MAJOR GIFTS

Time and time again, the authors have discussed the 80-20 rule of fundraising. In most cases a few donors provide a very significant amount of all total funds raised. While this may not always be true for annual or long term and on-going annual or mail fundraising it is true for almost all formal campaigns.

Financial success in fundraising is almost always directly related to having the right person talk to the right prospective donor and to then ask for the right amount at the right time. The process of fundraising can seem overwhelming.

But if your non-profit organization takes the time and effort to build relationships with those who have substantial financial capacity your organization can benefit from some very significant donations—from Major Gifts.

Sometimes the leaders of these organizations just don't understand. They can't quite see how a Major Gifts fundraising effort would look in real life. They may be unsure of how to start or what to say to prospective large or major donors. "An Effective Approach to Major Gifts Solicitation," and "Tips and Tools for Successful Major Gifts Solicitation" are provided here to give some practical and readily usable examples and even some sample wording.

An Effective Approach to Major Gifts Solicitation

DO YOUR HOMEWOK:

A. **Make sure you are familiar with the organization you represent** and its current program and priorities. Review the organization's points of pride (major accomplishments) and, if possible, be prepared to share a personal experience that impressed you about the quality, results, and impact the organization provides.

B. **Gather important information about your prospect.** Together with other leadership and staff, develop a profile of the prospect:
   - What are his/her interests?
   - To what have they contributed previously?
   - What is the largest gift they have ever given?
   - Do they give individually or through their company of family foundation?
   - Do they have a philanthropic fund with a local foundation? If so, how large is their fund?
   - Are they candidates for estate planning and/or deferred gift discussion?
   - Who are their key financial advisors?
   - Have they recently sold a business or inherited significant resources? How is business?
   - Do they have a loved one who may be appropriate for memorializing or honoring with a gift?

- Are there other people who can be supportive with the solicitation who have special relationships with the prospect? Would it be helpful to have staff, or others participate in the solicitation?
- What would be the best setting to conduct the initial meeting?
- What are the likely concerns the prospects might raise in the solicitation?
- What materials, handouts, or visuals would be helpful to have for the solicitation?
- Finally, establish an "ask ratings" regarding the prospect—sequence of asks rating and how much you should ask the prospect to consider.

Leaders' Gifts Set The Pace

Make your own gift first. As a leader of the campaign, it is important that you make your own gift before soliciting others. It will be easier to obtain a quality gift from your prospects if you are comfortable that your gift is also credible and a quality one, based on your own personal circumstances. The ability to share that you made a generous "equal commitment" gift (not necessarily equal amount) when you are soliciting will give the prospect more confidence in your plan and leadership. Prospects will take into consideration what leadership has given, in determining their own gifts. Initial gifts will become yardsticks for giving by those who follow.

Personalize the Solicitation. Major gift solicitations should be conducted in person, not over the telephone. Large gifts are often not closed with one visit. Family members, financial advisors, and/or business partners (even if they are not the primary prospect) should generally be included in the solicitation meeting(s). A major part of the success of a solicitation is the chemistry of the relationship between solicitor(s) and prospect, as well as how one is asked.

If possible, two solicitors should participate in the prospect cultivation and solicitation. It demonstrates to the prospect the importance you have put on their gift. It shows that there are others equally committed to the success of the campaign, and it allows different perspectives to be heard. The old saying that two heads are better than one also applies to solicitation. While one person is answering questions or explaining the need, the other person can better observe responses, body language, etc. Evaluating the solicitation and together determining the best approaches for follow-up are enhanced with multiple solicitors.

Set the Appointment. The most critical aspect of major gift solicitations is getting the appointment. Be enthusiastic and let the prospect know that you want to share with them some exciting information about the organization, which is a project near and dear to you and that you would like to solicit their advice and support.

Make sure that you make the appointment at a time and place that is convenient to both the prospect and solicitors. Also, try to schedule at least 20-45 minutes for the initial meeting. Try to avoid an environment where others may overhear conversation or where there will be distractions. If the prospect asks if you are looking for money from them, be candid and enthusiastic. "Absolutely…I would like to tell you about the organization, and have you join me as a major supporter this year …but just as importantly, we would like to get your input on additional ways we can achieve success on behalf of (name of organization), which is doing such amazing things." Make it clear that you will be asking for their support.

Engage the Prospect. Do not try to close too quickly. Share the vision, services, benefits, points of pride, and needs of the organization. While informing the prospect of the needs, you are also demonstrating the commitment of leadership. Donors want to be confident that they are giving to organizations with knowledgeable and committed leadership. Enthusiasm is contagious. So is apathy. It's your choice.

