



Getting Major Gifts: The Basics

The underlying premise of major gifts fundraising is that the most effective way to raise money is for one person to give a gift and then to ask a peer to make a similar commitment. This approach is effective for two reasons: 1) The chances of the person being asked saying yes are much higher than through direct mail, phone solicitation, or media advertising; and 2) The size of the gift is likely to be larger than gifts solicited through special events, direct mail, or other strategies. Further, the likelihood of the gift being repeated, and even upgraded is also much higher with such personal contact.

Self-sufficient organizations should set as a goal raising 25% of their operating income from gifts of \$50 and up. Obviously it is too labor intensive to ask people randomly, so to achieve this goal, a systematic plan must be developed specifying how many gifts are needed, whom to ask, and how much to seek from each donor. This article will discuss each of these parts of the major gifts process.

The total amount needed for operating expenses varies from group to group, but we will take a sample group and show how to figure out the gift ranges required to meet the goal.

It would be ideal if you could say, "We need 2000 people to give \$100 each—will you be one of them?" Then you send a letter to 2000 people able to afford \$100, phone them after they receive the letter, and get your money. Unfortunately, 2000 people will never act the same way. Some of them would give less than \$100, some much more, and most would give nothing at all.

Over the years, fundraising experts have observed a pattern of how gifts come into organizations. Based on that pattern, it is possible to plan what size gifts you will need in order to meet any fundraising goal, and how many of each size gift you should seek, as well as how many prospects you will need to ask to ensure that one person will give.

The pattern we have observed is this:

- 60% of an organization's income comes from 10% of the donors
- 15-25% of the income comes from 20% of the donors
- the remaining 15-25% of the income comes from 70% of the donors.

In other words, the vast majority of the gifts you get will be small, but the majority of the income will be from a few big donations.

To show how this works, let's assume that an organization needs \$50,000 from grassroots sources. Based on the principle just described, they will need \$30,000 (60% of their goal) from major donors, \$7,500-12,500 (15-20% of their goal) from average-sized gifts, and the remaining 15-25% from all other fundraising strategies combined.

A second observation concerns gift size and the number of prospects needed to achieve each gift. The two top gifts need to equal 5% each of the total goal—in this case two gifts of \$2,500. The rest of the gift ranges for the top 10% of donors are calculated onto a gift range chart, as follows.

Gift Range Chart for Major Gifts

(60% of Money Needed)

Gift Amount	No. of Gifts Needed	Prospect/Donor Ratio	No. of Prospects Needed
\$2500	2	5:1	10
1000	5	4:1	20
500	10	4:1	40
100	100	2:1	200
50	100	2:1	200
Total \$30,000	217	—	470

The Gift Range Chart is not to be used as a rigid document, or as a blueprint for the major gifts campaign. Its purpose is to show what an average \$30,000 campaign would look like. The numbers can be changed—the ranges moved up and down depending on the group. Like a body size and weight chart, it only says what the average healthy person of your size will weigh—not what you *should* weigh. And like body size and weight charts, the gift range chart is meant to be flexible.

Whom to Ask, and for How Much

Once the gift range has been established, you can proceed to figure out where to find these people. Ideally, you would start by getting the top gifts and work down from there. However, an equally effective process is to start with the highest gift you can get (which might be \$50) and work from there. Most people have friends of equal or slightly higher economic well being. If you are a person who can give \$50, you will know five more people who can also give that amount, and a few able to give \$100 or even \$500. In turn, the \$100 donors will know five people able to give \$100 and a few able to give \$500 or even \$1,000. The higher you go in this "circle of wealth," the fewer people there are, and the more likely they are to know one another.

To find prospects, then, start with yourself. Whom do you know who could give \$50 or more? (Keeping the size of a major gift at \$50 opens up the possibility for a lot more people to become major donors. Almost any employed person can give \$50, if they pledge \$5 a month.) Recognizing that being a large donor is not the exclusive province of the upper-upper class, you begin to find a number of prospects among your own friends and acquaintances.

From yourself, you can move out to the Board of Directors and other volunteers or staff in the organization. Statisticians tell us that every person knows 250 people—no doubt some of these people can give large donations.

Another place to look for prospects is your current list of donors. Do you now have any donors who have given \$50 or more? What is the highest gift you have received, and how did it come about? It is not at all unusual for people to send in \$50 from a mail appeal, and sometimes people send in large donations based on a radio program or other

publicity. If any of these people are in your area, it is perfectly legitimate to contact them to renew their gift and to ask them to give you the names of five to ten people they think could also give a gift. Ask first if they will ask their friends and if they don't feel comfortable asking, then ask if you can use their name in contacting their friends.

What to Look for in a Prospect

You are looking for three things in each prospect: 1) evidence that the prospect is *acquainted* with someone in your organization, to establish a link to your group; 2) evidence that the person is *committed* to your cause (in a broad sense), which includes evidence that the person gives money to similar organizations; 3) evidence that the person has the *ability* to make a substantial gift, which includes establishing approximately how much the person can give. When you have positive information about acquaintance, commitment, and ability, then you have a "qualified prospect"—that is someone who can be asked for a gift.

Let's look at each of these factors.

Acquaintance: Someone in your organization either has to know the prospect or know someone who knows the prospect. The person who finally asks the prospect for the gift does not have to know the person at all as long as they know someone in common.

Committed: It is critical to be creative and broadminded about this factor. Often people assume that someone won't give because he or she is a business person, or belongs to a conservative church, or is known to vote Republican. In fact, these very things may be clues that this person *would* give. For example, a pro-choice group was organizing in a conservative farming community. Most of the people were not in favor of abortion; in fact most were right wing in their politics and strong Reagan supporters. However, the organizer quickly realized that being New Federalists, they would be in favor of "who governs best governs least." This became the theme of the organizing and fundraising: "Who will make the choice about abortion—the government or you?" "Do you want the government to have the power to make these choices for your life, or do you want to exercise the choice yourself?" Clearly, as New Federalists, they opted for the latter. As a result, some major contributions have been contributed by members of that community.

In a second example, a man was approached by a suicide prevention group in a town of 50,000 people. The person asking had not done a lot of research on this prospect and talked in general terms about the problem of suicide in America, the number of suicides and attempted suicides reported in San Francisco, New York, and Los Angeles, the very low age of many suicide victims, and the broad scope of this problem. The solicitor was sent away with a token donation.

Later that year, another person did more research on

Prospect Form—Confidential

Date: _____

Compiled by: _____

Name: _____

Address: Business: _____

Home: _____

Phone: Business: _____ Home: _____

Occupation: _____

Length of time in current occupation, or with current employer: _____

Approximate salary, or estimated profit from business: _____

Other sources of income: _____

Other evidence of wealth (owns home, second home, expensive car, vacations, style of dress, other comments): _____

In a committed relationship? _____ If yes, with whom? _____

Children: Ages: _____

Evidence of interest in our program: _____

Interest in nonprofits, including donations to nonprofits (Boards of Directors, name listed in symphony or college program): _____

Who knows this person: _____

Cultivation Record (Including solicitation efforts)

Date: _____ What Happened: _____ Who did it? _____

this prospect. The prospect was a member of the chamber of commerce and active in civic affairs. He had lived in this community all his life and owned a great deal of real estate there. This solicitor made an appointment to see the prospect and told him exactly how many suicides and attempted suicides happened right in that town. He further discussed that some of the suburbs which this man had developed had high suicide rates for no apparent reason. The suicide prevention program, he explained, proposed to address the problem of suicide rates by having on-call counselors available at churches and libraries and launching a large poster campaign telling people how these counselors could be reached. Posters would be hung in grocery stores ("two of which are yours") and other public places. The solicitor then asked the prospect to underwrite

the entire campaign, and walked away with a check for \$5,000—exactly what was needed. Obviously, this prospect is not interested if the entire city of Los Angeles kills itself. What matters to him is what happens in his community.

In addition to being broad-minded in talking about commitment, it is important to find out if the prospect gives away money at all. Many people profess to be committed to the environment, or women's rights or civil liberties; however, if they do not make financial contributions to groups representing those causes, they are not good prospects for them.

Sometimes people wonder how they can find out if someone is a donor. There are several ways. In the course of a conversation, one might ask, "Do you belong to Greenpeace or the National Organization for Women?" If the person says yes, you know that he or she has given to these groups. Many organizations publish a list of their donors in their newsletter—search through those, or if your community has a symphony, opera, or theater, find the page listing the donors or patrons. From this, you may find out if the person donates. If he or she does, your task is to help him or her decide to donate to you.

Ability: In looking for evidence of ability don't look for the most obvious signs, such as the type of car the prospect drives or the size of his or her house. These are as likely to be signs of debt as signs of wealth. It is more effective to look for signs of disposable income spent spontaneously. For example, would this person ever spend \$50, \$100, \$200 on a single item of clothing? Does this person buy art or antiques? Do they ski or scuba dive, or have other expensive hobbies? Where do they go on vacation? Do they ever go away for the weekend, and how often and where? Do they eat out often in nice places? Are they season ticket holders for the symphony, the football team, or the theater?

The prospect sheet on the following page gives you a way to gather information systematically. You may wish to design a form with questions specific to your community or organization.

Once you have this information, you are ready to solicit this prospect. It is important to remember that you only need *one* prospect to begin soliciting. As you begin to develop prospects, you may decide that it is not worth visiting people just for \$50 or \$100 gifts, but in the beginning, those "smaller" large donors will be important.

As you get to know your donors, ask them for names of other donors. For those donors who live far away, write or call them. Other local donors can be visited.

A donor program builds on itself. With careful research, accurate records, and a willingness of volunteers to do face-to-face soliciting, there is no reason that any organization cannot have a successful major gifts program. ■

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Getting Over the Fear of Asking

Asking people for money is both the most difficult and the most important part of fundraising. Every community-supported organization uses a variety of methods to ask for money, such as direct mail appeals, special events, pledge programs, products for sale, and so on. But the hardest way for an organization to raise money is for board, staff and volunteers to ask people directly for donations. Experience has shown, however, that it is almost impossible to have a major gifts program without face-to-face solicitation of the prospective donors.

The purpose of this article is to discuss some of the reasons that asking for money is hard and to provide some tips to help people get over the fear of asking for money.

Sources of Our Fears

Asking a person for money face to face is an acquired taste. Few people love to do it initially; in fact most people are afraid to do it. If you are afraid to ask for money, that's normal. If you are not afraid, that's great. Stop reading this article and go ask somebody for a donation!

People are afraid to ask for money for a wide variety of reasons and we can't hope to explore them all here. However, it is important to look at the role money plays in our American society to understand the sources of our fears.

Most of us are taught that four topics are taboo in polite conversation: politics, money, religion, and sex. Many of us were also raised to believe that asking people what their salary is, or how much they paid for their house or their car

is rude. In many families, the man takes care of all financial decisions. It is not unusual, even today, for wives not to know how much their husbands earn, for children not to know how much their parents earn, and for close friends not to know one another's income. Many people don't know anything about the stock market, what the difference is between a "bear" and "bull" market, or what the rising or falling of the Dow Jones means for the economy.

Many small organizations have discovered that if they seek a paid staff person to be a program or volunteer coordinator, they will be flooded with applications, but if they seek a fundraising coordinator, they will have almost no skilled applicants.

The net effect of these taboos about discussing money is that money takes on the air of being both mysterious and bad. The hidden message is that "good" people don't deal with money except insofar as they must in order to live. Many people, misquoting the Bible, say, "Money is the root of all evil." In fact, Paul's statement to the Philippians in the New Testament is "love of money is the root of all evil." Money, in itself, has no good or evil qualities. It is not a moral substance. Money facilitates people getting what they want or need. As such, how money is used, where it is obtained, and the inequities of who has it and who does not, has moral implications. This is very different from money itself being evil.

When money is mysterious and taboo, only those persons willing to learn about it can really control it. In America, an elite upper class controls most of the nation's wealth, either by earning it or inheriting it, or both. It serves

the interest of this ruling class for the mass of people to continue not to know about money. As political activists and participants in social change, it is not only important for fundraising, but for all organizing purposes, that we learn about money—how to raise it effectively and ethically, how to manage it, and how to spend it wisely.

