obstacle. Ask yourself constantly what your target audiences believe and what your organization needs to do or say to that target audience (such as donor) to move to the next step (like a pledge or major gift).
- Objective data (e.g. fundraising planning study, donor satisfaction study, analysis of past support)
- Inferred data (e.g. lifestyle traits, media habits, place of residence)

Another audience question—What will move the particular segment of the audience to take the desired action? (This is positioning)

- Perceived benefits
- Perceived costs
- Opinion of influencers
- Feeling of accomplishment ("Yes I can")

Create a Plan

Once you have completed your analysis, identified your audience and learned more about them, it is time to create a plan. Your plan should include:

- A vision for your program that supports the vision of the organization
- A set of values tied to your philosophy of marketing and communications
- Identified audiences and key traits of those audiences
 - SMART Goal(s): Specific, Measurable, Achievable, Results-oriented and Time-specific. For example: Increase awareness among the local medical profession of the challenges our constituents face beyond treatment for HIV by (date).
- Measurable objectives for target audiences. Objectives that support overarching goals. For example:

- Achieve 100% awareness among physicians and nurses in four targeted hospitals (name them) by (date).
- Core and supporting messages
- Credible messengers
- Vehicles/Mediums/Tactics
- Who will do what by when

Be sure to set your goals on impact and not outputs.

- **Impact goal:** Your CBO will build partnerships with other organizations serving minorities in our community as a way to increase understanding and advocacy.
- **Output goal:** Your CBO will hold a press conference to announce community partnerships.

Align your initiatives as well as human and financial resources according to your goals and best return on investment. Start with the initiatives with the highest impact and lowest cost (time, talent, money).

Figure 18: Impact/Cost Grid

High Impact High Cost	High Impact Low Cost
Low Impact High Cost	Low Impact Low Cost

Develop Effective Messaging

Here is what makes effective messaging.

- Be consistent with your goals, values, and brand identity.
- Start with a “why” message. Then move to “how” you do your work and end with “what you do. If you haven’t seen this clip yet, take a moment to view it now.
<http://www.youtube.com/watch?v=qp0HIF3Sfl4&feature=youtu.be>
- As mentioned in chapter One Simon Sinek tells us that most organizations focus on what they do and how they do it before speaking to why – the societal problem they are fixing, the vision for the world once the problem is solved.
- Focus on impact and outcomes rather than features.
- Insiders should see messaging as accurate and external audiences should see it as compelling.
- Develop your own vocabulary to call attention to benefits, distinctions.

You must next think about credible message bearers. Who will the identified audience believe? Who do they listen to?

- **Formal:** The message bearer may be as important as the message itself.
 - Choose a credible message bearer who resonates with and is trusted by your target audience.
 - Trust is more important than celebrity.
- **Informal:** Never forget the public considers every person associated with your organization as a source or bearer of information.

As a part of messaging, you need a concise, compelling way to describe your organization’s mission, vision and values – your elevator speech. To quote Seth Godin, marketing guru and blogger, “No one ever bought anything on an elevator.” Godin says the goal is to inspire questions, get people to want to learn more, or consider taking action. It is the opening hook (not a pitch). Take a quick read:

http://sethgodin.typepad.com/seths_blog/2011/12/no-one-ever-bought-anything-in-an-elevator.html

It is important for every member of the team, including all board members and volunteers, to have the elevator speech at the ready. The only way to get good at this is to practice, test, agree upon, and then rehearse, rehearse, rehearse.

Elements of an Elevator Speech

- Why (the problems you are solving and why they are important)
- Who (your entity’s name)
- How you do what you do to solve the problem (our unique value proposition)
- What you do to solve the problem (e.g. advocacy group)
- For whom (who do we serve)

In 30 seconds or less you must:

- “Hook” the audience.
- Avoid just reciting your mission statement.
- Be clever, interesting and be impact oriented.
- No jargon or \$10 words. Sound natural.
- Set your organization apart from others (without putting others down) and evoke urgency for your mission and vision.
- Make it something that will encourage questions, dialogue.
- Hand over your business card.

Another marketing expert, Mission-minded.com, suggests the following as a place to start crafting an elevator speech for your organization.

- (Name of Organization) believes (Deeply Held Value). Every day, we (Verb) (Object) for (Constituents), because (Problem Statement).

Be sure your internal team can back their elevator speech with concrete examples. They've met your mission staff members, know people you served, advocated, and had direct mission experiences. The speech without the ability to make it come alive with a story falls flat. Read this short blog post for interesting research on storytelling. https://philanthropy.com/article/3-Tips-for-Telling-Stories/228559?cid=pt&utm_source=pt&utm_medium=en

As you think about marketing, communications, branding, positioning, messaging, and credible message bearers, be sure to think beyond publicity.

- Promote your mission and value by providing a service.
- Become a thought leader.
- Leverage the influence of others through word-of-mouth marketing, third-party endorsements. Organize and mobilize your champions.
- Forge alliances.
- Co-sponsor cause marketing.

There will always be more opportunities than time. Focus on those ideas that will deliver the greatest impact on advancing your organization's mission, vision and work..

The Mediums you use also Matter

- **Personalized or customized:** a letter, phone call, personal meeting, word-of-mouth strategies
- **Direct mail:** mass fund appeals
- **Web-based communications:** e-blasts, blogs, Facebook, Twitter, You Tube, etc. (Use the Web as an anchor. Most look to the Web as their first source for info. A good Web presence is a necessity.) Research tells us that more than 65 percent of potential donors check us out on the web before making a decision to give no matter the vehicle they use for giving.
- **Media relations**
 - Positive or 'earned' media for awareness, fundraising
 - Issue-oriented outreach (op-eds, placements)
 - Manufactured news (events, proclamations)
- **Publications:** annual report, brochures, case statements
- **Paid ads/Public Service Announcements (PSAs):** Print, Radio, TV, Web, billboards, mail...
- **Film/Video:** Promotional/educational films; B-roll for media
- **Digital Media**

Crisis Communications

There will come a time in every organization's existence when a crisis will hit. Chances are more than once. It's only a matter of time. The good news is, you may suffer in the short term, but when handled properly, a crisis can enhance an organization's reputation and affirm stakeholder loyalty. To achieve this:

- You must communicate immediately. "Get in front of the story." If you won't talk, others will.
- Saying "no comment" is the same as saying "I'm guilty."
- Your response needs to be about the victims.
- Facts are not enough.
- Get it all out.
- Recognize what reporters want and need.

According to David Williamson, complications can make executing a good crisis response dicey.

- When your nonprofit's board or leaders are in denial and/or complicit
- Management's fear of admitting an error
- Staff's fear of getting blamed
- Poor record-keeping, difficulty in getting information
- Lawyers thinking of courts of law, not courts of public opinion
- Nonprofit sector's sense of self-importance and invulnerability

Being ready is a critical part of marketing and communications.

New Media

One cannot talk about marketing and resource development without acknowledging the impact of this media on social change and philanthropy. Watch this four-minute video. What are your takeaways?

<http://www.youtube.com/watch?v=5a4kSMA2b5k>

The video speaks to the importance of being on social media as well as protecting your brand—knowing what your customers, donors, volunteers, partners, community leaders, and board members are saying about you.

1. It took radio 38 years before reaching 50 million people; it took TV 13 years to reach the same size audience; the iPod did it in 3 years. Facebook accomplished this in under one year.
2. You Tube is the second largest search engine in the world.
3. 25 percent of search results come from user generated content.
4. 78 percent of consumers trust peer recommendations; 14 percent trust advertising.

With limited resources, where should you focus?

Figure 19: Social Media Focus



CEO Messaging

In a 2013 study, Brandfog, Social Media and Leadership found 36.1 percent of respondents said the CEO role was very important and over 44 percent said it was somewhat important. When asked if the CEO's involvement increased trust, almost 20 percent said yes, for sure and almost 50 percent said yes, somewhat.

Don't outsource your voice as a CEO. Choose a medium you like to communicate on the web.

- Blog
- eNewsletter articles
- Video on You Tube
- Tweets
- Webcasts
- LinkedIn

Content is critical.

Too many of us use our websites and social media outlets to tell news about our organizations. We market an upcoming event or tell about successes. Instead, we should create and curate content about your CBOs issues, problem and solution focus. This will draw people to you, as they search for relevant information.

Media guru Beth Kanter defines "content curation" as, "the process of sorting through the vast amounts of content on the web and presenting it in a meaningful and organized way around a specific theme."

Storytelling

Stories, through video, audio, written word, photos, and infographics, allow constituents to connect to you and each other. Great storytelling inspires and generates action. As your CEO participates in social media, and as your experts create and curate content, make sure all you put out there includes the elements of great storytelling.

According to Andy Goodman, a story-telling expert and author, great stories:

1. Speak the audiences' language.
2. Are about people.
3. Have people in them who want and need something (the solution to a problem).
4. Let the people speak for themselves, quote them don't paraphrase.
5. Are fixed in time and space (we need to see the scene).
6. Stir emotions.
7. Have a moment of truth, a climax.
8. Wrap up with a clear meaning.
9. Call the audience to take action.
10. Answer questions in the audience's mind.

Your web presence must be mobile friendly.

Chapter 9 – Hiring and Keeping Outstanding Leaders

Objectives:

- Increase understanding of the qualities needed in Chief Development and Marketing Officers.
- Improve interviewing skills in order to uncover the qualities you are seeking.
- Increase understanding of why staff members stay and how to keep your stars.

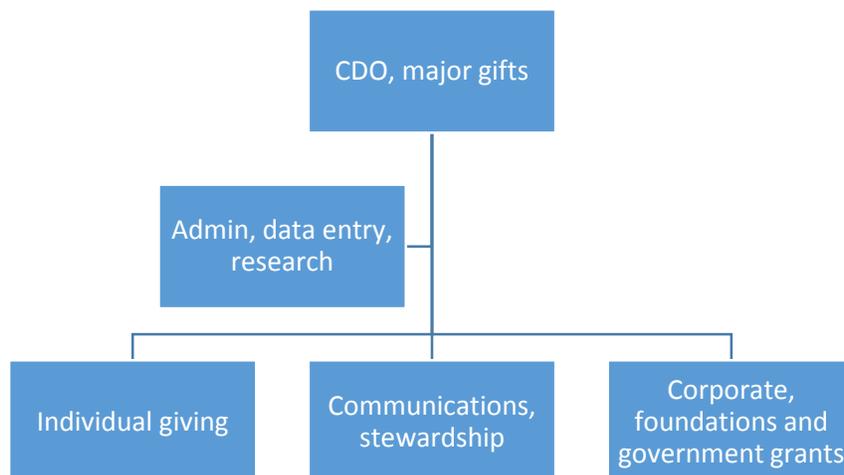
Tools and Templates:

1. “Strategic Interview Questions for Chief Development Officer”
2. “Chief Development Officer Sample Job Description”
3. “Spending Your Time Wisely for Chief Executive Officer”
4. “Spending Your Time Wisely for Chief Development Officer of Small Shop”

Staffing the Fund Development and Communications Offices

Ideally, you’ve made the decision to hire a Chief Development Officer (CDO) and put someone in charge of marketing and communications. It’s a wise investment that will pay-off in three years or less, help spur your growth goals, and achieve your vision. We’ve included job descriptions for both positions/responsibilities.

As you may recall from Figure 9 in Chapter 4 (reproduced here), there are key sets of responsibilities for fund development and marketing success.



If you’ve yet to make this decision or find the funds, this chapter will help you. It will also help you assign tasks to existing staff members based on their competencies and interests.

Leadership Qualities

As Jim Collins told us in “Good to Great in the Social Sector,” one of the most important leadership jobs one has as a ED is ensuring that The Right People are in the Right Seats doing the Right Things. This is easier said than done. Hiring and keeping a great chief resource development officer (and, if a different position, a great chief marketing officer) is a top responsibility of a ED. Just as an ED must bring on the very best board members, considering all aspects of his or her “personal capital,” so the ED has to think about the competencies, skills, attributes, and abilities needed for these two critical positions.

Because the CDO and Chief Marketing Officer (CMO) are leadership positions, you need great leadership skills and competencies first and foremost. Surrounding yourself with smart, ambitious leaders helps resource development and marketing, but also helps the overall management of the organization. So, what qualities should you seek?

Defining our Terms

- **Skills**—for example: the person you are seeking knows how to get an appointment and how to ask for a gift, get a media placement, or write a proposal.
- **Experiences**—for example: the person has successfully closed many \$1,000 to \$25,000 gifts every year, successfully re-branded a not-for-profit.
- **Competencies**—for example: can learn on the fly, has interpersonal savvy, is a strategic thinker, great listener and questioner, empathetic, assertive.

Identifying Skills, Experiences and Competencies

Think about a leader you admire. Go through your life history, and pick someone special. At the top of a clean piece of paper, write down that leader’s name. Now, think about and write down as many skills, characteristics, competencies as you can think of that caused you to admire this person. Do it now before reading any further.

Next, look at those areas where you don’t quite measure up to your ideal. What will you do to acquire what you believe you are missing? Make a plan to improve. Consider showing the list to someone you respect who knows you well and ask him or her to check those qualities you possess. Do the lists match up? Ask questions and find out more.

Use this list as a start for the qualities you’ll seek in your CDO and/or CMO.

Level-Five Leadership

Jim Collins describes “Level Five” leaders as people who have humility, will to succeed, and legislative skill.¹⁸

¹⁸ Jim Collins

Figure 20: Level-Five Leadership

Level Five	Humility, Professional Will, Legislative skill
Level Four	Vigorously pursues clear compelling vision; sets and meets high performance standards
Level Three	Organizes people and resources toward goals
Level Two	Contributing team member to overall goals
Level One	Highly capable individual

Humility—A modest opinion of one’s importance and rank. Respect, therefore, for people of all stations in life. Having an understanding of what one doesn’t know. A willingness to “fail forward” (David Bornstein)—in other words both a risk-taker and someone who always learns from his or her mistakes. Humility suggests someone who creates a learning environment for the entire organization and is always seeking to do better, understand more, and learn new things.

Professional Will—Ambitious for the cause, the mission (not for personal gain). They have the will to do whatever it takes to make good on that ambition.

Legislative Skill—They understand how to successfully negotiate complex governance and diffuse power structures to achieve agreed upon ends. They can get someone to follow who doesn’t have to.

You want to hire CDOs and CMOs who possess “Level Five” qualities.

Daniel Goleman, author of “Leadership: The Power of Emotional Intelligence” adds the following qualities to the list.¹⁹

1. Knowledge of the subject matter
2. Intelligence
3. Self-awareness
 - Realistic self-confidence—They understand their own strengths and limitations; operates from competence and knows when to rely on someone else on the team.
 - Emotional insight—They understand their feelings, know what makes them angry, for instance and can manage that anger.
4. Self-management
 - Resilience—They can stay calm under pressure and recover quickly from upsets. Doesn’t brood or panic.
 - Emotional balance—They can keep distressful feelings in check instead of blowing up at people. Lets people know what’s wrong and what the solution is.
 - Self-motivation—Keeps moving toward distant goals despite setbacks (Collins calls this professional will).
5. Empathy (Collins identified this competency as well. Goleman parses it)
 - Cognitive and emotional empathy—because they understand other perspectives, they can put things in ways colleagues comprehend.

¹⁹ As summarized in the *New York Times* by Duff McDonald

- Good listening—Pays full attention to the other person and takes time to understand what they are saying, without talking over them or hijacking the agenda.
6. Relationship Skills
- Compelling communication—Puts their points in persuasive, clear ways so people are motivated as well as clear about expectations.
 - Team playing—People feel relaxed working with them.

Chief Resource Development Officer

In addition to leadership qualities, the CDO needs additional skills, experiences and competencies. According to a study reported in the “Harvard Business Review,” the top two qualities needed in top sales people are *Empathy* and *Professional Will*. Interesting how close that is to Jim Collins and Goleman’s top qualities for a nonprofit leader. According to Webster:

Empathy—“The capacity of understanding, being aware of, being sensitive to, and vicariously experiencing the feelings, thoughts, and experiences of another, without ...explicit communication.”

Will—“Determination, insistence, persistence”

Additional qualities, competencies and experiences needed in your CDO include:

- Integrity
- Mental agility
- Flexibility
- Ability to deal with ambiguity
- Poise
- Strategic thinker
- Sense of humor
- Personally philanthropic
- Terrific strategic questioner
- Experience in building relationships (in-person), internally and externally
- Experience securing leadership annual and major gifts at the levels you desire
- Management skills and experience in planning; hiring, onboarding, coaching and evaluating; organizing; delegating; decision-making; reporting; and priority setting.

The Partnership between the ED, CDO, and Board Leadership

Every good relationship, internal and external, has to start with trust. In his book, “Speed of Trust,” Stephen M. R. Covey (the elder son of the late “Seven Habits” Stephen Covey) posits that when there is trust, work moves faster, one makes more money and relationships are easier, stronger, more enjoyable and more productive. He parses the difference between being trusted and versus trustworthy.

Trustworthiness is a function of character. Being trusted is how the other person feels about you. According to Covey, many factors contribute to being trusted.

Character

1. Talk straight
2. Demonstrate respect
3. Create transparency
4. Right wrongs
5. Show loyalty

Competence

1. Deliver results
2. Get better
3. Confront reality
4. Clarity of expectations up front
5. Practice accountability

Character + Competence

1. Listen first for intent
2. Keep commitments
3. Extend trust to others

Covey talks about the importance of having credibility. This and the above are true for all relationships. For a CDO and CMO, trust is critical to your relationship with top donors, board members, the senior team, local politicians and government officials, community leaders and influencers, media representatives and leaders. Trust is at the absolute core of personal and organizational credibility.

Credibility²⁰

1. Integrity—truthfulness, walking the talk, humility and courage
2. Intent—motive of caring; I want you to win as much as I want to win – acts in others' best interests, mutual benefit
3. Capabilities—talents, expertise, knowledge, you are current, relevant (are you relying on yesterday's expertise to address today's problems?)
4. Results—performance track record, personal and organizational, Societal Return on Investment

Another important aspect of the partnership, as with all relationships, is knowing one another, including:

- Strengths, weaknesses, blind spots
- Issues, obstacles, barriers
- Communication style
- Cultural differences
- Pressures

²⁰ Stephen Covey

- Needs and wants
- Formative experiences
- Aspirations
- Fears
- How feels rewarded
- How likes to receive bad news, feedback, praise

So how does one learn enough about a partner to be able to build a trusting and productive relationship?

Strategic Questioning and Listening to Understand

Just as we do in donor work and board development, the best way to build trust and credibility, uncover needed competencies in an interview, and build a partnership with senior staff, is to ask strategic questions and listen to understand.

Strategic Questions You Might Ask

1. What non-salary things make you feel rewarded for a job well done?
2. How do you like to receive praise?
3. If, from my perspective, something has gone wrong, how would you like to hear about it?
4. What are your aspirations while in this position?
5. What do you want to do next?
6. What do you like best about your responsibilities? What do you like least? Why?
7. How do you define a “balanced life?” Is that something you currently enjoy?
8. How do you feel about the way things are going?

Keeping Your Team

In a relationship-based business like resource development and marketing, you need to keep your stars.

Turnover, however, especially in resource development, is nationally and internationally high, so it is important to know why people stay. Find out what matters to your team members and have a plan for keeping them.

In “Love ‘Em or Lose ‘Em,” Kaye and Jordan-Evans identified the reasons most employees stay in a position. Notice how low on the list is the issue of pay. That’s a good thing for nonprofits since pay is usually quite a bit less than a comparable position in the for-profit sector.

1. Growth and learning opportunities
2. Challenging work
3. Making a difference
4. Great colleagues
5. Great team
6. Great boss

7. Recognition
8. Fun
9. Autonomy
10. Flexibility
11. Good pay and benefits
12. Inspiring leadership
13. Mission
14. Environment
15. Close to home (easy commute)
16. Job security
17. Family friendly
18. Cutting edge technology

This list pertains to for profit jobs. We suspect that mission would be higher on the list of a nonprofit worker. What do you think? How else might the list change for nonprofits workers?

Have a Stay Conversation (from “Love ‘Em, or “Lose ‘Em”)

Make sure to find out what matters to your senior team members. Ask strategic questions. Find out what would keep him or her, what she wants to learn, accomplish and how he or she likes to receive appreciation.

1. What will keep you here?
2. What might entice you away?
3. What is most energizing about your work?
4. To what degree are we fully utilizing your talents?
5. What is inhibiting your success? What would enhance your chances for success?
6. What can I do differently to help you be more effective? More satisfied?

**Listen and Unpack by answering follow-up questions –
“Why is that?” “How so?” “Can you say more about that?”**

30/70 Rule

- Ask questions, educate and share during 30% of the conversation
- Listen for 70% of the conversation

This is harder than it sounds.

The 30/70 rule applies to all relationship-building conversations—with donors, board members, staff members and so forth. Works pretty well at home, too.

Action Steps

1. Review descriptions in Chapter 4 of the functions you need covered for resource development success.
2. Review your job descriptions for those involved with resource development and marketing and communications.
3. Update your job descriptions as needed.
4. Do you have the right people, doing the right things? Do you have a plan for getting there?
5. Fill in the Using Your Time Wisely Worksheets for EDs and CDOs; make adjustments as needed.
6. Consider investing in resource development and marketing. The ROI is worth it!

Strategic Interview Questions for Chief Development Officer

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1. What is your understanding of our mission, vision, values and work?
2. Look at our list of values. Which ones have the most meaning to you? How so? How do you, have you incorporated that value in your work? (**Integrity**)
3. Share why you're confident our mission is right for you.
4. Why are you interested in this position? What about it appeals to you? What worries you?
5. Why are you looking for a new position now?
6. Could you stay in your current position if you wanted to?
7. What has been your most rewarding accomplishment? What did you learn from that experience? How have you used those lessons?
8. Describe a challenging situation you faced. What did you learn from that experience? How have you used those lessons?
9. Describe what you do. What are/were your goals? How are you evaluated? (Did you achieve your goals last year? (If a fundraiser: Did you personally raise money? How much?) (**Goal oriented, closer, grit**)
10. Tell me about some of the strategies you employed for making goal. (**strategic thinking**)
11. What are your greatest accomplishments in your current position? What about this makes you most proud?
12. Why did you leave the last position? What were the circumstances? Could you go back if you wanted to? Why do you believe that?
13. What percentage of your time do you spend out of the office engaging and soliciting donors? What percentage working with volunteers?
14. If we were to hire you, in what areas would the Director of Development (VP) (CEO) need to help you grow? How so? (**Self-awareness, transparency, poise**)
15. When was your last formal evaluation? What were the areas cited as excellent and need for improvement and growth? What did you do about the areas requiring improvement and/or growth? (**Ability to "fail forward"**)
16. If I were to ask a donor about you, what would he or she likely say?
17. Tell me about some gifts you closed. Gifts you took from identification to close that doesn't start with, "This donor called me and..." (**Entrepreneurial? Skills**)

18. If I were to ask a colleague about your strengths, what might they say? If I were to ask them about how best to help you succeed, what might they say?
19. How many prospective donors and donors do you actively manage? How many are in your portfolio?
20. What makes you believe you'd be happy and successful in a small shop? Looks good on paper, but will it work for you? How so? What do you see as the down side? How will you make up for that?
21. How do you organize your work? **(Ability to set priorities, detailed-oriented?)**
22. How do you set priorities? **(Ability to set priorities)**
23. Tell me about a time you had to overcome a huge obstacle—in your personal or work life. How did you handle it? What did you learn from it? **(Will, grit)**
24. Describe the strategy and interactions for the largest gift for which you were the chief architect. **(Strategic thinking, skill)**
25. Interviewer gives a real prospective donor scenario and asks candidate to develop a strategy for securing a gift. **(This is to determine candidates' ability to develop effective strategies for major gifts. It also helps determine listening skills.)**
26. Interviewer gives a problem-solving scenario to determine **judgment**.
27. Describe your relationship with your Board. Volunteers. What were some of the biggest challenges? Tell me how you handled it. What did you learn? How did you use what you learned going forward? **(Resiliency, failing forward, grit)**
28. Describe your relationship with your supervisor. What will be the nature of your supervisor's reference?
29. Managing up is important in every position. How do you approach this? Tell me about a time it didn't work. What happened? What did you do? **(Relationship building)**
30. Tell me about a situation where you struggled to work with someone – lack of personality match or work style match. How did you handle it? How did it work out? **(Flexibility, problem solving, empathy)**
31. Which charitable gifts that you have personally given have you found the most rewarding? Why? Which volunteer activities have you enjoyed the most? **(You are looking for someone who is philanthropic themselves)**
32. Interviewer gives an ethical situation and asks how the person would handle it, without mentioning the question is about **ethics**.
33. What do you need for a motivating environment? **(Self-awareness)**
34. What do you look for in your peers? What are your peers able to count on you for? **(Team player)**
35. Tell me about your worse day at work. How did you handle it? What did you learn? How did you use what you learned? **(Grit, fail forward)**
36. As you consider this position, what are your concerns?

Transferable Skills Questions in addition to the above

1. Your responsibilities in this position require developing long term and productive relationships with individuals, families, corporate officers and foundation program officers. What in your present position or past positions qualifies you for this?

2. Balancing multiple tasks is a huge challenge here, how do you successfully juggle multiple responsibilities? Please give me specific situations and successful strategies you've used.
(Strategic agility)
3. Working for the not for profit world is different from the world in which you currently work (or working in development is different from the work you are currently doing). What skills do you see as transferable and why?
4. If I were to hire you, beyond learning more about the organization, how will you get up to speed? What is the best way we can help you?

Management Questions

1. How would you describe your management/leadership style? What communication styles of various team members work best for you? Why is that?
2. Can you give me an example of a time you had to flex your communication style in order to help a team member succeed?
3. How have you developed individual growth plans for various members of your team?
4. Evaluations are so time consuming, how do you handle them for members of your team?
5. What is a typical day for you now? What time do you usually get to work, eat lunch, go home?
6. How are goals set for your team?
7. Give me a specific example of a time when you used good judgment and logic in solving a problem.
8. You've had an opportunity to hear about many of our challenges and opportunities. Based on your initial impressions, what suggestions do you have for our organization?
9. Describe the system you use for keeping track of multiple projects. How do you track your team's progress so that you can meet deadlines? How do you stay focused? How do you help them stay focused?
10. Tell me about a time when your team failed to meet an important deadline. What were the repercussions? What did you learn? How did you help them recover, learn?
11. Share with me a time you had to fight for resources for your team.
12. What do you believe are a leader/manager's top five priorities?
13. How do you reward success? What rewards motivate you?

Follow-up Questions

1. How so?
2. Can you clarify that?
3. Can you give me an example of what you mean?
4. I really like hearing specific details, please say more.
5. Do you have any questions about what I just said?
6. Did I understand you correctly, when you said...?
7. Did I answer your question?
8. How did that come about?
9. How do you feel about that?
10. How strongly do you feel about that?
11. What do you think about that?

Chief Development Officer Sample Job Description

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Position Summary: Responsible for planning and managing the organization's fund development program including major gifts from individuals, corporations and foundations, gift planning, annual or regular giving including leadership gifts and special events, (some organizations include government grants) (some directors are responsible for: data entry, prospect research and reporting, and donor stewardship).

As an individual contributor, this position is responsible for identifying, qualifying, engaging, soliciting, and stewarding 50 to 75 donors and prospective donors capable of giving major gifts over time and for engaging and soliciting prospective donors capable of giving \$1,000 to \$25,000 annually.

This position is responsible for managing a staff of x, including hiring, providing orientation, coaching, directing, monitoring and evaluating each member of the team.

Reports to:

Specific Responsibilities:

- Developing and implementing a multi-year strategic plan for the development office in keeping with the overarching goals for the organization. In addition, the plan includes:
 - Three-year name-by-name realized and prospective table of gifts
 - Realized, prospective Table of gifts for current year
 - High, low, likely projections for the current year
 - Metrics for analyzing, decision making and monitoring work
 - Management reports for keeping the senior staff and board leadership informed
 - Calendars for annual giving, special events, and stewardship
 - (if applicable, concrete goals for research, stewardship, data entry, analysis and reporting)
- Meeting agreed upon goals; monitoring progress and reporting monthly or quarterly on progress against goals; analyzing trends and making adjustments throughout the year
- Developing and implementing a written plan for identifying, qualifying, engaging, soliciting and stewarding *x (the number you need from your table of gifts)* potential donors capable of giving \$25,000 or more
- Developing and implementing a written annual plan for identifying, qualifying, engaging, soliciting and stewarding *x (the number you need from your table of gifts)* potential donors capable of meeting the annual unrestricted giving goal
- Personally, managing a major gift portfolio of 50 to 75 donors and prospective donors (individuals, corporations and foundations)
 - Developing and implementing written strategies based on capacity and readiness to give
 - Making 5 or more visits per month based on written strategies and/or visit plans
 - Being responsible for how assigned donors and prospective donors will be solicited for their annual fund gift
- Achieving a balanced fundraising program:

- Allocating resources based on the highest potential for return (major gifts from all sources with an emphasis on individuals, leadership annual gifts, foundation gifts, corporate gifts and finally special events)
- Ensuring that all fundraising events are netting at least \$50,000 or more and costing less than 25 cents for each dollar raised. Prudently managing resources so that events do not prevent other kinds of more effective fundraising
- Supervising data entry, donor research and management, donor stewardship and information systems and report generation whether this is a staff or one person, making sure that all functions are covered
- Staffing assigned volunteers and Board committees (usually the development committee; the campaign steering committee and committee on board development or governance (nominating and engagement))
- Supporting the ED's, senior staff and board leaders' major gift work with top donors and prospective donors (helping with strategy, providing briefings, going on the calls, helping with follow-up)
- Hiring and supervising x staff members by helping them plan, implement, meet goals and gain needed skills.
- Working closely with marketing and communications so that donors, grantors and customers are receiving integrated and appropriate messaging and are having the right strategic conversations
- Serving as a member of the management team by staying abreast of organization-wide issues and contributing to the overall management of the organization

Top Job Competencies, Experiences, and Skill Sets:

- An articulated belief in the mission of the organization
- A proven track record as a major gift officer or comparable, transferable experiences
- Management experience of three or more staff members for three or more years
- Experience working with HNWI as volunteers and board members
- Strong annual giving skills, understands the details
- Excellent communications skills emphasizing the ability to ask good questions, listen and hear others
- Empathy
- A strong will to succeed, grit, perseverance
- Is personally philanthropic; volunteers
- Has the ability to be flexible; strategic agility
- Is highly organized
- Knows how to create a motivating environment for individual staff members
- Is a strategic thinker and strong problem solver
- Understands delegation, does not micro-manage
- Takes personal responsibility, is accountable, knows how to achieve accountability within a staff
- Excellent judgment
- Has impeccable integrity
- Has a bachelor degree or higher

Spending Your Time Wisely for Chief Executive Officer

CEO – 25% to 50% of Your Time Depending on Needs

Instructions

Meet with CDO and go over the categories in the form. Adjust the tasks and percentages as needed to meet the priorities and realities as you and your CDO agree.

