How to Build and Sustain Your Major Gifts Pipeline

Identify, qualify, cultivate, ask & steward your way to fundraising success!

Claire Axelrad, J.D., CFRE
www.clairification.com
Philanthropy, Not Fundraising
Who am I?

• 30+ years in-the-trenches development staff leader helping raise millions of dollars for such organizations as San Francisco Food Bank, Jewish Family and Children’s Services, San Francisco Conservatory of Music and California School of Professional Psychology. Have asked lots of people for money!

• 8+ years nonprofit fundraising/marketing coach, consultant and principal of Clairification School

• AFP Fundraiser of the Year

• Best Nonprofit Blog – Fundraising Success Magazine

• Speaker: ADRP; ALDE; American Bar Association; Association of Fundraising Professionals; DER, Foundation Center; Fundraising Summit; Leadership Summit; NAYDO; U. S. Olympics Committee… Regular Contributor: Bloomerang, Guidestar-Candid; Network for Good, Nonprofit Pro
POLL #1: What is Your Role at Your Nonprofit?
10 Steps to Rev Up Your Major Gift Fundraising Engine!

<table>
<thead>
<tr>
<th>Infrastructure</th>
<th>Identification</th>
<th>Qualification</th>
<th>Solicitation</th>
<th>Appreciation and Stewardship</th>
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</thead>
<tbody>
<tr>
<td>1. Build a major gifts team.</td>
<td>2. Determine your major gifts amount.</td>
<td>3. Create a prospect list – not from scratch.</td>
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<tr>
<td><strong>Identification</strong></td>
<td><strong>Qualification</strong></td>
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<td>4. Qualify prospects for your portfolio.</td>
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<td><strong>Cultivation</strong></td>
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<td>5. Set revenue goals/create cultivation plans.</td>
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7. Have someone hold you accountable.
8. Clarify and tailor your case for support.
10. Adopt an attitude of gratitude.

Put these basic steps in writing to fuel your major gift journey
Major Gifts Fundraising Pipeline

- Identification
  - Prime the pipeline
  - Fill the pipeline

- Qualification
- Cultivation
- Solicitation
  - Pull folks through the pipeline

- Stewardship
  - Maintain a well-oiled pipeline

- Major Gift!
  - Reap reward

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Why you need a major gifts pipeline

• Nearly 80% of all fundraising comes from individuals.

• Studies show over 88% of all funds raised come from just 12% of donors.

• 76% of all household charity in the U.S. comes from the top 3% of U.S. households.
1 Build a Major Gifts Team

Multiple Staff... All Board... Other Donors... Other Volunteers
CEO, development director, major gift officer, other development staff must:
- Get in touch with own passion
- Enjoy talking with people
- Get out of the office
- Be self-motivated, optimistic and inspired
- Be organized
- Like to ask

Program staff must:
- Get in touch with own passion
- Give
- Act as ambassador
- Act as advocate
- Ask

Board members and other donors and volunteers must:
- Get in touch with own passion
- Enact own passion through philanthropy
- Invite others to share passion by acting as ambassador, advocate and/or asker

Where you lead, donors will follow
Determine Your Major Gift Amount: Quick and Dirty

Break your database down (look at the past 24 months) into 3 segments:

1. Those who gave you 0% of your budget – STOP putting energy here!

2. Those who gave you 10% of your budget – Develop a communications plan, and STICK TO IT.

3. Those who gave you 90% of your budget – FOCUS the lion’s share of your time and budget here.

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Pick Your Major Donor Amount: Use Your Math

Step 1: Review your donor records to identify the top 10% of your annual individual donors over past 24 months.

- What is your mean (average) major gift?

- What is your median major gift?

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
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<tbody>
<tr>
<td>Ann Apple</td>
<td>$25,000</td>
</tr>
<tr>
<td>Bob Berry</td>
<td>$  2,500</td>
</tr>
<tr>
<td>Chuck Cherry</td>
<td>$  2,500</td>
</tr>
<tr>
<td>Dilbert Dill</td>
<td>$  2,000</td>
</tr>
<tr>
<td>Ed Elderberry</td>
<td>$  2,000</td>
</tr>
<tr>
<td>Fred Fig</td>
<td>$  1,500</td>
</tr>
<tr>
<td>Gina Guava</td>
<td>$  1,000</td>
</tr>
<tr>
<td>Huck LeBerry</td>
<td>$  1,000</td>
</tr>
<tr>
<td>Ina Ice Plant</td>
<td>$  1,000</td>
</tr>
<tr>
<td>Jo Jackfruit</td>
<td>$  1,000</td>
</tr>
</tbody>
</table>

Mean: $3,950
Trim Mean: $1,611
Median: $1,000
Create a Prospect List – Not from Scratch

Do any of these statements sound familiar?

What about [richest person in the community; name on everyone’s list]?
He has lots of money. He should give here!

What about getting a celebrity to be our spokesperson?
That will probably persuade others to give.
Does anyone know anybody?

What about the parents in your kid’s private school?
That’s probably a good list.

Major Gift Fundraising is NOT “Lifestyles of the Rich and Famous”
3 Major Donor Portfolio
List-Building Essentials

- **Linkage** to your cause (e.g., they’ve given before; they’ve been a client or patron; they know one of your board members, etc.);

- **Interest** in your cause (just because a family member was treated at your hospital does not mean the prospect wants to build you a new wing; linkage alone, without interest, does not suffice), and

- **Ability** to give (yes, though we hate to talk about money, it is important that the prospect have the capacity to make a major gift if you’re going to put them on a major donor cultivation track; if not, you’re just wasting your time).

It’s not just about the money

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Begin by Looking in Your Own Database… There’s no place like home

- Above average single gift
- Above average cumulative givers
- $100+ first gift
- Consecutive givers
- Service User
- Volunteer
- Upgrading givers

Sort from highest to lowest

- Amount
- Recency
- Frequency
- Current affiliation
- Past engagement
- Capacity

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Qualify Prospects for Your Portfolio

• Will this prospect be responsive?
  • Don’t overlook this step!

• Do they want a deeper relationship with you?
  • Only 30% will be receptive to your “touches” and “moves.”

• How can you find out?
  • Make planned preliminary “touches.” Persevere.
Steps to Qualification

1. Send a letter or email introducing yourself to your prospect.
   - Thank
   - Tell them they’re important

2. Make a follow-up phone call.
   - If you get them, endeavor to learn more about their passions.
   - If you miss them, leave a warm friendly message with contact info.

3. Try again a week later.

4. Try again a week later.
Steps to Qualification

5. If you get no response to your call or letter, send a survey.

6. If you get no response to the survey, send a handwritten note card.

7. Send an invite to an upcoming event, tour or volunteer activity.
   - Follow up with a call or email to let them know the invitation has been sent.
   - Ask them to RSVP to you directly.

8. For top prospects who’ve eluded you, try a final phone call, email or text.
5 Set Revenue Goals and Create Cultivation Plans

Tier Your Qualified Portfolio

- **A** = 10-15% of caseload
  - 50% of time
- **B** = 40-50% of caseload
  - 30% of time
- **C** = 50 – 65% of caseload
  - 20% of time
- **D** = Regular annual giving campaign

Top Major Gifts

MG Upgrades + Renewals

Annual Giving

ep caseloads manageable
Move Prospects, as Appropriate, to Your Legacy Giving Track

Can’t give the cupcake now?

Maybe they can give the whole cake later!
Keep Your Caseload Manageable

- **10-15% of Caseload**
  - Strategy: Very personal
  - Outcomes: 6/7 figures, Upgrade, Retention, Repeat Giving

- **40 – 50% of Caseload**
  - Strategy: Less personal
  - Outcomes: 5-figures, Major Upgrade, Repeat Gifts

- **50 – 65% of Caseload**
  - Strategy: Less personal
  - Outcomes: Small Upgrade, Retention, Repeat Gifts

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Develop Individualized Cultivation Plans with ‘touches’ and ‘moves’ along the way

• Take your qualified major donor prospects...

• Build a map to guide you towards the treasure...

• Infuse love into the process...

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Moves management is, very simply, the process of building relationships with your supporters.

It’s about warming up and moving your prospective donor-investor to a point where they’re ready to take the next step.
Use a Mix of Engagement Strategies

**Low Touch**
- Thank you note
- Greeting card
- Invitation to event
- Informational update w/stories
- Invitation to volunteer

**Medium Touch**
- Thank you call from E.D.
- House party
- Group tour by program staffer
- Hands-on volunteer activity
- Coffee with development staff

**High Touch**
- Personal tour w/E.D.
- Intimate dinner w/ board president
- Coffee w/board member
- Invitation to serve on a committee
- Honors; recognition

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Brainstorm Your List of Touch/Move Opportunities

1. Develop a written plan for each prospect.

2. Assign a ‘moves manager’ to keep process on track.
<table>
<thead>
<tr>
<th>When</th>
<th>Type of Move</th>
<th>Who Makes the Move</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>V.I.P. thank you phone call</td>
<td>Board president or board member</td>
</tr>
<tr>
<td>February</td>
<td>Invite to house party</td>
<td>Development director</td>
</tr>
<tr>
<td>March</td>
<td>Coffee w/ E.D. or pres.</td>
<td>E.D. or president</td>
</tr>
<tr>
<td>April</td>
<td>Invite to gala</td>
<td>Development director</td>
</tr>
<tr>
<td>May</td>
<td>Greet personally at gala</td>
<td>Board president, E.D., development staff or volunteer</td>
</tr>
<tr>
<td>June</td>
<td>Ask to come on tour, volunteer or join committee</td>
<td>Development director and/or committee chair</td>
</tr>
<tr>
<td>July</td>
<td>Send FY year-end report w/ personal note</td>
<td>Development director</td>
</tr>
<tr>
<td>August</td>
<td>Schedule advice visit, if necessary, before ask</td>
<td>E.D.</td>
</tr>
<tr>
<td>September</td>
<td>Schedule ask visit</td>
<td>Development director or assigned board asker</td>
</tr>
<tr>
<td>October</td>
<td>Invite to presentation or small event</td>
<td>Development director</td>
</tr>
<tr>
<td>November</td>
<td>Hold ask meeting</td>
<td>Board member</td>
</tr>
<tr>
<td>December</td>
<td>Thank you call + note w/ holiday greetings</td>
<td>E.D.</td>
</tr>
</tbody>
</table>
How is this bringing me closer to asking for a gift?

What did I learn that will help me secure a gift?

Did I find out what motivates my prospect to be philanthropic?

Did I find out what they love most?

What does it make sense to do next?

BUILD CONTINUOUS LEARNING INTO CULTIVATION
7 Have Someone Hold You Accountable

The best plan is only good intentions unless it degenerates into work.

-- Peter Drucker, best-selling management author

Made 15 calls
Made 6 visits
Closed 2 gifts
Don’t Allow Moves to Fall to Back Burner

Best practices for f.t. MGO

• 2-3 visits before an ask

• 2 – 3 face-to-face solicitations/month

• 12 – 15 face-to-face visits/month

• 50 – 70% close ratio
Clarify and Tailor Your Case for Support

1. Specific need in the community
2. How you specifically address it
3. How donor can specifically help

Tell stories so donors can be heroes who give happy endings

Major gifts are impact gifts
Start Asking

• Goldilocks Rule: Not too much; not too little. Avoid cultivation paralysis at all costs!

• Ask! If you’re not asking, figure out why. Ditto with your E.D., board, volunteers and other staff

• Donors willing to be cultivated want to give. Get to 100

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Passion is contagious

1. Know your values and passions
2. Be passionate and enact your values
3. Ask others to join you in your passion

If you’re gonna preach religion, you gotta get religion!

Cartoon courtesy of Gaping Void
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Adopt an Attitude of Gratitude

Gratitude is NOT:

• *We* reached our $$ goal.

• *We’re* great.

• *Our organization* did this.

• *I* made this happen.

When we’re grateful, we give credit to others for our success.

5 minutes/day yields immense benefits

1. I’m grateful to Carl for the gift in Miriam’s memory...

2. I’m grateful to Elsa for telling me the story of how she survived...

3. I’m grateful to Gordon for making the Leadership gift...

4. I’m grateful to ...

5. I’m grateful to ...
Define major gift amount

Current Donors at that level

Lapsed Donors at that level

Mid-Level Donors close to that amount

Pipeline Preparation, Prospect Identification & Qualification

Tier List

Ongoing list refinement

Prospect Referrals

Preliminary Research

Rate and Screen

Hone List

Actively Qualify

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Create list of moves
Build personal cultivation plans
Incorporate feedback to build in learning
Have someone hold you accountable
Clarify case for support
Tailor case to align with donor’s passions
Get in touch with your passion
Enact your passion
Start asking
Close
Practice gratitude
Actively Cultivate, Align Values and Solicit

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1. Sign up for the biweekly Bloomerang-sponsored “Clairity Click-it.”

2. Enroll in ‘Clairification School’ for weekly how-to content

3. Join the “Winning Major Gifts Strategies” e-Course!

You’ll get free Bonuses with each enrollment