Conduct the Meeting. Take a few minutes to break the ice and to establish a comfortable environment. Introduce yourself and those with you, talk about your involvement and commitment to the organization and the services it provides. In a concise manner, share with the prospect the value of the organization and what it has accomplished. Mention some points of pride…emphasize the opportunities for the future based on the new vision and strategic plan. Discuss the importance of their participation in addition to their financial support. Your organization needs their advice, expertise, identification of additional leadership, and introduction to other prospective donors. Once you have shared your enthusiasm about the organization/project and demonstrated the needs/opportunities to make a difference, it is time to request the gift.

Make The Ask. Using the numbers agreed upon during the rating session, (see item 1 above, "Do Your Homework") the request can be introduced as follows:

- "We would appreciate it and hope that you would consider a gift of $_______ to the campaign." (NOTE: If there are significant projects or programs, which need to be funded at the level of the request, mention the one or two that you think would appeal to the prospective donor.)
- PAUSE: Once you have asked for the gift, it is time to be silent and let the prospect fully respond with questions or other comments. LISTEN, LISTEN, LISTEN—this is the key to success. There is no need to ever apologize for asking for a gift. The individuals you are approaching expect you to ask, have likely been asked before by many organizations, and have, at times, been solicitors themselves. Remember that after you have made the ask "He who speaks next killed the solicitation call or agreed to make a gift."

Questions, Objections, and Dialogue. Answer the question as best you can, but do not get into a debate. If you are unsure about how to properly answer specific questions, tell the prospect you will find out the answer and get back to them or have the staff provide them with the details. (Make sure you or your staff follows up promptly.) If the donor offers a gift significantly lower than what was requested, you can supportively ask whether, by spreading the gift over time, it could be more significant; or if it is structured as a deferred gift with certain tax benefits, request that they consider a larger amount.

Do not press if they indicate that what they have offered is the limit of what they want to do. Thank them as enthusiastically as possible and complete the pledge card with them. If they indicate that they want some time to think about it and discuss it with others, thank them for their consideration and request a specific time when you can get back to them for a response.

Think of yourself as a committed and a very enthusiastic spokesperson…you are not begging. Make sure that you are a good listener as well as good presenter. Once the gift is closed, stress the importance of your organization's need for cash by the goal date. If possible, discuss how and when they will be able to make payment(s). Thank them and help them complete the pledge card.

Follow-up. Make sure that appropriate staff and/or leadership are briefed on your solicitation and that there are follow-up communications thanking the prospect…even if no gift was made. A handwritten thank you from the individual who initially set up the appointment or the solicitor, in addition to whatever is sent officially by the organization, is always appreciated.

Solicitations should be a positive experience for the prospect. A successful (positive) solicitation can set the stage for future involvement. An unsuccessful (non-positive) solicitation can turn off a donor to the campaign as well as to giving future support.

Summary. Keep in mind that people are more likely to contribute to make dreams happen than to solve problems. Success happens when a donor feels connected to the organization through his or her heart and head first, and only then …through their checkbook.

MAJOR GIFTS SOLICITATION TIPS AND TOOLS

1. **Make your pledge/contribution first.** With rare exceptions, your pledge should be greater than or equal to the amount asked of the prospect you are soliciting—one exception is equal commitment, not equal gifts.
2. **Make your plan to contact your prospects**. Write and/or call prospect for a personal appointment. You are doing good work...not begging. Do not get into project discussion over the telephone.
3. **Know the facts** and your Case-for-Support.
4. **Make your calls—work in pairs.** Often two to five visits will be necessary to achieve a major gift commitment, be prepared, and plan accordingly.
5. **Return your prospect profile cards** and pledges to the office immediately.
6. **Attend the recognition events.** This is a good opportunity to begin the process of "thanking every donor seven times."

The Prospect Visit

1. **Teams of two** are much more effective than one-to-one solicitations.
2. **Use door openers, endorsements,** or leverage from others to assist you before and after the visit.
3. **Begin with an Amicable Opening.** (1 to 3 Minutes) Ask about the prospects' family, occupation, recreation, and/or money interests.
    - Warm up with a sincere compliment about something personal.
    - Get person talking about himself/herself.
    - Sincerely engage and encourage the prospect.
    - Note prospect interests that link with your Case for Support, mission, and vision.
4. **Persuade:** Share why or how you became involved in and committed to the cause. (1 to 2 Minutes)
5. **Present your personal overview of the Case**. (3 to 5 Minutes)
    - History—the need/opportunity:
        a. What current projects are underway and their benefits: Today
        b. Where the organization wants to go—proposed solutions: Tomorrow
        c. What it will cost to get there: $$$$
    - Acknowledge prior level of giving to organization.

- Express hope.

6. **Ask for the Order (2-5 Minutes)**
   - Mention names of peers and their connection to the project.
   - State gift/pledge range.
   - Be silent. Use silence to get a reaction. "The one who talks first loses."
   - Leave or send as follow-up a written proposal as a record of the request.
     a. OPTION I

"(Name), we would like to ask you to help us in three ways: First, we would like you to lend your name to the campaign. People respect your judgment. By including your name in our leadership group, our campaign gains credibility."