How to Dispel Fears about Asking for Money

We will describe two easy exercises your group can do that will help dispel fears about asking for money. A member of the group can act as "facilitator" or you can ask someone outside the group to facilitate. These exercises can be done individually, but they are more effective when group members share with each other in recognizing and letting go of fears about money. To do the exercises, you will need a blackboard or sheets of butcher paper.

Exercise Number 1

In this exercise, the group looks objectively at its collective fears about asking for money. Fear of asking for money is similar to what you feel when you hear a noise in your house at night when you are alone. Your immediate, normal reaction is fear. You have two choices about how to respond to this fear: 1) You can give in to it, huddling under the covers, and imagining all the worst things the noise could mean, or 2) you can take the more sensible, but much more difficult action of getting up and turning on all the lights until you probably discover that the noise was something as simple as the cat, a leaky faucet, the wind, or nothing at all.

In the same way, looking at all your fears about asking for money in the "light" of discussion with others will show that many of them are irrational, and that for most, the feared outcome is far less likely to happen than you think.

To begin the exercise, each person imagines asking someone for a large amount of money (anything over \$50). Going around the room, each person says out loud what they think will happen to them. What will the person they are asking think of them? What will they think of themselves? The facilitator writes down all the feared outcomes. After four or five minutes, there will probably be a list that includes the following:

- The person will say no
- The person will yell at me (or hit me)
- The person will give me the money, but won't really want to, and will resent me
- I know the person doesn't have the money
- It is imposing on our friendship for me to ask, and we won't be friends anymore
- The person will think that the only reason I was nice to them was to get money
- The person will say 'yes' and then ask me for money for his or her cause
- I don't know if my group really deserves the money

as much as some other groups might

- The person will ask me questions about the organization that I can't answer

After this brainstorming session, the group should look at the fears that are listed and notice that they fall into three categories:

A) Fears of responses that are extremely unlikely to happen (I'll be punched, I'll be sued, I'll have a heart attack)

B) Fears of things that might happen but could be dealt with if they do (the person will ask me for money, the person will ask questions I can't answer)

C) Fears of things which will definitely happen occasionally (the person will say no).

Examine the third type of fear first. For most people, the worst thing that can happen when they ask for money is that the person will say no. But, everyone who does fundraising will experience this kind of rejection. Remember, just as it is your privilege to ask for money, it is the other person's privilege to turn you down. The person being asked may have just spent \$400 on his or her car, or been asked to give to five other organizations, or have other current priorities. While no one likes to be turned down, it is important not to take being turned down as a rejection of you personally.

In the second category of fears—that someone will give to your organization, and then ask you for money for his or her special cause—you can make your own decision. You don't owe the person a favor. To be supportive of him or her and the cause, you may want to say yes, but you are not obligated to do so.

Questions you can't answer can be responded to with, "I don't know" or "I'll find out and let you know."

Fears such as, "I know the person doesn't have the money" are very common. However, unless you have a financial statement from the person you are asking, or unless you know he or she is on welfare, or has recently experienced a devastating tragedy, you *don't know* that the person doesn't have the money.

Other fears can be dealt with the same way. The group should look at each fear and see which category it fits into.

Sometimes it is not appropriate to ask someone for money, but this is true far less often than we think. When you consider asking someone for money, and decide not to, ask yourself, "Do I have a *reason* not to ask, or just an *excuse* based on assumptions I am making about the other person?"

The Yes and No Lists

Exercise Number 2

When thinking about why a person would give money to an organization, think about why you give money to any organization. Your reasons for giving and not giving will be much the same as everyone else's and will help you understand what motivates people to give.

In this exercise, participants imagine that an acquaintance of theirs has come to them, explained a cause he or she is involved in, and asked for a gift. Imagine that the gift is an affordable amount, but not an amount one could give to everybody who asked. For most people, this amount is somewhere between \$25 and \$50.

For thirty seconds participants write down on their own sheet of paper all the reasons they would say yes to this request. Then for the next thirty seconds, they list all the reasons they would say no. Asking participants to share their results, the facilitator then writes the "yes" and "no" reasons on two separate sheets of butcher paper, or two sides of the blackboard. Generally, there are more "yes" reasons than "no" reasons. The following are the most common reasons:

YES

- like the person asking
- believe in the cause
- get something for my money
- tax deduction
- I feel generous
- just got paid
- know my money will be well used
- want to support my friend
- feel guilty saying no
- know other people in the group
- don't have time to volunteer, so give money
- liked the approach

NO

- dislike the person
- don't believe in the cause
- don't have the money
- bad mood that day
- organization has a bad reputation
- give to other things
- already been asked several times that week
- don't know what my money will be used for

- think person asking is naive

The group discusses the two lists. Looking at the "no" list, these answers fall into two categories:

- A) reasons which are not the asker's fault, and which could not be known ahead of time, and
- B) reasons which appear to be "no" but are really "maybe."

In the first case, the asker usually cannot know that the prospect does not have the money right now, or that he or she is in a bad mood, or has been asked several times that week. When this is the reason for the rejection, the asker can only thank the prospect for his or her time, and go on to the next prospect.

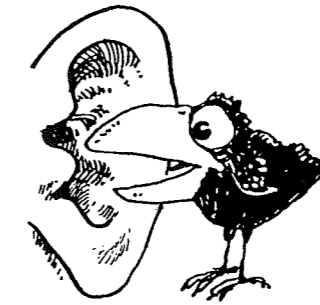
In the second case, if the prospect knew more about the organization, knew how the money was used, knew that the reasons for the bad reputation have been cleared up, he or she might give. The "no" answers are really "maybe." "Maybe I would give if I thought the organization did good work." The person asking for the money must be prepared to discuss the prospect's reasons with him or her and hope to persuade the prospect to change to an affirmative answer.

A few of the "no" reasons reflect badly on the asker. For example, if the prospect thinks the asker is naive or pushy or dislikes the asker altogether, then this was an unfortunate choice of a person to solicit the gift.

The point of this exercise is twofold—to illustrate why people give and don't give and to illustrate that people have more reasons to say yes than to say no to a request for a contribution.

These exercises and the subsequent discussion they involve will help people in your group understand that asking for money is not as frightening as they may have thought. The worst thing that can happen is that the person asked will say "no" and usually they say "no" for reasons outside your control or knowledge. ■

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The Fine Art of Asking for the Gift

Many people have discovered that doing face-to-face fundraising reminds them of the true depth of their commitment to the organization. They remember why they became involved in the first place and why they think the work is important. Occasionally, people discover that their commitment is not that strong and they would be happier in another organization.

First and foremost, it is imperative that the people soliciting major gifts believe thoroughly in the cause of the organization and have demonstrated that commitment with a financial contribution. The size of that contribution is not important, but it must be a contribution which *for that individual* is significant. The message to the prospect from the solicitor is, "Join me. Do what I have done. Give a large contribution to this organization because it is really important."

Types of Prospects

There are three types of prospects for face-to-face solicitations:

- People who have given before, and are prospects for a repeat or upgraded gift
- People who have not given before, but are close to someone in the organization
- People who are interested in the cause but don't know anyone in the organization. For the latter type, some kind of cultivation is necessary before actually soliciting the gift. Inviting the person to a special event, house meeting,

or educational evening will be important, or asking to see the person in order to describe the program and inviting him or her to the office (if the office is an exciting place) should precede the meeting at which a gift is requested. In this article, we will assume that the prospect is ready to be asked for the gift.

Approaching the Prospect

There are three steps in approaching the prospect:

1. A letter describing the program and requesting a meeting to discuss it further
2. A phone call to set up a meeting
3. The meeting itself in which the gift is usually solicited.

Obviously, if you are approaching your spouse or your best friend, you can skip the letter, and perhaps even the phone call. In some cases the letter will be enough and there will be no need for a phone call and meeting; in others a phone call alone will suffice.

The Letter

The letter to prospects who have given before is the simplest. You thank them for their support in the past and ask them to give the same amount or more again. Describe some of your achievements in the past year and some of your future plans. Tell them you will phone them in a few days and, if they are in your area, offer to meet with them.

Enclose a stamped, return envelope.

In a few days, phone them. Often you will discover that the check is in the mail. As you get to know major donors better, you will discover which ones prefer not to be phoned, but just wish to be reminded when it is time to renew their gift.

If you do meet with them, ask for a larger gift than they gave last year, or use the meeting as an opportunity to ask for the names of other people who might be interested in giving major gifts.

As you get to know the donors, you can see if they would make good board members, or if they would be willing to solicit some large gifts for your organization. Meeting with current donors tells people that they are valued and helps build their loyalty to the organization.

Letters to prospects you know rest heavily on the amount of respect and affection the prospect has for you. When writing to someone you know, use the same tone and format you would use in writing to him or her about anything else. If you normally call the person by his or her first name, do that in your letter. Mention to your friend that you are a donor yourself. You don't have to say how much you give—just the fact that you give will tell your friend that you are asking him or her to do only what you are already doing.

If the person who knows the prospect is unable or unwilling to write the letter, then the person actually soliciting the gift may be a stranger to the prospect. In that case, begin the letter with "Jane Friendswithyou gave me your name. She said you will be interested in our work because..." Go on to describe the work of the organization and ask to meet with the person.

Indicate in the letter that you will be asking for money. The letter can describe how much the organization needs and what kind of gift you hope the prospect will make.

In writing the letter, remember that people have a short attention span. Make your sentences interesting, evocative, and short. Avoid using jargon or complicated explanations. Statistics are fine, if used sparingly. The idea of the letter is to spark the prospect's interest so that he or she will want to meet with you. The letter does not have to convince fully, and in fact, should just raise the person's interest. The face-to-face meeting is the time to convince the prospect to give.

The Phone Call

If you say you are going to call, call. Rehearse the phone call beforehand to anticipate possible hard questions or objections the prospect might have. The following are three different problems that arise during phone calls and examples of how they could be handled.

Scenario One: The Easy Prospect

You: Hello, this is Worthy Cause. Is this Mary Prospect?

Ms. Prospect: Yes, it is.

You: I recently wrote to you about....Did you get my

letter?

Ms. Prospect: Yes, I think I did.

You: Do you have a minute now? (Or, Is this a good time to talk?)

Ms. Prospect: I have just about one minute. Now remind me of what your organization does. I get so many letters.

You: Our organization...(two sentences at most). What I would really like to do is get together with you for about half an hour to explain our project in more depth. I know you are busy, so is there any time next week that I could come see you?

Ms. Prospect: I think I could fit you in next Wednesday at 10.

You: Great. I'll be there. Thanks so much.

Scenario Two: Time and Logistics Problems

Ms. Prospect: This is really a bad time of year for me. I'm doing an inventory and then I have to fly to Washington, D.C. and I just can't fit in another thing.

You: I can certainly understand that. Why don't I call you next month and see if things have settled down, and you might have some time then?

Ms. Prospect: That would be fine.

Or:

Ms. Prospect: This is just too busy a time for me. I'll call you when I can work you into my schedule.

You: I know you have a lot on your mind. I'll call you in a month or so to see if things have settled down.

Or:

Ms. Prospect: I never make decisions to give away such large gifts without talking it over with my husband. We do all our giving jointly.

You: That seems extremely reasonable. May I come and talk to you both?

Scenario Three: Disagreements with the Organization

Ms. Prospect: I got your letter, but I have to tell you honestly that I think the government should be taking care of this, and you all should be lobbying for restored government funding in this area.

You: We agree that the government should be taking care of this problem, and we're working with a coalition of groups to pressure for restored funding. But in the meantime, these people are without services, and we have to turn to people like you who understand the need so clearly. I'd like to talk with you about our government strategy, since I know that it is an area of interest to you, in addition to discussing our program. Could we meet next week?

Or:

Ms. Prospect: Aren't you the group that had to fire your Executive Director for incompetence a little while ago?

You: Yes, our Executive Director was released when the board discovered...I know you'll be pleased to learn that Much Better Person has taken her place and things are now completely back to normal. I really want to talk about

our programs in more detail. Is it possible to set up a meeting in the next few weeks?

Or:

Ms. Prospect: I have other priorities at this time and I'm not sure your organization falls within my present commitments.

You: I know that you have other priorities. I would really appreciate it if we could discuss our organization's program because I think it falls within your concerns. Jane Friendswithyou indicated that you are strongly committed to...and we do work in that area now.

Ms. Prospect: I'm afraid you'll be wasting your time.

You: I'm not worried about that. I don't want to waste your time, but I do think a brief meeting would help us both to see if we have any goals in common.

The Importance of Being Assertive

Most of the time when people put us off we assume that they are trying to say no, but are just too polite to come right out with it. This is a false assumption. Prospects are looking for signs that you are really serious about your organization. They appreciate persistence, assertiveness, and an attitude that what you have to offer is critically important and worth taking some time to discuss.

If you are easily put off and take the first "no" as the final answer, it says to the prospect that you are not terribly concerned about the organization, or that you don't really care whether or not the prospect gives. Clearly, you don't want to be rude, but be willing to push the prospect a little, and don't take the first resistance as the final word.

The Face-to-Face Meeting

Once you have an appointment you are ready to prepare for the face-to-face solicitation. This is not as frightening as it seems. First of all, the prospect knows from your letter or your phone call that you will be talking about making a contribution. Since he or she has agreed to see you, the answer to your request is not an outright "No." The prospect is considering saying "Yes." Your job is to move him or her from "I'm considering giving" to "I'd be delighted to give."

The purpose of the meeting is to get a commitment to give. Everything else revolves around this purpose. It is fine for the conversation to go off on a tangent, but you must keep bringing the conversation back to the financial needs of the organization and the possible role of the prospect in meeting those needs.

As the solicitor, you must appear poised, enthusiastic, and confident. If you are well prepared for the interview,

this will not be too difficult. Many times, board members and volunteers are afraid they will not appear knowledgeable about the organization. It is perfectly fine to bring along a staff member or someone who has been with the organization a long time to answer difficult questions. Sometimes going with a partner also helps you feel more relaxed. It is also fine to answer a question with, "I don't know, but I'll be glad to get you that information."

Help the prospect to see that giving to your organization is a logical and natural extension of his or her interests and concerns. Ask the prospect questions, and carry on a conversation with him or her. "Do you agree with our approach?" "Did you see the article about us in last week's paper?" "Has Jane Friendswithyou talked much about our organization?"

When you finally ask for the gift, look the prospect right in the eye and in a clear, bold voice, say, "Can you help us with a \$300 contribution?" or, "We are hoping you can give \$500-\$1000." Keep looking at the prospect, and don't say anything after you have asked for the gift. It is the prospect's turn to speak. Although it may seem like a long time between your request and his or her response, it is only a matter of a few seconds.

Sometimes the prospect will say, "I'd like to help, but that figure is way out of my range." Your response can be, "What would you feel comfortable giving?"

After you ask for the gift and get an affirmative answer, discuss how the prospect wants to make the gift. Perhaps they will give you a check right there, or mail it in the return envelope you brought. For larger gifts, prospects (now donors) may want to transfer stock, or make other arrangements that will cause the gift to arrive in a week or two. Once these arrangements are made, thank the donor and leave.

Immediately after the interview, send the donor a thank you note. Another thank you from the organization should be sent when the money arrives.

Summary

Although it can be anxiety producing to ask for money the first few times you do it, it is thrilling to get an affirmative commitment from a major donor. It is also a good feeling to know that you were able to set aside your own discomfort about asking for money for the greater purpose of meeting the needs of your organization. Knowing that you can talk comfortably about the financial goals of your organization is empowering. Boards of Directors find that they are immeasurably strengthened when each of their members feels able to ask for money. ■

(This article first appeared in Vol. 2, No. 3.)

Responding to Put-Offs

Imagine being in a clothing store where you are trying on an expensive outfit. The salesperson helps you find a mirror, and asks how you like the outfit. You say, "Fine, but it is not my color." The salesperson says, "Well, I'm sorry you feel that way," and, with an air of discouragement, walks away.

Anyone would agree that this salesperson needs a basic course in selling. Yet, many solicitors for nonprofit organizations walk away from their prospect because of no more serious put-off than, "It's not my color."

For most people, once the fear of asking for a donation is overcome, the next problem is learning how to respond to put-offs—those little phrases that are not "no's," but whose intent seems to be to make you back off and leave the prospect alone.

As the solicitor, you encounter put-offs at two stages of the solicitation process: when you phone the prospect seeking a meeting, and when you meet with the prospect seeking the gift. The purpose of these put-offs varies with each prospect, but the prospect's motive for trying to put you off, and what you think his or her motive is, are often entirely different.

In America, we have a strongly developed sense of politeness: some topics are polite to talk about and others are not. Sex and money are not polite topics of conversation. The weather is. Your health, what you do for a living, and where you live are sometimes polite topics of conversation and sometimes not, depending on whom you are talking to. With such a finely tuned system of politeness, we are carefully taught to "read between the lines," "get the hint," "take a cue," etc. These are all methods of figuring out what a person is saying when they are too polite to come right out and say it. The margin for error is enormous.

Politeness affects the solicitation process when, for example, the prospect tells you, "This is a terrible time of year for me," and you politely take it as a hint that the answer is no. The prospect may, however, be trying politely to prepare you for the fact that his or her gift will be \$2500 instead of \$5000. If you end the conversation without pursuing any gift, you will wind up with no money,

and worse, a prospect who may be insulted that the gift he or she would have offered has been rejected.

Not Without a Struggle

How, then, can we deal more effectively with put-offs? First, understand that few people will agree to give away their money without any struggle. Prospects want you to work for the gift, so they will ask questions and make comments that may sound unpromising.

Second, prospects need to have a way to sort out serious requests and organizations from all the requests they get. One way a prospect determines this is to make sure that the person asking for the gift has carefully researched the prospect and is sincere in his or her effort to make contact with the prospect. A prospect needs to know that his or her name has not merely been taken at random from a list of rich people, the phone book, the donors to the symphony, etc. The prospect must know that his or her interests have been taken into account in this request, not merely his or her ability. One quick way a prospect can determine that the request is serious is by making the solicitor respond to put-offs and answer hard questions.

Finally, many comments that solicitors interpret as put-offs are simply the prospect thinking out loud and trying to be cooperative. A prospect may say, for example, "I'm just about to go on vacation, and then, when I get back, I have to get the kids back in school." By this, the prospect could mean "I'd like to see you, but finding a time in the next few weeks will be difficult. I hope you'll be patient." The solicitor, however, can easily hear, "She doesn't want to see me; she is putting out all these time constraints to make me go away."

Respond to Face Value

The best way to avoid misinterpreting a put-off is not to hear, "No, I won't give" in any phrase except, "No, I

won't give," "Get lost," or something equally final. Act as if the put-off is literally true. Take every statement at face value. If a prospect says, "I never make this kind of decision without talking to my wife," say, "I appreciate that. May I see you both?" Your hidden message is, "I believe you and I will try to accommodate you in this regard."

When you take statements straightforwardly, the prospect also feels free to be honest and straightforward. No one needs to dance around in a fog of mixed messages passing for politeness.

The following are the most common put-offs and various possible come-backs to them. Notice that in every case the put-off has been taken seriously and literally.

(The put-offs are in bold letters.)

Hello, this is Good Boardmember representing Worthy Cause. I'm calling to follow up on my letter. Do you have a minute to talk?

No.

I'm sorry I've caught you at a bad time. I'll call you tomorrow.

I just have a minute. I'm on my way out the door.

Well, a minute is all I need because I'd like to make an appointment to see you to discuss Worthy Cause. Do you have about 30 minutes free sometime next week?

What letter are you talking about?

I sent a letter about our organization at the suggestion of Jane Friendswithyou. Let me just tell you quickly what it said.

I've given away all the money I am going to give this year.

Thanks for being so candid. If you have the time, I'd still like to meet with you to discuss our program. Perhaps you will suggest some people we should approach, and you would consider letting us be on your list for next year.

My financial picture has changed drastically and I don't have the money.

I'm sorry to hear that. I'd still like to talk to you about our program because in addition to suggesting your name as a possible donor, John Yourclosebuddy says that you know a good many people at City Hall and could be helpful in suggesting strategies to use about our low-income housing work.

I like your group. How about if I send you \$25 and save us both time?

If that is what you would like to do, we'd be delighted, but I'd like to press my luck a little bit and ask you not to decide on an amount until we've had a chance to talk. I know time is a big factor, but I promise not to take more than 30 minutes.

I need more information. Your letter was a little scanty.

I'll bring a lot of information with me, and we can discuss all of your questions.

Since you are a government-supported/United Way-supported agency, I have already given through my taxes/by giving at the office.

Yes, indeed you have. But we are not fully supported and must raise additional money from our community. In effect, I want to talk with you about increasing your gift by making a direct donation to our organization.

There are so many worthy causes. I have to draw the line somewhere.

I appreciate that, and I understand you are involved in many things. Before you draw the line at our organization, though, I'd like to talk with you about it. Even if you decide not to give, perhaps you can suggest others who could help.

I like your work on X issue, but completely disagree with Y.

Let's talk specifically about the program you like and about making an earmarked contribution to that program.

It goes against my morals to support any group in favor of Y.

That will make it hard for you to give to our group. If I could, I would like to talk with you about both X and Y and then if you still feel strongly about it, we'll let it go.

How much of your money goes to administrative overhead?

I'm glad you asked that. We are pleased with the measures we take to keep costs down, and I'll bring a financial report to illustrate that. As you know, the answer is more complicated than a mere percentage.

Why aren't you just approaching foundations and corporations? They are the ones with the money.

They do seem to have a lot of money. What most people don't realize is that foundations and corporations only give about 10% of all the money donated by the private sector. When we meet, I'll show you our community fundraising plan, and talk in more detail about why we need people like you to become donors.

Each solicitor will run into these and many other put-offs. You can see that in no case was the response rude or contradictory. But the solicitor did not back away from the prospect either. Practicing answering put-offs is a fun and rewarding exercise. Many groups find that it strengthens not only their fundraising but also their organizing work and their overall effectiveness.

There are three categories of responses that are not put-offs, but sincere reasons why a prospect cannot think about giving. In these cases, the prospect may be able to consider a gift in the future, but not at the present time. These categories are: a divorce proceeding in the family, a death in the family or community of the prospect, or a serious illness. These responses must be treated with due respect.

Other than these serious problems, all other put-offs should be dealt with as the work it takes to get the gift. ■

(This article first appeared in Vol. 3, No. 5.)

Twenty Common Questions

1. If we go out to lunch, who should pay?

The solicitor should be prepared to pay for lunch or drinks, although this often turns out to be unnecessary. The donor does not want you to be spending his or her donation taking other prospects out to lunch. In a successful solicitation, the donor often picks up the tab, or suggests that each person pay his or her share.

There are two factors to take into consideration. One is the expense of the meal. If you have gone to a restaurant of the donor's choosing and it's expensive, the donor will probably pay for lunch. If you feel that the price of the meal is just too high for you or your agency to absorb, it is not rude to suggest that each person get a separate tab.

The second consideration is how much the donor gave. A \$25 lunch for a gift of \$50 is far different from a \$40 lunch for a gift of \$1,000.

2. How should I dress?

Gift solicitors used to be advised to look like the peer of the donor, which meant dressing in a similar style. This is no longer a helpful rule. Too many prospects dress in jeans and other very casual attire, which solicitors should not imitate. The solicitor should look professional, well-dressed, neat and clean. Flamboyant clothes are not appropriate. Dress in such a way that no matter who might see you, you would not feel underdressed. It doesn't matter if you turn out to be better dressed than your prospect. Prospects can dress in whatever way they like—they have the money.

3. Should I comment on things in the prospect's home or office, such as pictures or art objects?

Only comment on things that you sincerely like. Obsequious flattery, such as, "That's the most darling child I have ever seen, and he looks just like you" is not appreciated and may get you into an embarrassing situation. "That's my wife's niece, and she's adopted."

4. As a younger woman asking an older man for a

major gift, what happens when he calls me by my first name, but I have to call him by his last name?

The easiest way out of this situation is to avoid using the prospect's name altogether. It is only necessary to call him by name once—when you are first introduced. If you are very bothered by this interaction, you can ask the prospect if you can call him by his first name. (Do be sure you have the right first name, however. In one instance, a 25-year-old woman represented her organization to a 50-year-old male corporate executive. He called her Kathy several times, and she called him Mr. Riley. Finally she said, "May I call you Michael?" He said, "Kathy, honey, you can call me that if you like, but my name is George.")

5. What should you do if you go with someone from your board and that person makes a fool of you and your organization?

This depends on what the board member does to make your organization appear foolish. If it is a matter of the board member talking too much, interrupt from time to time and turn the conversation back to the prospect with a phrase such as, "Yes, that's a good point, Talking Board Member. What do you think of that, Ms. Bucks?"

If the board member gets into an argument with the prospect or swears or gives out information about the organization that is inappropriate, try to change the subject quickly.

If all else fails, say to the prospect, "Well, thanks for seeing us. I'll be back in touch. Let's go, Foolish Board Member." Afterwards, get that board member off of the Major Gifts Committee, and apologize to the prospect. Keep in mind that the prospect is never as aware of how foolish someone seems as you are.

6. What if the donor promises a certain amount and then sends less?

Send a gracious note for the amount received and don't mention that you thought it would be more. Next year you can return for a higher gift.

7. What about sending a person to solicit a gift who is not a donor to the organization, but is personable and charming?

This is a mistake. The chances of getting a gift are significantly reduced when the person asking has not given. It doesn't matter whether or not the prospect is told—at some level, the prospect will intuit that he or she is being asked to do something that the solicitor has not done. The gift the solicitor makes does not need to be the same size as the prospect's, but it must be significant relative to the solicitor's resources. Sincerity is much more important than charm.

8. How important is it to name a specific amount?

In a study of New York City panhandlers the panhandlers that asked for a specific amount, or for a specific purpose ("So that I can get on the subway") were more likely to get something than those who asked for the vague "spare change." The same is true for larger gifts. "We need some money for our important work and we would like you to help" is too vague. The prospect doesn't know how much money is needed, or what an appropriate gift would be. Is \$50 too cheap? Is \$1,000 ostentatious? Is there a plan for the use of the money? Use an approach of, "We need \$10,000 for our community organizing project, and we hope to raise \$5,000 of that in gifts of \$50-\$500. Can you help?" Or, "We want to raise \$15,000 in gifts of \$200-\$1,000. We have already received \$5,000 from ten individuals, and hope that you can give \$500." It is much more convincing and specific.

9. Where should we meet to arrange for a face-to-face solicitation?

There are three possible places to have a meeting: the donor's home or office, your organization's office, or someplace neutral like a restaurant or bar. While the most comfortable place for the solicitor to make a pitch will probably be the organization's offices, chances are that getting to those offices will be inconvenient for the potential donor. Some donors are interested in seeing the offices of an organization to which they are considering giving money. Let the donor suggest that. If that is not suggested, you should try to determine what will be most convenient for the donor. In some cases, meeting at the donor's home or office will be an imposition for the donor and in other cases, asking the donor to meet you at a restaurant will be an imposition. The best approach is to suggest both and let the donor choose.

10. How much information should I give the prospective donor when setting up the meeting?

At a minimum, the prospective donor should be told that the meeting's purpose is to ask for a contribution for your organization. It is unfair to ask to meet with somebody and give the impression that all you want is their advice or

the opportunity to let him or her know about your work when what you really want is money. Donors tend to be much more responsive to requests for contributions if they are told right from the start that that is what is being requested.

In addition, it is important to let the donor know who will be attending the meeting from your organization. If the donor asks for more information in advance don't hesitate to give it. However, don't make the solicitation over the phone. Insist that you need the opportunity to meet so that you can provide the person with detailed information.

11. What if I can't answer a question I am asked?

Whatever you do, don't make up an answer. Say you don't know the answer but you can find it out and let him or her know. If you do say you will get an answer to a question for a donor, do so as promptly as possible.

12. When during a meeting should I ask for the gift?

Toward the end. Use the beginning of your meeting to connect with the donor and to make a "case" for support of your organization. Bring the donor up to date on the organization's activities, talk in some detail about one or two particularly exciting projects, and give the donor the opportunity to raise any questions or concerns he or she might have. Ideally, all of the donor's questions or concerns should have been answered before he or she is asked for the gift.

13. What if the donor expresses an interest in volunteering or being on the Board of Directors and I am not really interested in having him or her involved?

Don't say, "That would be great" in order to please the person and hope that he or she will forget about it. Tell the donor that you will mention his or her interest to the appropriate staff or board members and try to change the subject.

14. If my organization is in a serious financial crisis, should I tell the donor that or not?

If a donor is going to invest in your organization, he or she should have the benefit of knowing about your financial health. Don't dwell on the crisis, but let him/her know that it exists and provide him or her with all of the excellent reasons you know that the crisis will pass. Then move on to the positive developments and efforts you are making to ensure the organization's financial stability.

15. How many people from the organization should go to the meeting and who should they be?

In most circumstances, no more than two representatives should go to any solicitation. Any more than that will probably intimidate the prospective donor. The best per-

son to make a solicitation is someone who could be considered a peer of the prospective donor. Ideally, that should be one or two board members. However, in some cases a staff member will qualify as a peer, and it would then be appropriate for that staff member to attend the meeting. Sometimes, board members are uncomfortable talking about the day-to-day work of the organization and will feel more comfortable with a staff member along. This, too, is appropriate.

16. Should I take written materials to the meeting?

Yes. They might provide answers to some questions which otherwise you would be unable to answer. Budgets, in particular, are useful to have to give to the prospective donor. However, save the handouts for the end of the meeting. Verbal communication in this situation is much more effective than written. Besides, if you give the prospective donor something to read at the beginning of the meeting, chances are that he or she will focus on the written materials and miss everything you are saying.

If you feel that some background information is necessary for the donor to be able to respond to your request for a contribution, send it in advance of the meeting.

However, never assume that anything you have sent in advance has been read. If the donor has not had the opportunity to read the materials that have been sent, it will be embarrassing for him or her to have to admit that. You can save the person this embarrassment by assuming that nothing was read and summarizing the materials for the donor. If they have been read, the repetition won't hurt.

17. What if the donor says, "I need some time to think about it"?

It is helpful to clarify at the meeting whether the donor needs to think about it is the amount or whether to make any contribution at all. If possible, try to get a commitment at the meeting for a contribution, even if you can't settle on an amount. Sometimes it is appropriate to try to establish a range the donor will think about by saying, "Is it reasonable to ask you to think about making a contribution between \$100 and \$500?" That kind of response to the statement, "I need to think about it," will help clarify whether it is the amount or the gift itself that is being considered.

It is important to respect the donor's need to take some time to consider the request seriously. However, never leave it up to the donor to get back to you. Conclude the meeting by saying, "Please do take some time to think this over, and I will call you next week."

18. What if it is obvious that the amount I am asking for is completely out of the question? Should I ask for a smaller amount?

If a donor responds by saying something like, "I can't possibly contribute that much," he or she has come very close to saying that some amount will be given. If you respond by asking for less, it may give the impression that the first amount requested was chosen arbitrarily. This will not reflect well on you or your organization.

There are two possible approaches to this situation. One is to ask if the amount is too much because of the donor's resources, or because of the donor's other giving priorities. If it is the latter, you should respond by talking about why your organization's work is such a high priority. Don't try to talk the donor out of his or her set of giving priorities; simply give a number of reasons why your organization might be more important than he or she thought. If, on the other hand, the issue is lack of resources, the best way to respond is by asking, "How much would be appropriate to ask you for?"

19. What if the donor says no?

Make the most of what will inevitably be an uncomfortable and disappointing situation. Try to find out why he or she is turning you down. Is it a matter of priorities? Does he or she think the organization is doing its work effectively? Is it the timing of the request? You may find out that the person would give if asked later in the year, that he or she is interested in your group and would be willing to help in other ways, that the problem is lack of information or credibility, or that you simply don't fit into his or her giving priorities and that it is a waste of your time to continue to ask. Listen carefully to the reason(s). You may find out that the "no" is only temporary.

20. How much should I know about a donor before the meeting?

The more the better. One of the key elements in a face-to-face solicitation is establishing a connection with the potential donor. The more you know about the person, the better able you will be to make connections. Find out if the person is married, has children, what his or her profession is, interests, affiliations, background, and if possible, what other contributions he or she has made and what kind of financial resources he or she has available. Of course, you can go to a solicitation without knowing all of the above information about a person. Just find out what you can.

It will not be helpful to display your familiarity with the donor's interests by saying, "I know that you have supported X cause, which is why I think you should support our organization." Some donors consider this kind of information private and don't like having it used to coerce them into making contributions. Rather, use the information to establish common points of interest, determine what components of your project would most interest the donor, and determine what is a reasonable amount for which to be asking. ■

(This article first appeared in Vol. 2, No. 3.)



Conducting a Major Gifts Campaign

We have discussed at length why people are afraid to ask for money, how to identify prospects for larger gifts, how to solicit the gift, and how to set a goal for a campaign. Certainly, lack of knowledge about how to identify people to ask and discomfort with the process of asking for money are the biggest barriers to the successful completion of a major gifts program. However, once a group has mastered the process of asking and has begun to identify those people who should be asked (prospects), the organization is ready to move from a major gifts program to a more formal campaign. This article discusses how a grassroots group can conduct such a campaign, focusing on each step of the logistics.

Most grassroots groups have ongoing major gifts programs. They engage in major gifts solicitation informally throughout the year. While the groups may set a goal to be raised from major gifts, they will not stop when they reach the goal, nor is the goal necessarily made public.

The primary difference between an ongoing major gifts program and a major gifts campaign is that a campaign is time-limited—it begins and ends at specified dates. During that period, a few volunteers devote themselves intensively to meeting a specific financial goal, giving amounts of time and effort to the campaign that would be difficult to maintain beyond a short commitment. To summarize, there are three primary components of a major gifts campaign are:

1. The campaign is time-limited
2. It involves a few volunteers intensively
3. It has a specific fundraising goal.

The purposes of doing a time-limited campaign instead of a year-round program are to involve more volunteers, to get more publicity for the overall needs of the organization, and usually to solicit larger individual gifts.

A major gifts campaign requires nine steps, some of which are the same as for any major gifts program. These steps are listed below, with those that would be the same for an ongoing program noted "same." Following, we will discuss each step in detail.

1. Set a goal for amount to be raised (same) and length of campaign
2. Identify and train solicitors
3. Identify prospects (same)
4. Prepare supporting materials
5. Assign prospects and solicit gifts (same)
6. Kick off the campaign with a special event (optional, though can attract media attention and recognize donors)
7. Hold regular reporting meetings to discuss progress and boost morale of campaign volunteers
8. Celebrate the end of a successful campaign with a special event (also optional, though can attract media attention and recognize donors)
9. Thank donors and record gifts, and incorporate new donors into ongoing fundraising efforts.

The Steps in Detail

1. Set a goal.

The first steps in a major gifts campaign are to decide how long the campaign will last and how much money the campaign is to raise. For small organizations, a campaign of three months is ideal, with four months a maximum. To determine a fundraising goal, calculate how much you should be able to raise with the number of volunteers you have. Generally, a volunteer can ask five people a month for three months without undue strain. A committee of five volunteers, then, would be able to ask 75 people during three months. Assuming a usual (but conservative) 50 percent rate of success from face-to-face solicitation, your group would have 37 or 38 new donors after such a campaign. If you have a shortage of volunteers, ask each volunteer to solicit more people per month.

Knowing how many gifts you can get, plot how many gifts of specific amounts will get you to your goal. First, select the lowest amount from a major gift that will be solicited in face-to-face meetings. Most groups select \$250 as the minimum gift, but many choose \$100. (Rarely would it be worth the effort to make face-to-face solicitations for less than \$100.) The final choice of the lowest gift depends to a large extent on how many major gifts your group has received to date and how experienced or comfortable your solicitors are.

Next, determine what your largest gift will be. A rule of thumb is to make the largest gift 10 percent of the total goal. With the largest and lowest gifts decided on, you can now chart what size gifts you will need and how many of each to meet the goal. A campaign for \$25,000 might look like this:

Goal: \$25,000		
Gift size	No. of gifts needed	Total
\$2,500	1	\$2,500
1,000	5	5,000
500	10	5,000
250	30	7,500
100	<u>50</u>	<u>5,000</u>
	96	\$25,000

Conservatively assuming a 50 percent rate of rejection, you would need twice as many prospects—or 192 in our example—to ensure meeting your goal of 96 gifts.

To do this \$25,000 campaign, then, you would need approximately 13 people soliciting five people per month for three months ($13 \times 5 \times 3 = 195$), which allows for some people not completing all their calls.

When you make your gift range chart, don't get too bogged down. There is no scientific way to do it. Basically, the chart is a triangle with fewer people at the top and more people at the bottom. (In a very rural, less populated area, you might need to have even larger gifts from even fewer

people than this chart indicates.) The point of the chart is to recognize that not everyone will give the same amount, and to set a limit on the number of people needing to be solicited. Prospects and donors like this kind of plan because it lets them know that the group has planned its campaign and knows what it is doing.

2. Identify and train solicitors.

Invite people to be on the campaign committee, assembling the number of people you need. Committee members should fulfill two simple commitments, with a third commitment optional. First, each member should ideally be a major donor. (Groups can decide whether all campaign committee members must be major donors, or whether that would limit participation too severely.) Second, each member must agree to solicit a certain number of prospects each month for a certain number of months. Third, and optional, is for members to provide names of prospects for the master list. If your committee does not provide these names, then you will need another way to get them.

Once enough people have agreed to be on the committee, set a meeting for them to be briefed about the campaign and taught how to ask for money. The meeting should last about three hours, and will include solicitors choosing their prospects (see step 5).

It is imperative that every person be at this training, even if they have participated in fundraising solicitations before. The experience of people who know how to do it will be of great benefit to those who are feeling unsure. The committee should have a sense of itself as a team and should develop a strong camaraderie from the very beginning.

In addition to teaching people how to ask for money, pass out the prepared supporting materials as described in step 4, and assign prospects as described in step 5.

3. Identify prospects.

Use the prospect forms and identifying methods described in "Getting Major Gifts: The Basics" (p. 3). Keep in mind that a prospect is characterized by three things:

- 1) The person has the ability to give a certain size gift
- 2) The person believes in your cause
- 3) Someone on your committee has some contact with him or her.

To develop a list of prospects, ask members of the committee for names of people they know, and look in your list of current donors to identify people who have given a major gift, people who have the ability to give a major gift, or people who should be asked to give more this year. (Anyone on your list who has given the same large donation for two or more years ought to be asked to increase their gift, and this campaign provides an excellent way for that to happen.) Unlike an informal, ongoing program, in a campaign, all the prospects must be identified before the campaign can begin. When all the names are in, prepare a master list of prospects as in Example A.

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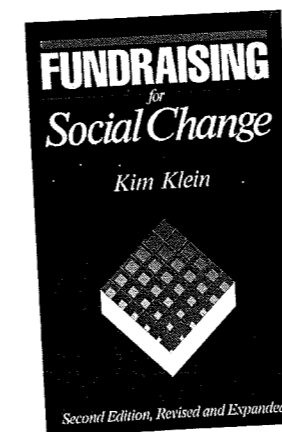
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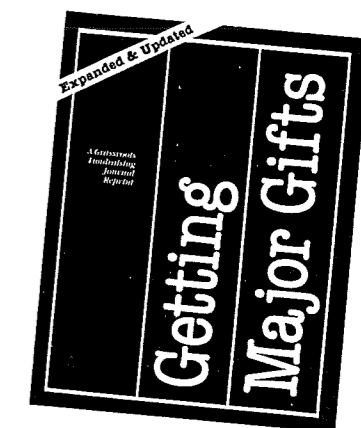
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Getting Major Gifts

CONTENTS:

- Getting Major Gifts: The Basics
- Getting Over the Fear of Asking
- The Fine Art of Asking for the Gift
- Responding to Put-Offs
- Twenty Common Questions
- Conducting a Major Gifts Campaign
- Keeping in Touch with Major Donors
- Going Back to Major Donors
- Moving Up to the Big Gift
- Stop Looking for Wealth

Ten of the best articles from the **Grassroots Fundraising Journal** on how to develop a major gifts program, find prospects and ask them for money, then ask them for more money. \$10



Use the Order Form on the Other Side

progress and boost morale of campaign volunteers.

These meetings should take place at least once every two weeks, preferably weekly, during the campaign. The meetings only last 30 to 45 minutes, and many groups hold them over breakfast at 7:30 am. The purpose of the meeting is to give everyone a chance to report their progress, which forces everyone to have made some progress between meetings. They can share frustrations, fears, and successes. A report of the progress to the goal should be made, and any additional materials (brochures, return envelopes, extra stationery) can be given out then as well. For groups covering large areas, weekly or semi-weekly meetings may not be possible, but then some kind of phone check-in is imperative.

8. Celebrate the end of the campaign with a special event.

This is optional, but is an excellent way to recognize and reward the committee as well as the donors. A simple wine and cheese reception from 5 to 7 in the evening, with a speech announcing the successful conclusion of the campaign, is fine. Some groups have formal dinners, or ground-breaking ceremonies, in the case of capital campaigns. It is not necessary to be elaborate—simply gra-

acious, warm, and rewarding to volunteers.

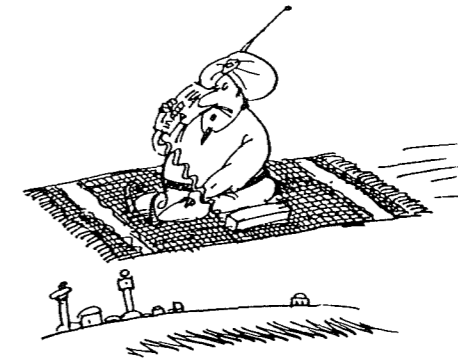
9. Recognize donors and incorporate them into ongoing fundraising efforts.

Aside from raising money, the purpose of a formal campaign is to strengthen donor loyalty and increase the number of donors and the size of donations. To take advantage of that strengthened loyalty and those increased gifts, you must have a mailing list in place and a way to have regular correspondence with your donors. They should now receive any appropriate invitations to special events, occasional mail appeals, and, of course, personal letters describing the progress of the program to which they donated.

Conclusion

A major gifts campaign is fun and can be very lucrative. To succeed at all, however, it must be done right. Groups wishing to take shortcuts, or feeling that they do not have all the infrastructure in place, should not attempt a formal campaign until they are completely ready and able to do so. ■

(This article first appeared in Vol. 5, No. 3.)



Keeping in Touch with Major Donors

Most groups understand the importance of maintaining some kind of contact with those donors who give a "major gift." Whether you define a "major donor" in your organization as someone who gives \$50 or \$500, these supporters need to receive more than a newsletter and occasional direct mail appeals to feel the organization's appreciation for their generosity.

The purpose of special contacts with these people is the same as the purpose of any contact with any donor or volunteer—to build the loyalty of that person to your organization. As fundraisers, we are constantly striving to bring people into our organizations as donors, and then to keep them interested and committed to our group so that they continue to give and to give more each year. Ideally we are striving to have every donor give as much money to our organization as he or she can afford, based on his or her level of commitment. Since there is nothing we can do about how much someone can afford, we must work on the only variable in our control: donor loyalty.

Many organizations' staff and board feel that donors who give \$50 or more demonstrate that they have more money than other people. This is not an accurate reading. People giving \$50 or more to an organization are demonstrating a willingness (as well as an ability) to do more than what is called for and to support our group more than they support most other groups. Even the wealthiest people cannot afford to give \$100, \$500, or \$1,000 to every worthy nonprofit they care about. Since most donors give to about five nonprofits, it is clear that those giving us major gifts are making us a priority in their charitable giving. In order to keep and to increase our priority status, we must help them to realize that their decision to give us a major gift is a correct decision and can only be improved by giving more and more money.

Developing Loyalty

Human nature is such that a person's loyalty to another entity (be it church, family, school, work, lover, or charity) is related to how that person feels treated by that entity. The more welcomed, appreciated, sought after, praised, loved, or cherished the person feels, the more likely it is they will continue to seek that response.

As nonprofits, we are limited in the kinds of responses we can make to our donors. Generally it is not appropriate to send them flowers, buy them presents, invite them to Thanksgiving, etc. We are limited to somewhat formal thank-you notes, business-like visits and phone calls, and professional correspondence. We may also send Annual Reports, articles from newspapers, and occasional personal notes. Within that framework, however, we have a lot of latitude.

Every contact with a donor must be made with the viewpoint of the donor in mind. Every time a donor hears from us, subconsciously they are asking, "Now what?" or "So what?" It is because organizations' staff do not ask "So what?" that a lot of their correspondence is wasted on donors. When a donor says, "You shouldn't have wasted the postage," or "You shouldn't have gone to that trouble," you know that you failed to answer the question "So what?" If we ask ourselves "Now what?" or "So what?" before sending correspondence or making a phone call, we will be more likely to make worthwhile contact and leave behind contact for its own sake.

A simple rule of thumb for any organization is to try to be in contact with major donors four times a year in addition to the time you ask the donor to renew or increase their gift. Contact includes letters, phone calls, and visits. It does not include special events, because there the donor

is not being addressed personally.

Generally, having standard ways to be in touch with major donors twice a year simplifies your work greatly. The Annual Report provides an opportunity for easy contact, and a special six-month report half-way through the year provides another good formal contact. The other two times can be structured according to the needs of the donors.

To keep track of your contact procedure, simply make up a card, or enter into a computer, something like the following for each major donor, filling in the known contact dates:

Rachel Givebig: \$100 9/87
Thank you note: 9/9/87
Contact Due Dates:
10/87
12/87
2/88 Annual Report
7/88 Six-month report
8/88 Renewal

File the cards, by month, according to the month when the next contact is due. Every month, pull out cards of donors due to be contacted in that month and decide how to proceed. Notice that the first contact is very soon after the gift is made. This ensures loyalty from the very beginning, while the memory of the gift is still fresh. Not contacting a donor for three months after your thank-you note misses a valuable opportunity to keep your organization's name at the top of the donor's list from the very beginning.

When a piece of correspondence, such as an Annual Report, is designed to be sent to all donors, it is advisable to accompany it with a cover letter. If you have word processing capability you can personalize the letter, even if the content is the same for every person. If you don't have this capability, a form letter is acceptable. Such a letter should ask for a specific response from the person, making the donor take action with regard to your group. For example, here is the cover letter for an Annual Report from a small grassroots organization to its major donors (\$50 and up):

Dear Friend,

Enclosed is our Annual Report for 1986. As you can see, we now have 75 people giving \$50 or more to our organization. We hope you realize that your gifts are the backbone of our financial stability and we really appreciate your ongoing show of support.

Most of the people giving \$50 or more have been referred to us by friends of our organization. In addition to reading this report, will you take a few moments to fill out the enclosed card with the names of people you think would be interested in our work?

We will send them a copy of this report and an invitation

to join us in the ongoing struggle for human rights. Please use the card also to share with us any comments or criticism you may have of our work.

Thanks again for all your help.

Sincerely,

Board Chair

If It Makes You Proud

With two contacts taken care of by formal reports, there are two other times remaining to make personal contact with your major donors. For some donors, this will be easy. You know them, you call them frequently. For some, you know they will be most interested in one aspect of your work so you send them updates on that program, or articles from the paper about an accomplishment in that area. Also, it is not improper to send birthday cards or congratulations cards if you know the dates of those occasions.

But what do you do with donors about whom you know little? Here you have to be creative. One Director says, "Whenever something really good happens with our work and I have the urge just to tell somebody, I pull out the name of a major donor and write to them and tell them." Chances are if it makes you proud, it will make them proud.

Newspaper articles are another good source. Any time a newspaper writes something good about your work, get copies of the paper and send the article to several donors.

The note accompanying newspaper clippings, fan letters, reports, etc., can be very brief—"Thought this would interest you" is adequate if written on your organization's letterhead.

Finally, don't be afraid to call donors once in a while, even if you don't know them. They will not resent the call, and most of the time will feel flattered you took the time. This also paves the way for calling to request a higher gift.

A gift of money to an organization is more than just an effort by the donor to offset your costs. It is a signal by the donor saying "Come closer. Write to me. Call me." If a donor does not want that attention, he or she will say so by giving anonymously or by writing a note saying, "Please, no phone calls." In the absence of other directives, assume you can always get closer.

As fundraisers and organizers, we often think that once a donor has given, he or she wishes to be left alone and we do not wish to be intrusive. Ironically, however, our lack of attention can itself be intrusive. Donors often complain, "I gave \$50 to that group and never heard from them again." Or, "The only time I hear from them is when they want money."

Donors are worth the time they take. A carefully planned system for frequent contact with donors will yield more and bigger gifts every year. ■

(This article first appeared in Vol. 6, No. 5.)



Going Back to Major Donors

Asking major donors to renew their gifts year in and year out can seem harder than getting the donation in the first place. Board and staff members often complain that there's nothing new to tell these donors and that it's difficult to drum up excitement in work that essentially keeps on year after year.

The first time you approach a prospect, it's easy to be enthusiastic about the organization's work. After all, the project is new to the prospect and, for the solicitor, there is the challenge of moving that person from being a non-donor to a donor. In this situation, one tends to tell the prospect a great deal about the organization. Consequently, when going back to get the donor to repeat their gift, the solicitor may feel he or she has already said it all.

This article focuses on how to get back to donors for repeat and upgraded gifts, and what to say to them when you do.

What Will I Say?

When staff and board express the feeling that going back to donors year in and year out is difficult, that there is not much new to say, that they don't know how to make it interesting, the problem is not with the organization and its work but with the staff and board people. For some reason—perhaps too much familiarity with the issues, perhaps some sense of the struggle never getting easier or

of never seeing any lasting victory—they do not have in themselves the enthusiasm and excitement to convey to the donor. Actually, those are the very people who ought to visit big donors, because the donors will re-excite the staff and board. Far from being horrible, the experience of many tired staff and volunteers is that visiting donors reminds them of why they're in this work.

If you are one of these "tired solicitors," here's something you can do to renew your enthusiasm for the work. If you are a staff person, sit down in front of your calendar for the past four months (or if you are a board member or volunteer do this with your staff person) and, pretending that you are an investigative journalist, note one thing that happened during each of the past sixteen weeks that helped your organization fulfill its mission.

Many people find it helpful to organize these notes in categories. For example, if you are with a shelter for battered women, you will probably already have a log of phone calls, even perhaps by category—that is, from potential clients, from referrals, requests for speaking engagements. You should also have a record of speaking engagements. You might now make a third category about life changes that your shelter residents experienced in the two or three weeks they stayed there. And add a fourth category to document miscellaneous community outreach, such as training members of the police department, working with teachers to recognize abuse in children, etc.

If your organization's work does not lend itself to this kind of straightforward categorizing, be more creative. Again, keeping track of phone calls is an excellent way to measure your outreach to the community and the community's recognition of your group as a reliable source of a particular type of information. It can also give you a sense of why at the end of many days you feel you didn't get anything done. Looking at your calendar, you may also note that you have been to twenty-five meetings in four months. That in itself is not exciting, but what came out of those meetings? Was a coalition formed in one meeting that will present a more unified and stronger voice at the legislature or city council? Did another meeting result in a petition drive that ultimately gathered 3,000 signatures?

In addition to your calendar, or for those who keep this in their calendar, look through all the things that you crossed out on your old to-do lists and note them as accomplishments. This will cheer you up and help you realize that you are getting the work done.

Make up a master list of accomplishments, using the information from your calendar, to-do lists, and information gathered from other board and staff. Now, when planning visits to donors or prospects, you can identify from the master list those things that will be most interesting to them.

Approaching the Donors

The first thing to consider for each major donor is whether you want them to repeat their gift at the same amount or upgrade it to a higher amount. Generally, it's time to ask a donor to upgrade their gift after they have given the same amount for two or three years. (Below we discuss more fully asking donors to upgrade gifts.)

Next, for small organizations in which a \$50 gift is considered a major donation, plan to approach donors giving \$50-\$250 differently from those giving over \$500. (Few give between who give \$250 and \$500.) In this article we discuss two different approaches to each of these categories of donors.

Major Donors Giving \$50-\$250

For most groups, the bulk of donors in the major donor category give between \$50 and \$250. If you are not asking a donor to upgrade their gift there is no need for a visit to the donor. Often a letter requesting a renewal is sufficient.

Even though the money may be a great deal to them, the donor who gives \$50-\$250 simply wants to know that the organization is continuing the work that they first invested in. They don't need a lot of new excitement, or even lots of victories—they don't expect their gift will have tipped the balance between struggle and success. They know that their gift, while more financially important than a smaller gift, is still small in the context of even a tiny

organization's budget.

The letter can be one page with just three or four paragraphs. Use the first paragraph to emphasize the very important role of the donor to your organization. In the second paragraph, tell a little about the history of what's happened during the year. The donor should already be familiar with what's been going on in the organization by virtue of your newsletter, annual report, and other correspondence. In the third paragraph tell the donor you rely on the ongoing support of people concerned with and committed to this kind of work, and then ask the person to renew. Enclose a stamped return envelope.

If there's no response to this letter after two or three weeks, then a follow-up phone call may be necessary. An average organization can expect about the same percentage of donors in this category to drop out every year as those who give less than \$50—about one-third.

When to Ask a Donor to Upgrade Their Gift

If a donor has given the same amount for two or three years, it's time to decide whether to ask them to upgrade their gift. Review any information you have obtained during this time about this donor, including their financial situation and the degree of commitment they have to the organization, evidenced perhaps by their involvement—attending events, organizing campaigns, etc.

If you have determined that it's time for an upgrade, a letter followed by a phone call is imperative, and a visit is most helpful. When deciding whether to visit, take into account common sense factors such as how far away the donor lives, whether the amount donated represents a great deal of money to this donor (in which case a personal interview would show the organization's respect for that size gift), and how much staff and board time would go into renewing the gift. Then decide whether these costs are worth incurring in order to renew or upgrade a gift.

The letter to a donor whose gift you are seeking to increase should begin similarly to the previous letter to smaller donors. Thank the donor for their ongoing support in the first paragraph, use the second paragraph to emphasize that the organization relies on a solid base of loyal donors, and in a third and possibly fourth paragraph talk about new work the organization is engaged in. Donors are convinced to give more money not because the costs of the organization have increased because of inflation or rising postage costs—which also happens to be true for the donor's own personal expenses—but because the organization is doing better work or more work, or is under more intense attack. In those third and fourth paragraphs, describe the nature of the new work you're engaged in and present the need for more funds. Then in the final paragraph, make a statement such as this: "You have supported us with a gift of \$_____ every year for the past three years. I am hoping this year

you will consider doubling this gift. [Unless you have strong evidence to the contrary, doubling a gift is about as much as you can expect.] Because this is a significant increase, I'd like to talk with you more about our work; I'll call you in a few days to discuss this with you. Thank you again for your loyalty."

Enclose a stamped return envelope with this letter. It often happens that the donor will send back the request without the need for a phone call. Wait a week—this gives time for the donor to send a check if they are going to act right away—then call.

When you call or meet with the donor, be sure that you actually have something new to talk to the donor about. Note that "new" does not have to mean "different." For example, a community organization in eastern Tennessee that works on strip-mining issues does not need to move into some other area of environmental or community concern in order to have something to report. There is always something new with regard to strip-mining permits, other communities threatened by strip mining, water quality issues, new coal operators wanting to get into the fray, etc. For this group to seek doubled gifts is not difficult because their work is always intensifying. As they become better known and people trust them, they are invited by residents into new communities. This is a sign of success that donors want to be a part of, balanced by the very real need for more funds for the organization to do its work.

As always, it's important to remember that even though your work may have intensified and the need for what you do may have grown—and the financial ability of the donor to give may have grown as well—the donor's commitment to you may not have changed. In this case, they will exercise their option to give at the same level, reflecting that you are still the same priority to them as before. Be gracious in accepting this outcome. It is not a rejection; the donor is merely turning down the opportunity to become more involved in your group.

Donors Giving \$500 or More

The second kind of donors are those who have made a much more significant investment in your organization with a gift of \$500 or more. Even for an extremely wealthy person, a gift of this amount to a small organization is clearly significant and its loss would be felt. These donors have given this much money because they like the work you currently do and are interested in making sure you can continue to do it as long as there is a need.

With these donors, your task is a somewhat delicate one. On the one hand you must let them know that there is still a definite need while on the other, you must answer the unasked question of why you haven't solved the problem.

You need to convince them that you are making

headway against the problem but that it still exists or exists in even greater proportions than it did the year before. Obviously, when working on issues of hunger, homelessness, unemployment, racism, and others of this nature it is not hard to make the argument that the problem still exists and to convince the donor that the headway you have made against these issues is bound not to be enough to solve them.

However, in certain kinds of fights, such as those concerning the cleanup of toxic dumping in local rivers or lakes, landlord-tenant struggles on a community level, legislative responsibilities, overcoming illiteracy or improving health care on a local level, donors of this size will ask more searching questions about how effective your work is.

Again, your task in making a clear argument for a repeat or upgraded gift will be much easier if you have made these arguments by sharing information with the donors during the course of the year. Then the donor will be familiar with the situation as it has unfolded.

To get a donor to repeat a gift of \$500 or more, it is most helpful to visit. In fact, unless the donor lives very far away or is extraordinarily committed, or there is some other unusual circumstance surrounding the gift, the experience of most organizations is that the size of the gift will go down if the donor is not visited, and the gift might cease altogether.

The strategy for getting the gift to repeat is the same as for getting the gift in the first place: a letter or a phone call containing a request for a meeting. Often people discover that the request for the meeting is turned down, but that the donor offers to renew their gift nonetheless. People question why it is necessary to offer to meet when most donors are too busy to do so. It is the offer to take the time to meet with the person, even if that offer is rejected, that causes the donor to feel included, involved and needed in the organization and makes them want to repeat the gift. Think about how you feel about your friends when you have the flu. If a friend calls and wishes you a speedy recovery, that is a nice gesture, but if that friend offers to do something for you—a trip to the store, deliver a meal—even though you may not need their help, that friend's genuine willingness to go out of their way for you convinces you that they sincerely care about you.

Besides showing your genuine interest in your donors, an offer for a meeting, if accepted, allows a donor to voice any concerns they have about the direction your work is taking and to make suggestions concerning the organization. Furthermore, it gives you the chance to ask the donor not only for another gift, but also for names of people the donor knows who might also be interested in your work. While these types of information can be exchanged over the phone, a phone conversation is never as personal an interchange as a meeting.

Upgrading the \$500 Donor

To get an upgraded gift from this person, you must first determine if the person can afford a bigger gift. Think through what you know about their financial situation—has it changed for the better? This means drawing a conclusion from facts such as whether their last child has graduated from college, whether they've mentioned to you that their house is now completely paid for or that a wage-earner has been promoted.

A second factor in determining whether or not to ask the person to upgrade their gift is your understanding of how much the gift they made to you represented relative to their financial situation and their belief in your cause. For example, an advertising executive earning \$125,000 a year gave \$1,000 to an organization in his community. At the time he gave the gift, he mentioned it was the largest gift he had ever made, although he did support some other local charities. Though a big gift, \$1,000 is clearly not the maximum amount this person could afford for a charity that is apparently his primary financial commitment. So after two years of giving at that level, an upgrade to \$1,500 or even \$2,000 would be most appropriate. In another example, a school teacher earning \$18,000 a year gave \$750 to a citizens' group that opposed toxic dumping in her community. To request an upgrade from her is probably

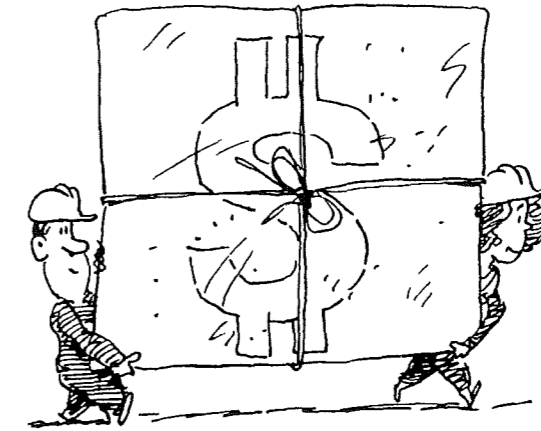
not appropriate, if you know nothing else about her financial situation aside from her salary.

It is never inappropriate, however, to ask people in this category to increase their gift by \$50 or \$100. Even if they turn you down, the request does not seem presumptuous.

Services Rendered

In conclusion, remember that when people give your organization money, they are paying you to do work that they cannot or will not do on their own. Thus, in some ways your request for money is merely a request for payment of services already rendered, or a request to recommit to continue rendering these services. The difference between a donor who renews and one who does not or a donor who, when able to upgrade, chooses only to renew or give less, is not a reflection on the content of your work. Rather, it is a comment on the enthusiasm of the solicitor. People go back to a restaurant they like not to see a new menu, but because they like and trust the old one. And people go back to their same vacation spots hoping that they will be the same, not hoping that they have changed. Particularly with renewing donors, the content of the work has already been "bought"; it is the rekindling of that original desire to buy that keeps the donor giving. ■

(This article first appeared in Vol. 7, No. 3.)



Moving Up to the Big Gift

If you have been fundraising for any length of time, you will probably have persuaded your organization to set up a major gifts program. Whatever amount you determine to be a major gift (for most grassroots groups major gifts start at \$100) you will typically solicit them using a personal approach to a few donors every year. Once a successful major donor program is in place, you will notice that about 60% of your income comes from the approximately 10% of your donors who are major givers.

With a major donor program in place, you join the many grassroots organizations that have a reliable pool of donors who give significant gifts every year. You will seek renewal of these gifts through some kind of campaign format and come to count on the support of these donors. Over time, you can expand the number of major donors by asking board members to ask friends, by asking donors to ask other donors, and by asking small donors to become major donors.

If your group already has a solid and workable major donor program, then you are ready to set up a system for asking for bigger gifts, working to that time when you will ask a few donors for very large gifts, such as \$10,000, \$100,000 or even the magic seven figures—\$1,000,000. You may never need gifts that large, but you still need to

get to the point where you are asking a few \$250 donors to give \$2,500, and a few \$100 donors to consider giving \$1,000. Thinking of pursuing these kinds of upgrades can be intimidating and must be well planned if they are not to backfire. The purpose of this article is to discuss how to get donors ready for an upgrade request of such a magnitude.

The Four Levels of Giving

Abraham Maslow became famous for his theory of the Hierarchy of Needs, which posits that people have different levels of needs, from basic survival to self-actualization. When one set of needs is properly attended to, a person can work on meeting the next level. Each set of needs is built on the one before, and as people move up the hierarchy, they increase their self-awareness and their understanding of the world around them. According to Maslow, happiness, a strong sense of self worth, and peace of mind are the results of reaching the highest level of needs, the need for self-actualization.

While not an exact analogy to the Hierarchy of Needs, there are four levels of philanthropic giving, each of which reflects a donor's increasing commitment to the organization and the group's stronger and more personal relationship

to that donor. As the donor moves up the four levels of giving, each move reflects the group's greater importance to the donor, and at the same time the donor's desire to see the group flourish increases.

The four levels start with the first gift. Most first-time donors give in response to a feeling rather than a thought. The gift is usually spontaneous and impulsive. The donor may have read a mail appeal, attended an event, or seen something about the group in the newspaper, and was moved to give. Even if the gift was in response to a friend's request, it was given more as a favor to or out of affection for the friend than out of loyalty to the group.

Organizations should always have a number of strategies in place for attracting these first-time, impulse-based gifts. The best strategies for generating these gifts are direct mail appeals, special events, and media exposure. Also useful are product sales, door-to-door canvassing and phone-a-thons.

The next task of the organization is to secure a repeat gift by recreating the feelings in the donor that caused him or her to give the first time. Generally this is done with another mail appeal, or a newsletter, or more discussion with the friend. The idea is to give the donor more information and move the donor to feel good about that first gift. This good feeling inspires the donor to feel that feeling again, which happens by giving again. By repeatedly asking for money via a constant effort to educate donors about what a group does (but in a way that allows for refusal), the organization develops a body of regular donors who give every year.

After two more gifts (which may take more than two requests), a donor moves from impulse giving to the next level—habitual giving. The donor now sends money with much less regard for mood, feeling, or personal situation. The donor still gets good feelings from giving, but your group has become part of the routine of what she or he does with disposable income.

Strategies that develop donors to this habitual level are regular mail appeals several times a year, a newsletter, annual special events where the donor will see people he or she knows, and occasional incentives, such as a free calendar or holiday card.

Many grassroots groups are good at attracting new donors and good at retaining them. Most groups fail, however, at moving the donor to the third level, which is the thoughtful level.

To get each major donor to go from giving your group the same amount of money year in and year out to giving your group the largest amount he or she can afford on an annual basis requires a personal approach.

How to Get to Level Three

First, the organization identifies a donor who has been giving regularly for two or more years without significantly

increasing the amount of the gift. Someone from the organization (ideally someone who knows the donor), meets with the donor and says, "Sarah, you have helped us every year with a gift of \$250. This year, I would like to ask you to consider doubling your gift." (The group must have a reason for needing such a huge increase, but that shouldn't be hard to explain.)

This request forces the donor into the following thought process: "They want \$500 instead of \$250. Why? Why should I give more? I could spend that money on any number of things. Do I have the money? Do I love this group that much?" The person making the request must be prepared to provide the kind of answers to these questions that lead the donor to say yes. Perhaps she will say, "I can't give \$500, but I will give \$300." That's a good outcome. The donor has still become a thoughtful donor because she has been forced to think about how important the group is to her—to move past feelings, which come and go (even though feelings provide valuable information for the thought process), and into a statement of loyalty to the organization: "I am committed to this group. I am committed enough to make a more serious financial investment."

Think of the relationship between the organization and the donor as progressing the way any other relationship with a friend or lover would evolve. You meet someone, you see them occasionally, you see them more often, you see them steadily, and perhaps you live together, or name your children after them, or whatever. Each movement forward in the relationship increases the desire for both people to make it work. Even if the donor decides to keep giving the same amount, she or he has been forced into thinking about how important the group is, and that thinking process is critical for building loyalty.

Sometimes groups wonder if such a straightforward and assertive approach would turn donors off. What if, when thinking about the group, the donor thinks, "I don't know why I give to them at all! Good-bye." This could happen. Fortunately, the opposite happens so much more often that it makes the risk worthwhile.

If the donor is turned off by the approach, but not the group, he or she will say so. "I love your group, but I don't like being asked for more money. I will give more when I want, and not when you want me to." You simply thank the donor for being candid and for continuing to support your group, and leave. If necessary, you can apologize for the approach. However, remember the cardinal rule of fundraising: you have the right to ask anyone for money, and anyone has the right to say no to your request. Your job is to do the work of your organization. That work requires money, so part of your job is to get that money. Your job is not to protect your donors from your need for money. It is their job to say whether they have the money or not, whether they want to give it to you or not. Finally, it is your job to accept a negative answer graciously and without resentment.

Getting Major Gifts

If the donor does give more, then the next year ask for the upgraded gift to be repeated. After two more gifts (which, again, may require more than two requests), ask the donor to increase their gift by one-third. In the case of the \$500 donor, ask next for \$750. The chart on the next page illustrates the movement described here.

There is a lot of time between the level of the thoughtful gift and the final level of giving, when a donor includes your organization in his or her will, called in fundraising a planned gift. (We will not cover planned giving here.)

Getting the Very Large Gift

The goal of your relationship with donors is to get each donor to make your organization his or her top giving priority. Most people give to between five and eleven nonprofits. You want to be number one on that list. "Giving" in this context mostly means giving money, but it can also include giving time, work, in-kind services or material, advice and so on. You get to that point by continually asking the donor to think about your group—about your mission, your work, your track record, the need for what you do.

Moving donors to the thoughtful level requires requesting a substantial increase in their gift, usually defined as asking them to double their gift. The doubling, repeating, asking for one-third again as much, then repeating and doubling again goes on for a few years, depending on the donor's receptivity, what level they started at, and what their ability is. For the bulk of your donors, this process will be enough to get to a point where the donor is giving the maximum he or she can afford.

There are a few donors, however, who will be moved into another aspect of thoughtful giving that precedes a request for a planned gift. These are donors who have the ability to make a very large gift.

After three or four years of working with a donor, you should have enough information to be able to identify donors on your list who meet the following criteria:

- They have earned or inherited wealth
- Your group is one of their favorites
- They give to a number of groups, so are accustomed to being asked for money, and giving money away is a basic value for them.

In order to even consider these donors for very large gifts, your organization must meet the following criteria:

- Your annual fundraising campaign runs smoothly
- You have a diverse base of funding
- You need to expand significantly in some area: either you need new space, you need to add several new staff, you want an endowment, you anticipate a surge in requests for your services, you are taking on an expensive and risky project, etc. In other words, you need a significant infusion of money which cannot be entirely (or perhaps at all) raised

from foundation, government or corporate sources, and a few donors have that money available.

Plan the Campaign

Prepare a gift pyramid chart based on your goal. (The preparation of such a pyramid chart is discussed in "Major Gift Programs—The Basics.") The pyramid chart shows how many gifts and of what size you need to meet the goal. Generally, one or two gifts need to equal 10% of the goal, and three to five gifts need to equal 20% of the goal. The rest of the gifts make up the remaining 70%. You seek the top gifts first, and the remaining gifts in descending order of their size.

As a rule of thumb, you will be asking donors for a gift ten times the size of their annual gift. For some donors, you will ask for more than that; where appropriate, you may ask for less.

Let's say you want to buy a building. You are tired of rent raises and of being evicted when the property value has tripled and the landlord wants to sell; you want to fix the space just the way you want it, and you have found just the right building. The building costs \$350,000 (or in New York, you have found one floor of a building for this price). Adding renovation and moving costs, changing your stationary and other printed material to include your new address, and other related costs brings the total cost of the building and the move to \$455,000. Because renovation costs can rise unpredictably, and because there is always something that is more expensive than you thought, plus you want a little money left over for subsequent building needs, you round the campaign goal up to \$500,000.

You prepare a gift range pyramid with the *top* gifts as follows:

Gift Size	Number	Running Total
\$50,000	1	\$50,000
25,000	3	125,000
15,000	5	200,000
10,000	10	300,000
various	many	500,000

Thus, you need a total of 19 people to give the bulk of the money—\$300,000. You will need to ask at least twice that many people, and because of the scale of gifts, you would be wise to identify three times as many. (While half of the people you ask will say yes, an unknown number will say yes to a lower gift than what you suggest.)

So, you need to identify nearly 60 people with the ability to give \$10,000 or more. To do so, first pull out from your donor list all the people who have ever given you \$1,000 or more at one time. If you don't have 60 people from that, pull out people who give you \$1,000 or more in the course of a year. Multiply all those gifts by ten. Perhaps you will have enough people to ask just from this exercise.

Whether you do or don't, you now must look at the names carefully. Following are some case examples taken from a building campaign one group did not long ago.

William and Joy Phillips

Giving history: Started with \$250, have moved in three years to \$1,500. Have always given exactly what we requested.

Gifts to other groups: Very involved in ACLU, listed as sponsors for ACLU anniversary dinner which costs \$500 per person. Active in their neighborhood association, which is all volunteer. Joy built the jungle gym on the playground of the Montessori school.

Income: He is a freelance writer, so income is variable. He always complains that he has too much work, so he must have an income most of the time. She owns a construction firm and builds energy-efficient homes. The local Chamber of Commerce named her the most successful businesswoman of the year in 1988. Combined income estimate based on research into local contractors' fees and the Chamber of Commerce criteria for making the award: \$100,000.

Other: No children, inherited their house (it belonged to his parents). His father owned a string of shoe stores and both parents died in a car crash. The stores were sold to a chain and William got the house and some money. His three brothers got more money because William got the house. They travel a lot, and are on everybody's list for donations. They are very generous. Gave us a printer for our computer when they got our holiday appeal and thought it was unreadable.

Contact: Joe Sterling, Board Chair

Looking at these donors, it is clear that they are active givers, they probably have some inherited money, and they feel close to the group. They are all over the map in their giving, but must be used to being asked often, judging by the number of gifts they make. They have the ability to live well off of their income, so the inheritance may just be collecting interest.

You have two choices here and may wish to explore both. Ask Joe to go with a staff person to ask the Phillips for a gift of \$25,000 or ask Joy to donate her services as the contractor on the renovation. They understand the cost of building and renovating. It may be easier and cheaper for her to give her time and materials than a cash gift. On the other hand, that may not be of interest, and they could give part of the principal of their inheritance, which they don't seem to be using. The gift is more than 10 times their annual gift, but they have increased their giving quite rapidly and seem to have the ability.

As you can see, the reasoning process involves thinking through what other assets the donor has, what their level of commitment is, what they would like about the project, and so on. You are asking people for gifts they will not make often in their lifetime. Even very wealthy people

make capital or endowment gifts very rarely. Think through how much you would give to something you really cared about if you knew you were only going to be asked for such a sum a handful of times. (In fact, most grassroots organizations are so shy they will only ask for a really large gift once in the donor's lifetime.)

Obviously, this couple is ideal. They are generous, they give what is asked, and they have money. They are a real couple, however, whose names have been changed, and they did make a \$25,000 gift to the building campaign.

Let's take a couple of other real examples to illustrate other ways of thinking through how much to ask for.

Jane Hollander

Giving history: Started at \$1,000 and stayed there for three years despite yearly request for more. Sent \$1,500 last year and then came to annual special event. Sent \$500 more without being asked.

Gifts to other groups: Gives \$5,000 a year to a women's health collective and is at least a \$1,000 donor to several Central American groups. Is also on the board of a group working on labor issues and involved in advocacy work for AIDS groups.

Income: She's 25 and doesn't have paid work. She is open about the fact that she inherited money and will inherit more when she is 30. She lives off the income from one trust and gives away the income from another.

Other: Always friendly and warm. Talks easily about money and is very gracious when she turns us down. Don't know what moved her to upgrade this year because the board member who asked her this year didn't know her.

Contacts: Ann Furwall and George Cooper.

Technically, it is clear that this person has the ability to make a \$10,000 gift (10 times her most common gift), and could go as high as \$20,000 (ten times her current giving). The group needs to find out if she would consider making a gift of principal from her trust that she spends the interest from (if that's possible), and also if she spends all of the income from that trust. Her commitments to other groups are significant and she may not make a building campaign a priority.

With this donor, we have mixed information. She has the money, but it is unclear what makes her give more. However, she seems to be very clear about what she funds and what she doesn't. In fact, this woman did not give to the building campaign because she does not believe organizations should be so institutionalized as to own property. She did, however, increase her annual gift to \$5,000.

Joe Tradding

Giving history: \$100-\$500 for five years. Gives when asked, but not always what is asked. Often sends money for no apparent reason (that is, not in response to an appeal).

Gifts to other groups: Gives to his church, but nothing significant anywhere else.

Getting Major Gifts

Income: Retired university professor. Owns several hundred acres of land, some of which he may be donating to a conservancy organization, but some of which is slated for development. Some he bought, but most he inherited.

Other: Very close friend of our first director, who is also the contact. He likes our work and occasionally comes to events. He always sends back our newsletter with the grammar and typos corrected, and for the past two years we have asked him to proofread our Annual Report.

Contact: John Adams

Here we have someone to approach for a gift of property. Selling this land himself would result in high capital gains taxes, but gifting one or two acres of the developable land to a nonprofit would allow the group to sell and realize the profits and no one would be required to pay capital gains taxes. The group needs to verify that he is giving land to a conservancy and that he is interested in selling some of the land. His friendship with the first director makes this an easy approach. If he does not want to give part of the land, it is unclear how much he could afford since, being retired, he will be living off the income from any money he has saved.

This man gave one acre of a five-acre parcel that was

bought for a housing development. The net return to the organization from that gift was \$50,000—their lead gift!

Conclusion

The process of moving donors up should be systematic, thoughtful, and thorough. By building a strong donor base, groups ensure that donors give generously every year and that eventually some donors include the group in their will. To ensure financial stability requires having not only a diversity of funding, but also a large number of people who really care deeply about the future of your organization and are willing to put up their time and money to guarantee your continued growth. In this article, we have explored some of the ways to think through why donors would give and what you should do to get donors to give more.

Donors may not give when they are asked, but the majority won't give if they are not asked, and no donor will give the maximum he or she can afford without being asked. So, if you are serious about raising big money, ask for it. ■

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Stop Looking for Wealth

You may remember a popular TV show from the '60s called "What's My Line?" I watched it as a child and if my memory serves me correctly, the show featured three panelists who had to guess the occupation or identity of each contestant. I don't remember what anybody won or how the contestants were chosen. All I remember is Dorothy Kilgallen and Bennett Cerf and a changing third person saying, "Are you a billboard designer?" or "Are you an FBI Agent?" or "Are you a nuclear scientist?" It's too bad that show isn't on anymore, because we could now have a panel of grassroots activists asking each guest, "Are you a rich person?" or "Are you a donor?" and hoping their group would get a gift as a result of their acumen.

I am reminded of all the game shows of my childhood whenever I see how most groups search for major donor prospects. Despite numerous articles and books about how to identify prospects, activists still look for wealth first, overlooking hundreds of prospects who do not meet their criteria of being rich. As a result, their major gifts campaigns have the same chance factors as game shows, and the gifts they get are more attributable to luck than to skill.

There are two problems in looking only to wealthy people for donations to your group. The first is that how you define wealth may exclude a lot of potential prospects. The second is the fact that wealthy people in general give relatively low amounts of money to charity. This article will deal briefly with these two problems and then provide a

checklist of factors to look for in deciding whether or not someone is qualified to be asked for a major gift.

Who Is Wealthy?

There are dozens of phrases to describe how much money people have. Probably the most common ones in fundraising are "He's loaded," "She's got piles," "They came into money," "She's real Mrs. Gotrocks," or "They've got money coming out their ears." These phrases are folksy and may even be funny, but they are hardly accurate. How much money is a "pile of money"? Is it more than "tons"? Are people who "came into money" "loaded"? The most exasperating phrase is the enigmatic, "They have money," usually uttered in a low voice or even a whisper with a knowing look or wink at the listener. When someone of a more practical turn of mind asks, "Well, how much money do they have?" there is no answer.

How much money do you have to have to be a person who "has money" and distinguish yourself from the rest of us great masses who don't "have money"? Obviously you are "loaded" if you are one of the nation's 20 or so billionaires, or even if you are one of the nation's 400 richest families with average net worth of \$440 million. But are you also rich if you have a net worth of \$500,000 or if you have an annual income of \$100,000? If you "came into money," does this mean you inherited \$1,000,000 or just

\$10,000? Clearly none of these phrases has any meaning that can be pinned down, and the idea that a person "has money" simply means he or she has more money than I do.

For the purposes of most of our groups, we would have a more accurate definition of "rich" if we started with a definition of who is poor and then looked at ourselves in relation to that population. For example, in 1987, four out of five full-time working women in the United States made \$15,000 a year or less. To be in the top 20% of U.S. women in income, then, you needed to earn anything over \$15,000. A more global view puts wealth into even greater perspective. The average adult income around the world is \$800 per year. Of course, the cost of living is less in Bangladesh than in Manhattan. However, even in Manhattan, 70% of adults earn \$20,000 a year or less. These statistics cast a new light on what we might consider "rich." Here is another: A head of household in the United States working full-time year-round for minimum wage will still be \$4,000 a year below the poverty line (for a family of four). Consider again, who is rich?

Within very broad boundaries, then, one can define who is rich and who is poor. But for most of us, in the vast middle ground between true poverty and true wealth, the answer to who is rich will depend on mood, on values, on sense of security, on ambition, and on desire, and will have very little to do with measurable things such as debts, income, taxes, and so on.

Who Are Good Donors?

The second part of the problem is that even when we agree on a definition of wealth and then go looking for people we consider wealthy, we do not find good donors. In fact, 85% of all the money given away by individuals (which constitutes 90% of all the money given away in the private sector) comes from families with incomes of \$50,000 and under.

Two studies by the Independent Sector underscore the point that the wealthier families are not the biggest givers. In 1983, an Independent Sector study of giving by income bracket discovered that families with incomes of \$5,000 gave away an average of \$238, or almost 5% of their gross income. Last year the Independent Sector repeated the study with similar results. Households with incomes below \$10,000 gave an average of 2.8% of their incomes, while those with incomes of \$50,000 to \$75,000 gave an average of 1.5%. Brian O'Connell, president of the Independent Sector, concluded, "As a rule, people of means cannot be described as particularly caring. For that primary category of humaneness, it is the poor and struggling who generally lead the way."

I don't know why the majority of gifts are made by people who have the least amount of money. Perhaps "the rich" are stingy. A more accurate interpretation may be that very wealthy people do not have a sense of need. Hence,

their nickname—the haves. They have things. The have-nots don't have things. For example, who is more likely to give to a community health clinic: 1) a person who only goes to private physicians and has never seen a community health center; 2) a person who routinely uses a free clinic and has never gone to a private-pay health setting; or 3) a person who used to use free health care and now has insurance that covers private care? All things being equal, persons 2 and 3 are your best candidates for donors to the community clinic. Person 1 (the rich person) is not a likely donor.

Looking for Donors

So, when identifying who can afford to make a gift, who will you look for? The following are five suggestions that will lead you to prospective major donors much faster than looking for wealth.

1) *Define a major gift.* Like a definition of wealth, this lends itself to broad interpretation. If you define a major gift as any gift that is significantly larger than your most common gift, then you encourage middle- and lower-income people to give more than the most common gift. A person who gives \$35 can probably give \$50 or \$100 if encouraged, but \$500 or up may well be out of the question. Too often groups make it clear that \$1,000 or more is a *major gift* (which it is), but in doing so they imply that a donation of less than \$1,000 is not a major gift.

2) In deciding if someone would be a likely prospect for a major gift, *find out first if that person gives away money.* Since giving away money is the behavior we want from people, this is the behavior we have to look for. This is a critical shift in view from what we traditionally look for, which is *having* money. A person who has money is not necessarily a prospect. We want people to engage in spending behavior or giving behavior, not having behavior.

3) *Look for reasons that the prospect would believe in what you are doing* to such an extent that your group would be something he or she would spend money on. Remember, the prospect has a limited amount of money to spend, regardless of how "loaded" he or she may be. You must be able to argue that the prospect should give money to your group in addition to other groups he or she supports, and instead of some other groups that ask. Furthermore, you must argue that giving money to your group is a better use of that cash than other things the prospect might buy or do, such as go on vacation or buy new clothes. It is important to recognize that people are not going to keep the money if they do not give it to your group; they are going to spend it on you or on something else. Your argument needs to be framed in that context, and even more so when you are asking for a major gift that requires thoughtfulness on the part of the prospect.

Hence, rather than looking for wealth, you need to

look inward to your group to be clear why the group deserves support. Frame those reasons from the point of view of the prospect. For example, if I am a retired Catholic school teacher, active in the Democratic party, very close to my children who are all progressive politically, one of whom is gay, why will I support your group? If I am a psychologist with a private practice and do volunteer work in community mental health centers, why will I support your group? Look at your organization through the prospect's eyes. What does the prospect see that she or he likes? Doesn't like? Doesn't understand?

4) *Find out who the prospect trusts.* In other words, who can either ask or at least set up the solicitation? Almost any person who regularly gives money to charity is going to have more groups to support than they can afford. The question is what will make your group be among the 10 groups the prospect decides to support of the 15 groups she or he believes in and considers supporting. The difference between what groups people believe in and the subset that they are able to support financially, particularly with a major gift, depends on the person doing the asking. Study after study has shown that the main reason people give to certain groups and not to others is because somebody they knew asked them. This brings home the need for board members, volunteers and staff to start their solicitations with the people they know and move on from there, even if the people they know are of lower income.

5) *Make sure the donor can see how their gift makes a difference* in the context of your fundraising plan. Many groups persist in asking donors for \$250, \$500, or \$1,000 without giving them any sense of how important that gift is. Do you need one hundred gifts at \$100, and ten at \$1,000, or three at \$1,000 and six at \$500—or what? What is the

goal? What if I am the only person who gives \$500? Does it still help? Few people will give what is for them a significant amount of money if they perceive that for your group it is simply a drop in the bucket. Fewer still will give if they perceive that your group is not going to make it. A solid fundraising plan, with campaigns built in and goals set, puts these fears to rest.

Summary

In deciding whether or not someone will give your organization a large gift, burn into your brain that the least important factor is the person's ability to afford the gift. The person's belief, the quality of the solicitation and the strength of the group making the pitch are the main factors that will decide the gift. These are the factors you should be paying attention to.

It is my firm conviction based on years of seeing very poor people do it, that anyone can afford to give away 10% of their gross income. Religious people routinely give this much to their church or synagogue. People with higher incomes give away more, and some of the nation's philanthropists give away 50% or even 75% of their income every year, even without the tax advantages that used to come with this level of giving. Yet, the average household only gives away 1.5% of its gross income. Clearly many of us could be giving more, as much as 900% more. What will make people make that leap? Not ability, as that is already present. For grassroots organizations, the money you need is all around you. Stop looking for it and get busy asking for it. ■

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