Using the following guidelines, create a time log.

- 20 hours a week = 50% of your time
- 16 hours a week = 40% of your time
- Eight hours a week = 20% of your time
- Six hours a week = 15% of your time
- Four hours a week = 10% of your time
- Two hours a week = 5% of your time
- One hour a week = 2.5% of your time

Keep track of your workflow and outputs for one week and then fill in the above chart under “Actual.”

Meet with CDO again to discuss the results and to make a plan for aligning her tasks and yours in order to achieve fundraising goals.

Priorities	Perceived	Actual	CDO's Preference
1. Building Blocks -- Organizational <ul style="list-style-type: none"> • Vision and Values • Strategic plan and budget • Creating an effective and appropriate culture of philanthropy <p>This is important for the overall management of the organization, not just fund development</p>			
2. Building Blocks – Board <ul style="list-style-type: none"> • Building a strategically composed board focused 50% on giving and raising funds • Working directly with individual board members, maximizing relationships, spheres of influence, giving potential <p>This is important for the overall management of the organization, not just fund development</p>			
3. Individual Contributor <ul style="list-style-type: none"> • Working with CDO weekly on strategies for board members and top donors • Making phone calls, sending notes • Visiting donors, natural partners, attending events • Serving as the chief spokesperson for the organization • Personally giving a generous gift, modeling behavior you seek 			
4. Investing in Philanthropy Office <ul style="list-style-type: none"> • Hiring and orientating CDO 			

Priorities	Perceived	Actual	CDO's Preference
<ul style="list-style-type: none"> Staff development planning and execution of CDO Gaining understanding and retaining CDO Delegating responsibility and authority Monitoring Providing feedback and evaluating 			
5. Leading <ul style="list-style-type: none"> Setting high performance standards Providing inspiration Rewarding and celebrating successes Anticipating crises, wide-angle, long view Innovating and managing change Focus, priority setting, decision making 			
6. Monitoring and Reporting <ul style="list-style-type: none"> Agreeing on metrics and reports Monitoring culture of philanthropy progress Holding senior staff accountable for fund development responsibilities Reviewing with CDO monthly 			
6. Staying Current <ul style="list-style-type: none"> Attending conferences or workshops on fund development Networking with peers Reading 			

Spending Your Time Wisely for Chief Development Officer of Small Shop

Instructions

Meet with your supervisor and go over the categories in the form. Adjust the tasks and percentages as needed to meet the priorities of your position as you and your supervisor agree.

Using the following guidelines, create a time log.

- 20 hours a week = 50% of your time
- 16 hours a week = 40% of your time
- Eight hours a week = 20% of your time
- Six hours a week = 15% of your time
- Four hours a week = 10% of your time
- Two hours a week = 5% of your time
- One hour a week = 2.5% of your time

Keep track of your workflow and outputs for one week and then fill in the above chart under "Actual." Meet with your supervisor again to discuss the results and to make a plan for aligning your tasks and time with the priorities of your position.

Priorities	Best Practices	Actual	Supervisor's Preference
1. Plan, staff, organize, lead, monitor, report <ul style="list-style-type: none"> • Set goals • Build name-by-name table of gifts • Develop concrete goals • Hire, coach staff • Delegate, set priorities • Provide reports based on agreed upon metrics – use metrics for good decision making 	15%		
2. Provide tailored, personalized stewardship to all current and past donors within his or her portfolio <ul style="list-style-type: none"> • Ensure there is a strong stewardship plan for 100% of the donor base • Ensure there is adequate donor management software • Meet best practice stewardship metrics 	(included in donor work items)		
3. Identify and Qualify new potential donors who meet agreed upon criteria <ul style="list-style-type: none"> • Visit • Hold screening sessions • Ensure that ratings are maintained, donor profiles kept current (Can be outsourced) 	5%		
4. Donor Work -- Make 10 to 15 Donor Visits per Month (discovery, stewardship, engagement, solicitation) <ul style="list-style-type: none"> • Make appointments • Visit • Emails and phone meetings • Follow-up 	40%		
5. Donor Work – Planning <ul style="list-style-type: none"> • Think • Develop donor “moves” strategies for all highly rated donors and prospective donor • Update strategies • Update pipeline or moves management report • Write contact reports 	12.5%		
6. Support the CEO, Board <ul style="list-style-type: none"> • Participate in strategy development • Develop briefings and speaking points • Debrief and follow-up • Update pipeline and/or moves management report 	15%		
7. Stay current <ul style="list-style-type: none"> • Reading • Attending conferences • Networking with peers 	2.5%		
8. Administrative responsibilities and other duties <ul style="list-style-type: none"> • Attend meetings • Network with internal colleagues • Other 	10%		

Chapter 10 – Metrics and Information Driven Decision-Making

Objectives:

- Gain understanding of how metrics help you make sound and smart decisions.
- Increase knowledge of what metrics to track, why and how.
- Strengthen understanding of how to use metrics in talent management.

Tools and Templates:

1. “Strategic Questions on Performance”

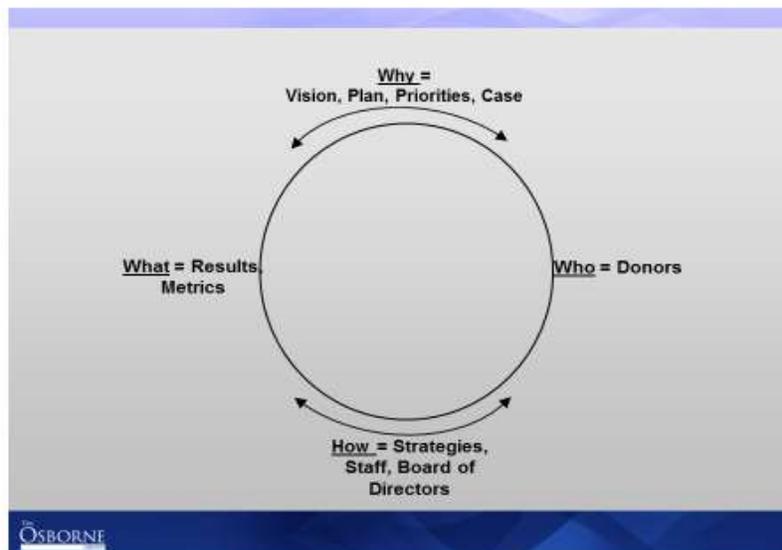
Overview

As a leader, you want to get the right information so you can make sound decisions, grow your organization, and increase revenue.

Metrics are the result of your strategy. What did you accomplish? What didn't work as well? Metrics help us figure out what worked, didn't work and most important, why.

Another great use of metrics is figuring out whom you want to invest in, who are your stars, who are the emerging stars among your team members.

You remember one of our organizing principles from Chapter1, Figure 3: Fund Development Management Process. We're now at 9:00 o'clock: What.



There are different “levels” of metrics. Our focus is on philanthropy, communications, and government funding but every NGO is measuring all kinds of important things, hopefully, first and foremost, what difference are we actually making. In today’s marketplace, more watchdog organizations, more funders and donors are demanding to know how you are measuring your effectiveness. They are seeking **mission measurement**. Numbers served is not enough. Are we solving the problems we agreed to attack? Are you increasing healthcare access, changing the minds of legislatures, decreasing prejudice in your communities? How are you measuring the impact of your mission, vision and work? All CBOs need to answer this and answer it soon.

Defining Our Terms

As the famous bard told us, “A rose by any other name is still a rose.” People use a lot of different terms when discussing metrics. Here’s what we include.

Information:

- Metrics
- Raw data
- Analyses
- Summaries
- Reports

The ED needs metrics in the form he or she can best understand and the CDO can reasonably provide. You have to provide the board with a higher level of information. For the purposes of this discussion, we’ll focus primarily on what the ED and CDO need.

We are all different, with different skills and ways of thinking. Always ask for information in the way you are able to digest it. At first, you might not know what that is, so look at different reports, discuss them with your team and then agree. The agreement is essential. You need comfort and confidence. But you don’t want to micro-manage. Finding the right balance is important.

A board leader doesn’t want to overburden the staff. They should share what they need, discuss options and then agree on a set of metrics that are useful for board oversight and reasonable for the staff to produce.

Ideally, you’ve also agreed upon WHEN reports and data are due. This helps you compare data from month to month or quarterly rather than at random times.

Metrics could sound scary to staff. They could feel you are using them to measure the staffs’ performance in ways that doesn’t take into account context and circumstances. “No, I didn’t reach twenty-one donor visits this month, but there are legitimate reasons.” “Yes, I understand I need to measure our brand changes return on investment, but it is not an easy metric to develop.”

The antidotes?

1. Accentuate the positive. Our brains have a negative bias. We react more strongly to negative information than to positive. To use metrics most effectively and bring staff along so they are committed to the desired results, concentrate on the “good stuff” first. Give high-fives to the staff doing their jobs well. “This month Claire made the most discovery visits and closed the

most the gifts. Way to go, Claire.” After making it a discipline to declare and celebrate victories, turn your attention to the trouble spots.

2. Seek context. Ask open-ended questions in non-judgmental ways. Be open to context. Try not to view it as “excuses” (unless you’re hearing it from a consistently low performer). Listen to understand. Drill down and “unpack,” by asking follow-up questions, like “How so?” “Can you say more about that?” “Why are those the best metrics to track?” Check out the “Strategic Questions on Performance” at the end of this chapter.
 - *Here are the issues as I see them (sum up). How do you see them?*
 - *How do you interpret the data? Why is that? Can you give me a specific example?*
 - *What was your understanding of the tasks? The deadline? What steps do you believe we need to take in order to achieve our agreed upon (goals, actions, or behaviors)?*
 - *What steps do you believe we need to take in order to improve (our donor retention numbers for first time donors) (our donor-upgrade numbers for leadership annual fund donors)? Why do you believe these will work? Can you say more about that? (Why do you believe that will work this time when it didn’t before? What will be different?)*
 - *Here are my thoughts on the steps we need to take. What are your thoughts?*
3. Insist upon strong accountability. Once you’ve uncovered the issues and identified solutions, come to an agreement and hold your team members accountable. “Can I count on you following through on (what) by (when)?” Be sure to develop goals together. Agree on metrics. Don’t impose them on the team. Then consistently hold folks to them. Hold regular meetings to review the data with a combination of affirmation for all the good work the team is doing, and objective questioning and drilling down for clarity on what the metrics are telling you. This process not only provides clarity, it usually results in staff members improving their work performance. They identified the issues and the solutions. Together you set next steps and deadlines. The results will be higher performance and accountability.

Reality Check – Metrics

“Okay, I’m with you so far, but what should I ask for; how can I ensure the team is meeting goals; which metrics should I focus on; how do I best interpret the information I receive?”

Overview of Leadership Level Resource Development Metrics

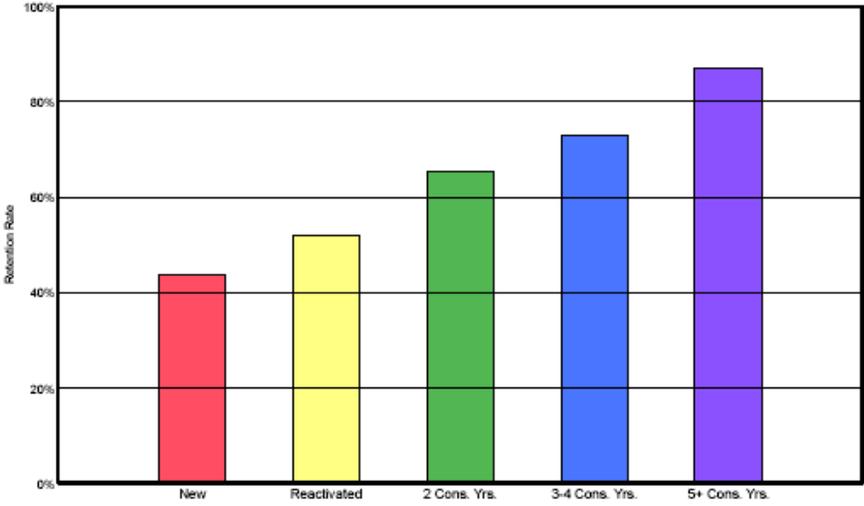
- Overall aggregate growth in “bookable” commitments—those commitments backed by documentation or money (or assets) in the door. In resource development, a pledge to give money is a “bookable” commitment as long as there is written documentation. We use memorandum of understanding (MOU) or Letters of Intent. A copy of the codicil in a donor’s will that stipulates her intention to leave your organization in her will is also “bookable” depending upon the policies of the organization. A report that shows you cash or assets in the door as well as documented commitments (pledges) gives you a good sense of bottom line results. For definitions of all these terms, check out the glossary provided the appendix.
- Overall aggregate growth in total dollars received. Separate government from philanthropy
- Overall aggregate growth of the number of donors who have given.

December 2013 Report	Two Years Ago	Last Year	Year To Date Achieved
Cash and Liquid Assets	\$1,000,500	\$1,250,000	\$1,456,789
Documented New Pledges	\$ 250,000	\$ 500,000	\$ 700,000
Documented Bequest Intentions	\$1,500,000	\$ 750,000	\$ 123,000
Number of Donors	3,722	4,000	3,200

In addition to these three fundamental reports, you might consider the following additional information:

- Percentage or mix of commitments from living donors (e.g., repeatable gifts vs. bequests)
- Donor Retention—across all sources. It is so important that you keep current and past donors—individuals, corporations and foundations. Track how you are doing, name by name.
 - As you can see from the chart that follows based on research from Target Analysis Group, Blackbaud, if you can keep a higher percentage of new donors, your overall revenue will exponentially grow.
 - These are key metrics for the bottom line.

Figure 21: National Donor Retention



Look at the following report. What does it tell you and why is it important? What do you think?

Figure 22: Sample Metrics Report

Metric	Goal	Year To Date Achieved June this Year	% of Goal Achieved
Five Year Goal (this is year one)	\$20,000,000	\$2,000,000	10%
Last Fiscal Year	\$ 6,000,000	\$1,000,000	17%
# Board Members Solicited	30	10	33%
# Top Donors Solicited	50	25	50%

When we base goals on actual needs and careful analysis of what is possible, tracking progress against those goals is extremely helpful. In the example above, the organization is halfway through its fiscal year of January to December. The overall results appear to be right on track.

Last June, they were in trouble, way behind goal, so the improvements made are paying off. But which ones? Was the increased number of donor visits, or asking for higher amounts?

Board solicitations are lagging but top donor solicitations appear to be going well. What’s happening with board solicitations? What is different this year that is causing such dramatically better results? Drill down. Ask questions.

Measuring Engagement

One of the “new” measures hitting the world of philanthropy and communications is “engagement.” As you know from Chapter 5, we define engagement as opportunities that connect the donor to your mission, vision, and work in an interactive manner. There should be a thinking component (asking for their ideas, impressions, advice); a feeling component (direct connection with program staff, beneficiaries, or through videos, and/or storytelling) and a doing component (advocacy, hosting, giving, providing expertise, etc.).

We know engagement leads to increased commitment—increased investment of personal capital, time, talent, treasure, and connections. How might you measure potential donor, donor and board member engagement?

CBOs are identifying, based on data mining, what interactive activities appear to lead to increased giving. For example, searching their files, they look at all donors who increased their giving from \$500 to the leadership threshold leadership level of \$1,000 or higher. In what did the majority participate in prior to the increase? What activities appear to inspire gifts above \$1,000? Then, based on the analysis, identify those activities that appear to have the biggest impact on giving and assign each with a value. For example, this CBO learned:

Figure 23: Engagement/Giving Increase Analysis

Activity/Results	% of those who increased giving from \$0 to \$9999	% Increased to \$1,000	% Increased above \$1,000
Attended a vision or issue discussion	50%	35%	15%
Hosted an event	10%	0%	0%
Helped with media placement	15%	0%	0%
Raised money	35%	20%	45%
Participated in an advocacy activity	50%	30%	20%
Volunteered, worked directly with the people we serve	50%	25%	25%

Figure 24: Engagement or E-Scores Based on Analysis in Figure 28

Attended vision meeting or issue discussion	Participated in Advocacy Activity	Volunteered, Worked with the People we Serve	Raised Money	Other Activities
5 points	5 points	5 points	4 points	2 points

Now, this CBO knows which engagement opportunities have the biggest return on investment. This is particularly helpful to a small organization that has to focus limited resources.

Look at board engagement as well. And then use E-Scores for planning future engagement opportunities as well as individual donor strategies as discussed in Chapter 6.

Determining “Best Practice”

We measure ourselves against goals, agreed upon performance and best practice. To help you frame, “What questions should I ask,” investigating peers can often give you great information.

- Determine your comparable and aspirational peers
- Look at other organizations in your community that are doing well
- What do they measure?
- How do they stack up against your metrics?

There are other sources to help you determine best practice, such as www.charitynavigator.org, which you can use as a starting place.

- Best to sign-on (free!) and take the tutorial.
- Review those organizations that are in a similar business and similar size budget.
- Track what they say about your organization.
- Identify several comparable charities in the annual budget higher ranges, as you plan for growth.
- Perhaps use another category.
- Ask Board members about other organizations they admire and are similar.

Making Metrics Work for You

During our discussion of the health of the donor pool, you learned about one of the most important reports and data elements you need to monitor—the Table of Gifts, which tracks how many “investments” of gifts and grants you need to achieve your goals, how many potential donors you need, and how many you have identified. This table also helps you track:

- Number of needed donors to the number identified
- Number identified to number qualified (see the “**Glossary of Resource Development Terms**” if you’ve forgotten what this means)
- Number qualified to number rated (review Chapter 4 if you’ve forgotten what this means)
- Number rated to number with discovery visits and research completed
- Number with discovery visits and research completed to number with written engagement strategies completed

Figure 25: Additional Metrics Worth Tracking

Metric	Goal	Year To Date Achieved	% of Goal Achieved
# Prospective Donors Qualified	500	100	20%
# Proposals Delivered to Individuals	15	3	20%
# Proposals Delivered to Foundations	40	20	20%
# Proposals Delivered to Corporations	20	10	50%
# Grant Applications Completed and Accepted for Consideration	15	5	33%

When You Inherit Data

When you become the new ED or CDO, your organization may already have some reports and metrics. Before changing things, see if they work. Be sure to understand what the definitions of the data are. This

may sound odd, but it's rarely the data itself that causes problems. It's the mutual understanding (or lack thereof) of the data.

As a quick check, ask how they track the retention rate across the organization. Is it name-by-name? Do they look at first time donors, donors who have given for two to four years, and donors who have given five years or more? This will give you a quick sense of the level of sophistication of the metrics the team tracks. It will also reveal important information about the health of your program. In a study reported in "The Chronicle of Philanthropy," the researchers surveyed over 6,000 nonprofits and found for every **\$5.35** that they received in donations, they lost **\$5.54** from donors who gave less or stopped giving altogether. Yikes.

- Are you reactivating more donors now than 2 or 3 years ago? If not, why not and what is the plan?
- What percentages of new donors are staying with the organization for another year? Are you out-performing industry averages? If not, why not, and what is the plan?
- How many donors are in your lapsed donor pool?
- Of the donors who reactivated this year, how long had they been lapsed?
- How do you plan to get them back and do better going forward?

Additional Metrics Fundamentals

One concept that is important to track is the number of proposals and in-person, phone and mail appeals that were successful—the "yes" rate for each. Also, how close did you come to the amount requested? "Yes" rates of special interest should be how the Board and top volunteers are doing. Do track:

- Total number of solicitations by board member
 - Total number of in-person solicitations by board member
 - Number of successful solicitations by board member
 - Percentage of requested amount received or pledged
- Percentage of capacity to give (how much they could give, if they wanted to) as a ratio of the actual gift

Use the "**Glossary of Resource Development Terms**" terms for further definition of some of these concepts as well as reviewing Chapter 4.

Special Event Metrics

You may find your organization swamped with special events—a gala, golf outing, walk, auction—as one of the primary ways to raise money. As you learned in the course overview, special events have a role but they are one of the most costly ways to raise money. Too many events will hold back your program's growth and therefore your ability to achieve your goals. Be sure to take a hard look at special event

metrics. Know what percentage of philanthropic totals comes from special events. Here are some ways to determine ROI, and best use of staff:

- Outcomes against Goals
 - Acquisition of new donors to the event
 - Retention of past donors to the event
 - Upgrades rates of past donors to the event who are attending this year
 - Progress against other goals set for the event (for example, number of attendees to take part in other organization activities, become leadership donors, volunteer, make connections and introductions, etc.)
- Cost per dollar raised
 - How much did you spend, therefore how much did you net?
 - When you add staff time, how much did it cost?

There are also opportunity costs. What else could your team have accomplished if they hadn't spent so much time on the event? Make sure your return on investment is strong. Drop events that have a poor ROI.

Individual Performance Metrics

All the metrics we've discussed so far focus on overall performance of the entire team, the ED included. We use these metrics to look for opportunities for growth as well as potential "soft" areas needing attention. The ED, CDO, rest of the senior staff, board, resource development staff, and marketing and communications all have a stake in, and responsibility for, the outcomes you are tracking. In addition, we use metrics for individual staff performance.

The CDO and their team should be actively projecting by when they expect to close a gift or grant and the range of return they expect. For example, "I will close this gift by (date) and expect to receive between \$25,000 and \$50,000." Base the prediction on actual knowledge of the donors—not random guesses. "The reason I believe this is, when I met with Mrs. Jones..." or "Board member Jones knows Mrs. Jones well and believes..."

Figure 26: Fund Development Predictions

Name of Donor	Anticipated Solicitation Amount	Highest Amount Expected	Lowest Amount Expected	Most Likely Amount	Date Expected to Close
Mary Donor	\$25,000	\$15,000	\$0	\$10,000	June
Tom Generous	\$50,000	\$50,000	\$25,000	\$50,000	September
Foundation Wonderful	\$10,000	\$10,000	\$10,000	\$10,000	September
Corporate Difficult	\$5,000	\$2,500	\$0	\$1,000	December

The CDO should be actively managing their team based on donor and prospective donor portfolios. The CDO reviews each team member's portfolio, including the ED and board members on a weekly, bi-weekly, or monthly basis depending on the organization's success record. More frequently if there have been problems in the past. This provides a factual opportunity to gain understanding of the team and their strengths.

For Annual Leadership (\$1,000+) and Major Gift (\$25,000+)

Number of in-person visits:

- Qualification
- Discovery
- Engagement
- Solicitation
- Stewardship

In Summary

Yes, you want to use metrics to help assess staff, board, ED, and CDO personal performance. You also want to track progress against goals. What did we say we were going to do and how did we do. More importantly, you want to use them to uncover problems and opportunities, set goals, and adjust current plans. Without accurate and timely information, you are planning and implementing blind.

Strategic Questions on Performance

Following is a sample list of strategic questions designed to gain information and insight, clarify situations and deal with performance issues. It is not an exhaustive list and not every question may work for you. However, effective strategic questioning and excellent listening will help strengthen your relationships with your staff members and supervisor and improve your effectiveness as a manager.

Performance Questions

1. What is the purpose of (the activity)?
2. Why is this important? Urgent? For whom is it important or urgent?
3. What constitutes success for this effort?
4. How will you measure success? What metrics are you tracking? Why are they the best ones to monitor?
5. Why does this problem exist?
6. What kinds of data do you have/will you need to determine the best course of action? How so?
7. What will be necessary to accomplish this goal? How are you ensuring those resources? How are you monitoring progress? What reports are you analyzing on a regular (monthly, quarterly, annual) basis?
8. What is your role? What role do you need me to play? How so?
9. Suppose questions: Suppose we tried this? Suppose we had this? What difference would that make?
10. What do you suggest for ground rules?
11. What outcomes do you anticipate?
12. Who is responsible? Why is she the best person? What will the impact be? How will you measure it?
13. Is there something different we could try? What will the impact be?
14. How have you accomplished this in the past? What parts worked well? Why? What didn't? Why? What data do you have that supports this?
15. How are we doing against goal? Why?
16. What steps are you taking to address that? Why?
17. How does this fit into your priorities?
18. How do you feel the team is doing? How are you monitoring that?
19. What specific things do you recommend for improving your (the team's) performance?

Underperformance Questions

1. What was your understanding of the expectations for (situation or responsibility)?
2. How are you measuring (tracking) results against those expectations?
3. As we discussed on (date), we agreed that you would (what) and that I would (what). Is that your recollection?
4. From your perspective, what is getting in the way of you successfully (the agreed upon action) within the time we agreed?
5. Do I understand the issues from your perspective correctly? (After summing them up.)
6. Here are the issues as I see them (sum up). How do you see them?

7. What was your understanding of the tasks? The deadline?
8. Can you give me a specific example (show me specific data)?
9. What steps do you believe we need to take in order to achieve our agreed upon (goals, actions, or behaviors)?
10. Why do you believe these will work this time? What will be different? How will you measure (monitor) those differences?
11. Here are my thoughts on the steps we need to take. What are your thoughts?
12. Here are the reports I will need to feel comfortable. What are your thoughts?
13. Can I count on you following through on (what) by (when)?
14. So we're agreed that (what)? (Follow-up with a memo and keep a copy for your records)

Follow-up Questions (Probe, Learn More)

1. Please describe that a little more.
2. What are other possible explanations?
3. Why do you think it happened? Why do you think it happened in that way?
4. How so?
5. Can you clarify that?
6. Can you give me an example of what you mean?
7. Do you have any questions about what I just said?
8. What specific results are you looking for?
9. Can you say more about that?
10. Did I understand you correctly, when you said...?
11. Did I answer your question?
12. How did that come about?
13. What did that mean to you?
14. How strongly do you feel about that?
15. What do you think about that?
16. What is most important to you?
17. So, we are agreed that you will... and I will... Is that correct?
18. Are we in agreement?
19. Are you ready to move forward?

Chapter 11: Key Takeaways

The best thing about resource development is that provides you with the ability to be true to your mission, achieve your vision and goals and do so within the framework of your values, FASTER and with GREATER RESULTS.

It's not hard to understand. Most of the skills involved you already have. Most of the tasks help you run the organization overall.

It's a process. You'll see results with each step you take. So chunk down the action items. Make a plan. Set dates. Celebrate each victory. Work it. All the people, families, and communities you serve will benefit greatly because you decided to lead with strategy, grit, and joy!

Summary and Timeline

We encourage and remind you to utilize the tools and resources included in the chapters and appendices to develop these timelines and action steps.

Vision, Values, Big Ideas and Strategic Plan – Job Number One

There is nothing more important. You have to get this done. Be sure to involve senior staff, board leaders, top donors and influencers in the process.

Donor Pool, Stewardship and Engagement Analysis – Job Number Two

Start with your current donors. Who are they? How much have they given, name-by-name? How have you engaged them? Do they know the difference their gifts made? What percentage have you retained? How many folks do you need to achieve your goals? Which engagement activities yielded the best results? This analysis is both critical and time saving. Invest the time up-front, save the time down the line.

Board Development – Job Number Three

Your board should be a force multiplier. Commit to building the board the people you serve need and deserve. Make a plan.

Relationship Building – Job Number Four

Get out the door. Go see your donors. Ask questions. Listen. Thank for past gifts. Share impact and outcomes.

The rest will follow from these top four priorities!

Thank you for your participation, dedication and commitment to excellence. Watch the videos on related topics. Join your local AFP (Association of Fundraising Practitioners) chapter.

Practice. Get out there.

You can do this!

Glossary of Resource Development Terms

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501(c) (3): Section of the Internal Revenue Code that designates an organization as charitable and tax-exempt (not-for-profit).

Acknowledgment: A written document thanking a donor for a philanthropic investment of time, service, or money best sent within 24 to 72 hours from the time of gift receipt. This document also allows donors to deduct such gifts from their taxes if it includes:

1. The amount of cash and a description (but not value) of other property or service given;
2. Whether the charity provided any goods or services in exchange for the contribution; and
3. A description and good faith estimate of the value of any goods or services given in exchange for a gift. For example, a meal at the gala.

Advancement: Education professionals use this term most frequently, for example, college advancement or institutional advancement. It usually refers to the office and professionals responsible for engaging alumni (alumni relations), marketing and communications, fundraising (development) and information systems or advancement services (data management, research, stewardship, budgets and so forth).

Alumni and Alumni Relations: Alumni are a group of individuals who have “graduated” from your school or program (those who have benefited from your mission, vision and work). Alumni, includes all graduates collectively; alumnae refers to female graduates plural; alumna refers to an individual female graduate; alumnus refers to an individual male graduate. “Alumni Relations” is made up of the programs designed to identify and engage alumni. Alum is not a word.

Annual or Regular Gifts: All repeatable unrestricted, operating or budget relieving gifts, from all philanthropic sources (individuals, corporations, foundations, family foundations), often from \$1 to \$25,000 or \$50,000 for more sophisticated programs. Some national organizations enjoy annual gifts of \$100,000 or more. Annual gift campaigns or efforts utilize all techniques: direct mail, phone, email/online, special events, grants, phone and face-to-face solicitations.

Annual campaign is a term used by some for the annual fundraising effort for operating, unrestricted and budget relieving purposes.

Annuity: A gift made to an institution or charitable organization with a specific income guaranteed to no more than two beneficiaries. The percent interest rate is determined by the ages of the beneficiaries. Organizations usually pay annuities until the beneficiaries’ deaths but can be specified for a term of years. The recipient organizations guarantee payments with the full assets of the institution or organization.

Anonymous Gift: These are gifts from a donor who does not wish public recognition. The donor specifies the confidentiality and particulars of gift. The accepting institution strictly adheres to the donor’s wishes.

Appeal: A request for contributions that can be mass-produced or personalized. It is usually for small annual gifts.

Assets: Accumulated property that has value; appreciated asset – increased in value since purchase or transfer.

Bargain Sale: A sale of property to a nonprofit organization at less than the fair market value. The seller avoids capital gains tax on the gift portion of the property's appreciated value.

Bequest, Bequest Intention, Realized Bequest: A bequest is a sum of money made available to an organization upon the donor's death through his or her will. This is a revocable gift. The donor can change his or her mind right up to the time of death.

Bequest intention refers to a promise made to an NGO (non-government organization also called Not-for-Profit or nonprofit or charity) to leave the NGO in his or her will. The donor must specify the amount or percentage if you are going to count the gift in your fundraising totals. Many ask to see a copy of the will codicil (provision). Most organizations have legacy clubs recognizing those who make their bequest intentions known with or without a declared specific amount or percentage.

Realized bequest is the amount received upon the death of the donor.

Board of Directors/Trustees: The volunteer group of individuals responsible for setting and guiding the organization's mission. They help create the organization's vision and values. They are responsible for choosing and overseeing the chief executive. In addition, they:

- Provide financial, legal and ethical oversight of the organization;
- Ensure needed resources to achieve the mission vision and work;
- Guard, foster and defend the organization's mission, image and brand;
- Help strengthen the organization's programs and services through strategic planning and advising and providing wisdom and counsel; and
- Are accountable to all stakeholders.

Book Value: The value of an asset/gift as recorded on the date of transfer. In contrast, current market value reflects changes in the value of the asset as the result of investment strategies and the market.

Brand: A name, term, design, symbol, or any other feature that identifies the organization's services as distinct from those of others.

"Bricks and Mortar": An informal term indicating gifts and grants for buildings or construction projects.

Budget Relieving Gifts: Gifts earmarked for a purpose that is already in the operating budget.

Campaign: An announced effort to secure an extraordinary level of support (often 10 to 15 times more than one can secure through normal annual and major gift fundraising) to achieve a compelling vision and specific, stated objectives during a set time (i.e. five to seven years).

A comprehensive campaign includes all gifts received during the stated campaign period including annual giving.

A capital campaign raises funds for building projects and/or endowment.

Single purpose campaign raises funds for one project.

Annual campaign is a term used by some for the annual fundraising effort for operating, unrestricted and budget relieving purposes.

Campaign Phases:

4. Planning and Preparing—Months to several years of getting ready for a successful campaign.

Quiet Phase—One to years of seeking gifts from known donors with high capacity and commitment. Organizations seek as much as 65 percent of the overall goal during this phase from a very small group of select donors.

Kickoff—Announcement of the campaign goal, how much has been raised to date for which priorities; a celebration of success to date; a call to action going forward; an invitation for everyone to be involved.

Public—Seeking gifts from all constituents.

Big Finish—A period of re-solicitation of early donors; a push to meet or exceed goal with new urgency; a celebration of achievements and people.

Post campaign planning and preparing—What happens after the successful campaign, new vision, new priorities, often staffing re-organization.

Capital Gain: Profit resulting from the sale or other disposition of an appreciated asset.

Case for Support and Case Statement: The case for support is the written, spoken or visual story articulating and demonstrating why an individual, corporation, foundation or government agency or representative should invest in the organization. It speaks to the mission, vision, values, strategic goals, and fundraising priorities and answers the questions, “What would my gift support?” “What difference does that make?” “Why should I give more?” “Is the organization trusted, accountable?” “How will I be treated?” “What is the return on investment?”

A case statement refers to the written version of the case for support and includes stories, data, third party endorsements, specific fundraising priorities and giving and naming opportunities. It has a call to action and ways a potential donor can give.

Cause-Related Marketing: A corporate approach to giving that couples the company’s marketing approach and business objectives with the opportunity to support fund development goals – either delivered by the company through a match from the company for customer gifts, or through the sales of company products for the benefit of the organization.

Challenge Grant: A grant or gift made to inspire additional gifts. As money is given, the challenger matches the gift via an agreed upon formula, usually within a specified timeframe.

Constituent Relationship Management – also “CRM”: An online way to learn more about constituents’ needs, behaviors and preferences and manage the information and relationships in order to develop stronger relationships and to maximize the value of those relationships through the coordinated, intelligent and responsible use of data and interactions.

Corporate Giving: Gifts made by corporations through a variety of mechanisms – formal giving programs, corporate foundations set up for charitable purposes, direct gifts from the company’s operating budget or an executives’ discretionary fund, or from the marketing department. Gifts can be out-right, or gifts in kind or gifts of service and expertise.

Cultivation: The strategic process over time of educating and engaging donors around the mission, vision and work of the organization or institution in meaningful and productive ways leading to successful solicitation.

Cultivation or engagement visit: A planned, face-to-face encounter designed to move forward the relationship between the donor and the organization in measurable, strategic ways, including increasing motivation and decreasing obstacles to giving. The ultimate goals of cultivation or engagement visits is determining The Right Amount to request, The Right Purpose or Giving Impact, The Right Solicitors and The Right Time to ask for the gift.

Culture of Philanthropy: Every constituency understands, embraces, believes in, and acts on his or her collective and individual roles and responsibilities in philanthropy, stewardship and donor engagement in a collaborative and donor focused or donor centered manner (see donor centric below). When a culture of philanthropy exists, philanthropy is a core revenue source essential to implementing the mission, vision and work of the organization.

Deferred Gift: A gift, which promises funds at a future date. Generally, these are funds set up during a donor’s lifetime, but which do not benefit an organization until some future time, often upon the death of the donor and/or beneficiaries.

Designated Funds: Gifts given to support budgeted, operating purposes with preference toward a certain program area or purpose or to support a specific new or existing project or program that is not part of the operating budget. A designated gift should receive stewardship pertaining to that designation, but may be counted and used toward regular budgetary purposes (see “Stewardship” below).

Development or Fund or Resource Development: A term used to describe the activities involved in raising funds.

Direct Mail (Direct Response): A technique for raising annual gifts through letters of appeal, brochures, and other mailed pieces.

Discovery Visit: A face-to-face encounter, often the first or second visit with a current or potential donor. The purpose is to “discover” new information about the donor’s:

- Philanthropic capacity, inclination, and readiness to give;

- Philanthropic motivations, interests and values;

- Who makes the philanthropic decisions and how;

- Issues that might prevent the donor from saying yes to a gift to the organization for a priority at the level desired;

- Philanthropic priorities (organizations and causes on the donor’s list);

- Engagement and stewardship preferences

Natural partners (individuals who know well the organization and potential donors)

Donor Centric (Centered, Focused): The organization appears seamless to the donor (the organization's departmental structure doesn't matter), as expressed by:

Knowing, understanding, and being mindful of donors' motivations, values, aspirations, and circumstances.

Valuing and respecting donors.

Demonstrating the highest ethical standards and vigorously guarding confidentiality.

Demonstrating understanding and appreciation for all the gifts given – time, talent, connections, ideas, services and treasure.

Focusing on building long-term, productive and satisfying relationships with our donors.

Donor pool: The total number of qualified donors (see below for definition of "Qualified") and potential donors identified for the organization based on capacity and inclination or affinity for the cause. This number includes current donors, past or lapsed donors, and new prospective donors and is organized and monitored via a table of gifts (see below for table of gifts).

Donor Strategy, Major Gift Engagement Strategy: A written donor plan with clear goals and productive donor initiatives or "moves" (see below) designed to advance the donor relationship towards a joyful, generous, inspired yes for a specific amount and purpose within 6 to 18 months on average.

Endowment: The "savings account" for the organization; gifts to an organization's endowment are invested and a portion (usually between 4-8%) used to meet budgetary needs or purposes specified by the donor. The organization invests the remaining interest earned into the endowment to ensure the endowment's growth over the years. Endowment funds can be unrestricted or restricted in use. The principle remains intact in perpetuity (see "Quasi Endowment" below).

Estate: A person's total assets, usually referenced at death.

Feasibility Study or Campaign Planning Study: A study usually conducted by fund-raising consultants to ascertain whether an organization's constituents are excited about the mission, and vision or the organization. It tests how deeply potential donors care about the campaign priorities. It probes for information about willingness and readiness to support the campaign at the gift levels required for success. Organization usually conducts the study in anticipation of an upcoming campaign.

Fiduciary: A person charged with the duty of trust on behalf of another. This usually refers to responsibilities related to an estate or trust and also to the responsibilities of a board of trustees or directors in terms of the fiscal health of an organization.

Foundation: A not-for-profit entity established with the purpose of making philanthropic grants. There are four main types of foundations. Family foundations, established within a single family for charitable giving; corporate foundations, the philanthropic wing of a for-profit business; private foundations, often established initially as a family foundation, but often having a formal structure and staff; and community foundations, often composed of a group of donors within a community who pool their funds for charitable purposes.

Fund Development: An integrated approach to fund raising that focuses on advancing the mission, vision and work of the organization. The main goal is building productive (for the organization) and satisfying (for the donor or prospective donor) relationships while employing the full range of techniques and methods (direct mail, web-based giving, social media, special events, phone, in-person, annual giving, major gifts, planned giving, corporate giving, foundation giving). (See “Development” above.)

Gatekeeper: (1) An important partner in relationships with a specific donor, a gatekeeper may be a financial planner, banker, lawyer, accountant, or any other person who helps the donor make financial decisions. (2) Sometimes used to describe administrative assistants or other people one must work through to get an access to the donor or prospective donor. With the donor’s permission, it is often helpful to build a relationship with the gatekeeper as well.

Gift Annuity: Obligates an organization to pay a donor and designated beneficiaries a fixed sum annually for life. It is a “debt” obligation rather than a “trust” obligation.

Gift Club: A way to inspire and recognize gifts at articulated levels needed to achieve specific mission outcomes. Organizations often establish special gift or leadership gifts in a series with the aim of increasing giving from one gift level to the next. For example, \$1,000, \$2,500, \$5,000, \$10,000 and \$25,000.

Gift In-Kind: Any gift other than cash or securities used to support your core mission, or, when liquidated is used to support your core mission. For example, printing invitations, donating food or drink for an event, covering the cost of hosting an event, providing materials or equipment for your programs are all gifts in-kind, which support your core mission. If the organization can sell them, gifts like real estate or artwork are also gifts in-kind.

Gift Processing: The procedure by which gifts are received, recorded, transmitted for deposit, receipted and acknowledged.

Government Relations and Government Grants: Many not-for-profits rely heavily or in part on grants (money allocated for the specific programs and purposes) by local, state and federal government agencies. Government relations refers to developing relationships with those responsible for making decisions about those grants, writing grants, and providing reports on results.

Grant: Usually refers to a gift from a foundation, corporation or government agency.

HNWI: This refers to high net-worth individuals, those worth \$1,000,000 or more (not including their primary residence) and earning \$250,000 or more annually.

Impact Statements: Serves as the case for support for leadership annual giving appeals (\$1,000+). Impact statements answer the following questions: What does my gift support? What difference does this make in the lives of people we serve? What are the expected impacts and outcomes of this investment?

Intestate: When a person dies without having a will.

Irrevocable Trust: A trust whose terms cannot be changed, amended or revoked.

Kickoff: One of the seven phases of a multi-year campaign and the official, public announcement launching said campaign. (See “Campaign Phases” above.)

Lapsed donor: A donor who gave to you previously for any purpose but has not given to you during this fiscal year; also designated as LYBUNTS (gave last year but unfortunately not this), TYBUNTS (gave two years ago but unfortunately not this), and SYBUNTS (gave some years but unfortunately not this).

Letter of Intent or Memorandum of Understanding: A letter indicated a donor’s intent to make a gift, which includes the donor’s motivations for making the pledge, the purposes for which the gift is given and guidelines and policies of the institution or organization governing the administration of the gift. Not necessarily legally binding.

Life Estate: A donor gives a residence or farm to an organization and retains the right to live in the residence for life and/or the life of beneficiaries.

Major Gift: Organizations define the amount described as “major” at different levels. For some organizations, it is \$1,000, for many, \$10,000 is the cutoff. For sophisticated and/or aspirational organizations, it is often more than \$25,000 per year. Donors often pledge major gifts over several years. For example, \$250,000 paid at \$50,000 a year for five years.

Marketing, Communications and Media Relations: Marketing the mission, vision and work of the organization to a broad audience on and off-line in order to get customers (clients), staff and donors, community goodwill, and establish and/or nurture a strong brand. Communicate regularly with all stakeholders and constituents keeping them informed and keeping the organization top of mind. Building relationships with media representatives in order to receive favorable and helpful media coverage.

Market Value: The current value of an asset.

Matching Gift: (1) A gift made on the condition that it is matched within a specified period of time. (2) A gift made by a corporation to match a gift by one of its employees.

Memorial Gift: A gift made to memorialize a specific person after his or her death.

Metrics (Performance Metrics, KPI (Key Performance Indicators): Measures of an organization’s performance – resource development metrics include total dollars raised against goals; number of identified and engaged prospective donors against required the number to achieve goal; donor retention, upgrade and yes rates; staff and/or team performance goals against plan.

Mission: The reason the organization exists; the measurable outcome the organization is trying to create. Mission rarely changes over time, while vision—how you will achieve your mission in the short-term—often does change over time.

Monthly Giving Programs or Sustaining Giving: An annual giving program that allows donors to pledge an amount to give on a monthly basis. Many utilize direct deposit. These programs have higher donor loyalty and average size gifts than other, non-leadership (\$1,000+) giving programs.

Moves or Strategic Donor Initiatives: Strategic action steps designed to increase of donor’s or potential donor’s explicit philanthropic motivation to give, overcome a donor’s possible objections to giving,

deepen engagement in the mission, vision and work of the organization, and identify all of the Rights. (See “The Rights” below.)

Moves Management™: (1) The process of planning and implementing focused, donor-centered strategic initiatives that nurture a relationship between a donor and organization to the point of mutual agreement on giving priorities and desired impact. (2) The process for monitoring the relationships through specific tools and reports.

Naming Opportunity: A way to recognize capital or endowment donors for their major gift to your organization. This is not a preferred or recommended way to recognize annual donors of \$1,000 to \$25,000. Naming Opportunities include buildings, spaces in buildings, programs, staff positions, and endowed or program funds.

Non-Donor: Refers to a person who has a logical and obvious connection to an organization (an alumnus/a, recipient of services, volunteer) but has never made a gift.

Nucleus Fund: Advance gifts to a fundraising campaign that demonstrates the commitment of the organization’s leadership to the effort. Professionals rarely use this term today; it refers to gifts secured during the “quiet phase” of a campaign. (See “Campaign Phases” above.)

Online Giving: Making gifts via the organization’s website or a special website set up to receive gifts for specific causes or organizations.

Operating Support: A contribution given to cover an organization's day-to-day, ongoing expenses, such as on-going programs, salaries, utilities, office supplies, and so forth. (See “Annual Gift” above.)

Outright Gift: A gift made immediately without any restrictions.

Peer Screening: The process of reviewing names of donors and potential donors with individuals who could add pertinent information about capacity to give, inclination, interests, values, motivation, decision makers, values, philanthropy and so forth.

Personal Visit or Personal Solicitation: The acts of meeting with an individual to cultivate, engage, recruit, solicit or steward.

Philanthropy: The origin of the word philanthropy is Greek and means love for humankind. Today, philanthropy includes the concept of voluntary giving by an individual, group or organization to promote the common good without the expectation of reciprocal benefit.

Phonathon: An event at which callers, either volunteers or paid solicitors, call prospective donors to solicit gifts.

Planned Gift: They come from principal (like stock), and not income (like salary). Usually, need significant planning and time to complete the gift. It may be an outright gift of complex assets (like real estate, retirement plans, closely held stock, tangible personal property, business interests) or be deferred (like annuities, life insurance and bequests). Only individuals can make a planned gift.

Pledge: A promise to make future contributions to an organization. For example, some donors make multi-year pledges promising to give a specific amount of money each year. Monthly givers pledge a certain amount for each month in a given year.

Pipeline: Refers to the continuum of engagement and readiness to give of each donor in your donor pool. Some donors are close to giving a gift while other prospective donors may just be starting in the process. Most think of the pipeline in terms of identification, qualification, engagement over time (four to seven strategic initiatives over 0 to 18 months), pre-solicitation, solicitation and stewardship. Ensuring that you have donors at all points in your pipeline helps you raise funds continuously.

Proposal: A carefully prepared and documented, written request for funds.

Prospect or Potential or Possible Donor: Individuals, corporations or foundations determined to have the capacity and inclination to give a gift of \$1,000 or more to your organization.

Qualification: Determining that an individual, corporation or foundation has the capacity to give the organization a gift of \$1,000 or more; is philanthropic; has an affinity for the cause and/or you have a path for reaching the prospective donor. Qualification is not the same as readiness to give a gift. That takes strategy and relationship building steps.

Qualifying Visits: Often the first visit with the objective of determining or confirming a donor's capacity to give a gift of \$1,000 or more, inclination to give (determining if the person is philanthropic and has some affinity for the mission).

Rating: Process of evaluating the gift potential of prospective donors (capacity to give in terms of a range of dollars like \$250k to \$500k); the level of affinity or inclination the potential donor has towards the organization and towards philanthropy in general; and the potential donor's readiness, in terms of timing, to make a gift to the institution.

Readiness: Determining the amount of time needed to develop and deepen a relationship to the point of joyfully saying yes to a requested amount.

Renewal and Donor Retention: The act of giving to an organization for the second or subsequent time, consecutively or after a lapse See also lapsed donor. Nationally, 40% of all new donors renew; 65% of all donors who have given from two to four years renew; 85% of all donors renew after giving for five years or more. Retaining donors is a critical part of a fund development program. It is far more expensive to acquire new donors than it is to retain current donors. Current donors and donors who stopped giving recently are most likely to give again.

Restricted Fund or Gifts: A gift that is restricted in its use, earmarked for a specific purpose, program or investment. Highly restricted gifts can become less useful if future conditions change. Some gifts may be restricted to budget relieving purposes. These are highly valuable restricted gifts.

Revocable Trust: A trust whose terms and provisions can be changed, amended or revoked.

The "Rights"©: The Rights refers to The Right Amount to request of a particular donor, The Right Purpose or Impact for that donor (which should drive the amount requested), The Right Solicitors to make the request and The Right Time, when the donor is ready to say yes. Other Rights include the Right Participants (decision makers and/or gatekeepers, mission staff member, client, and so forth) who should participate in the solicitation conversation, The Right Place to solicit the donor and the Right Materials to bring to the solicitation (i.e. proposal, building replica).

Social Media and New Media: Using online sources like Facebook, LinkedIn, Pinterest, You Tube, Twitter, blogs, micro-documentaries, podcasts and other platforms and media that help you tell your story, engage donors and potential donors, and raise money.

Solicitation Visit: The face-to-face encounter during which a specific amount is requested to help support the organization's mission, vision and work.

Special Event: A public activity or gathering intended to raise funds, increase the organization's profile or further engage potential donors and influencers.

Sponsorship: Often refers to the support or underwriting given to an event by a company, foundation, or individual. Sponsorship support should not be distinguished from other forms of outright support in solicitation or recognition and should count toward leadership giving membership if appropriate.

Steering Committee: A committee of key volunteers who have oversight responsibility for a multi-year campaign.

Stewardship: Spending the donor's money as agreed, thanking the donor within 24 to 72 hours, welcoming new donors or lapsed donors back, managing funds prudently, recognizing gifts appropriately, and demonstrating over time, in creative and pleasing ways, the impact of the donor's gift. Stewardship also encompasses "customer service," making donors feel valued and appreciated.

Strategic Plan: The overarching goals and broad strategies needed to achieve organizational and/or development success over specified amount of time (usually three to five years).

Tactical and/or Annual Plan: The specific actions, due dates, staff and resource assignments to achieve your strategic plan during any given year.

Testamentary Gift or Trust: A gift or trust specified with a will effective only after death.

Trustee (or Director): A volunteer who serves on the governing board of an institution and has legal and fiduciary responsibility for the organization. (See "Board of Directors/Trustees" above.)

Unitrust: A life income trust that pays a varying percentage of the trust's assets as income to beneficiaries.

Unrestricted Gifts or Funds: The donor does not specifically earmark the fund to particular uses; the most beneficial to organization, an unrestricted gift permits the program to use the gift where it can do the most good. Most annual gifts are either unrestricted or budget relieving.

Upgrades: A goal of every program is to inspire current donors to increase his or her or its giving. An upgrade refers to gifts that increase from year to year from specific donors and is a metric most fund development programs track.

Vision: Three to ten years out that is a strategic response to anticipated needs and conditions. It is backed by a well thought out plan and is bold, urgent, and compelling and speaks to a societal return on investment (SROI).

Volunteers: Individuals contributing time, wisdom, expertise, talent to help further the organization's mission, vision and work without the expectation of reciprocal financial benefit.

Wealth Screening or Overlay: A service provided by a variety of companies which matches names in your database against information from public sources about possible income and assets, including stock holdings and options, real estate, political contributions, and other assets. This is often one of the fastest ways to qualify potential donors.

“Yes” Rates: Refers to several important metrics: first, to the number of closed gifts (cash received or promised in writing) to the number of gifts requested. The second yes rate tracked is the amount given or pledged compared to the amount requested. Both metrics are important to track.

**For more information on
NMAC's Capacity Building Program**

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