*Second, we would like to ask you to help open five doors to people at your peer level. We know that people will respond to our message **IF** we can get to see them face-to-face. That is where we need your help.*

And finally, you know we have no way of knowing what you might be capable of giving, but we hope that you can consider a leadership gift of $XX,XXX per year (or monthly amount) for each of the next five years, a total gift of $XXX,XXX. Does this sound like something you can consider?"

b. OPTION II

"Given your (leadership, influence, reputation, demonstrated/new interest in) (project, mission, organization, community), I hope you will join with me and (mention names of peers at the same giving level) to meet the $1.2 M goal. We would be most grateful if you can consider a (commitment, pledge, investment, major gift . . . (avoid the word "contribution" if you want significant support) of $____________. Is that something you can consider?

OR

It is my hope that you can consider a (commitment, pledge, investment, major gift) of $__________, is that something you can consider?

Note: NEVER apologize for asking for a gift or leadership. Also, after you ask for the specific gift, be quiet. Let the prospect respond to your request, and then you can respond to the prospect's answer.

7. **Address Objections** (Use Feel, Felt, Found approach). (0 to 5 Minutes)
   - Restate the objection back to the prospect to affirm understanding.
   - State: "I understand how you feel" (ONLY if you do).
   - "I felt the same way" or "I know someone else who felt the same way."
   - Transition phrase: "If that's the way you feel, then you will be interested in this organization/project because..."
   - Use facts to defuse the objection.
   - Return to the issue, the prospect's gift/pledge.
   - Keep common ground with the prospect.
   - Transfer objections into action act now by giving honest and frank answers to their questions or objections.
8. **Closing (1-3 Minutes)—**Key is to link the donor's own motivations with how their commitment will provide that to them. There are many closing techniques and methods, including these:

- Presume the pledge; i.e., How should I fill out the pledge card?
- Share donor recognition/naming opportunities—in what way or at what level does the prospect want to be recognized?
- The NO/YES close for people who like to say no. For example: "Mr. Prospect, can you think of any reason why you should not make this major gift?"

9. Promise specific follow-up (as much as it takes):

- Do it. The more immediate, personal, and persistent your follow up, the less time it will take you to successfully complete your prospect calls.

10. Common Questions Prospects Might Ask:

- *When I am employed in serving others, I do not look upon myself as conferring favors but paying debts.* – Benjamin Franklin (1706-1790)
- Why is your organization the right organization to address this issue/opportunity?
- Why is now the right time for this $ _______ campaign?
    a. **Response**: Ask questions to determine whether their question is about amount, the project schedule, or the calendar timeframe…and address accordingly.
- How will this campaign help achieve the mission? What objectives are being met? Who benefits and how?
    a. **Response**: Tell how the urgent and compelling unmet needs must be met to fulfill your mission.
- How was the target determined? (i.e., How will the money be used?)
    a. **Response**: Explain how input was obtained from various stakeholders and how strategic planning and a well thought out budgeting process was used.
- What if the goal is exceeded?
    a. **Response**: You could address the need to continue to fundraise beyond the $___________ needed.
- Will you be asking me to give every year?
    a. **Response**: Some of our donors have chosen to make multi-year pledges and others (like you if it is true) have become some of our most loyal annual donors.
- Why am I being asked for this amount? Who decided to ask me for this much?
    a. **Response**: When asked by a prospective donor how much she/he should give, the confident reply is the one Paul Ireland once said, "Give until you are proud." Another way to respond can be phrased, "It is my hope that you can do what I did, and make a pledge larger than you originally think may be possible." You might also say, "groups of leaders met to confidentially identify what each prospect might be able to consider in support of this campaign. This amount is a consensus of individual recommendations of these leaders. It is our hope that you can consider a gift/pledge in this range."
- I need to visit with my spouse, (family, business partners, etc) and then get back to you, OK?
    a. **Response**: "Let's select a time for me to visit with you again that is also convenient to you and your spouse (family, business partner, etc)." Also ask, if possible: "What particular interests and/or concerns might he/she have about the project? I strive to be as prepared as possible."
- I cannot give that much because . . .
    a. **Response**: Offer pledge payment alternatives, i.e. deferred first payment etc.

Indicate opportunity is available to give assets other than current income; i.e., stocks, bonds, deferred and planned gift arrangements, etc. Match specific suggestions to the "because...." statement. Ask to bring the appropriate representative to return with you for a follow up discussion.

- What happens to the money if the project/if the goal is not raised? Will I get my money back?
    a. **Response**: You can mention that seed money is risk capital that will be spent to the best ability in an attempt to make the project a reality. It is unlikely that the campaign will have any money to return. If need be, the donor may wish to make a commitment with contingency. (The board may not be able to accept the contingent commitment in good faith). Try to avoid contingency, secondarily offer to present it to board for consideration. The clearer the donor's objectives or concerns are understood the more likely a mutually agreeable solution can be reached.

NOTE: