The "Four Ws" of Major Gift Solicitation

Here are hints on gaining major gifts for your organization.

BY RALPH H. GOETTLER

Major gifts have always been a big part of capital campaigns. Now they are playing a critical role in annual fund drives and planned giving programs as well. Obtaining major gifts is a four-step process:

1. Identify Them.

First, you need to identify prospective major donors. Such prospects must have not only the ability to give but also an interest in your organization's mission. They should have a clear link with your organization—through familiarity with your board or as a recipient of your services.

An effective prospect list requires background research. Research is essential in obtaining information to establish a link with the prospect. Such information might include, for example, the prospect's alma mater, associations, publicly held assets, board memberships, and favorite causes. Finding the values the prospect shares with your organization is the best pathway to elicit support.

Seek those who have already given generously in the past. They are most likely to give generously in the future.

2. Cultivate Them.

It's important to cultivate people—make them feel part of your organization—before you ask them for money. Remember, friend raising comes before fundraising.

First, organize a group of key volunteers. Have these volunteers meet with prospective donors in small, informal gatherings. Invite not only your prospects but everyone who will influence their decision to give—the prospect's spouse, adult children, business partners, financial or legal advisors, or others.

During these meetings, the volunteers should not solicit funds. Rather, they should tell their guests about the organization and stimulate their interest. Human-interest stories are most effective, and volunteers are in the best position to tell such stories.

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3. Ask Them for Money.

It's during this step that you should consider the four Ws: *Who* should ask *whom* for *what* amount *when?*

The answers are simple when the prospect is a member of your board. Every board member should be asked to give. A token gift from a significant board member can reflect a weakness in the case for support and might raise doubts in the minds of other prospects.

Not all board members can make equally large gifts. But one or more of the top 10 gifts could come from board members. Board members should be as generous in their own financial support as they expect others to be. Such generosity will inspire other donors and ensure board members' effectiveness as advocates.

CREATIVE FUNDRAISING IDEAS

Ask for $100

While people born before World War II tend to feel that $25 is a meaningful gift, baby boomers and younger adults believe it takes $100 to make a difference. As there are more adults born after World War II than before, make sure your request for a donation fits the larger audience. For more ideas on using demographics for fundraising, see Judith Nichols's *Global Demographics*(Chicago: Bonus Books).

Use Barter Credits

Tap into the growing number of companies that are donating "barter credits" instead of dollars. Such credits can save you time and money. To solicit items for an auction in the usual way, for example, you have to send solicitation letters, make phone calls, and then pick up donated items. With barter credits, however, you simply select the items you want from a list of what's available. Barter is also advantageous to companies, because they receive full retail value for their excess inventory rather than the pennies on the dollar they would receive if they sold it on the open market. And by donating barter credits, companies can make a donation without tapping into their cash. To find out more about barter credits, contact Patricia Vile, National Trade Association, 4208 Commercial Way, Glenview, Illinois 60025, 847-390-6000, ext. 149.

Send Fundraising Teams

When asking top prospects for money, use teams. In order of effectiveness, the following teams work best: volunteer and CEO; volunteer and staff member; CEO and staff member. Soliciting in teams is more effective, and team members can boost each other's courage. For more on this and other tips for raising major gifts, see *Fundraising Realities Every Board Member Must Face.* (To order, see page 26 of this issue.)

Who should ask whom?

Choosing the right person to make the solicitation is the key to success. Too many organizations simply match prospects haphazardly with volunteers. Instead, you should recruit each volunteer specifically to talk to a particular prospect. Since each prospect requires a unique strategy, it's imperative to find the right person for the job.

Often the best approach is to have two people solicit the prospect. You can pair the volunteer solicitor with a colleague, the CEO, or development officer. Be sure the two people meet beforehand to be sure they understand their roles. Make it clear that, while the CEO or other staff members may accompany the volunteer on calls, it's the volunteer's responsibility to request the gift. Staff members should limit their role to one of support, explaining the organization's mission and answering questions.

The dynamics—and the results—depend on the solicitor's relationship with the prospect. That's why it's critical to select the most effective volunteer solicitor.

. . . for what amount?

Every prospect—not just major donors—should be asked for a gift of a specific size. Yet volunteers are often uncomfortable discussing a specific gift amount with the prospect. If so, give the volunteer the following suggestions:

- Lead by example. Tell the prospect how much *you* have given.
- Show the table of gifts. Demonstrate the success of the campaign to date.
- Share a list of commemorative giving opportunities with the prospect. Examples: "The foyer would be a fitting tribute to your family," or "Your mother's love of science would be honored by naming the west wing for her."
- Remember that no one is insulted when you request too large an amount.

> Board members should be as generous as they expect others to be.

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Campaigns fail because people *aren't asked* to give—not because they decline to give when asked.

. . . when?

The best time to solicit a gift is when the prospect is ready to give, regardless of the campaign timetable or the director's calendar. Look for these signs that this moment has come:

- The prospect accepts a significant volunteer assignment.
- The prospect begins to refer to the organization in the first person ("we" and "our").
- The ideal solicitor for the prospect makes a generous gift.

When the moment to give arrives, it's important to seize it quickly. Such action will emphasize the campaign's urgency.

4. Take Care of Them.

Stewardship is the engine that propels this giving cycle. The old expression "It's easier to sell to an old customer than to find a new one" is just as true in fundraising.

Keep all donors informed of the organization's progress so that their decision to give is affirmed. Some appreciate commemorative opportunities or other public recognition. Building relationships is important with *all* donors. In many instances, those who make the ultimate gift—a bequest or other generous legacy—began as modest donors and progressed up the donor pyramid through careful cultivation and involvement to become major donors.

Those with the capacity to make major gifts may represent only a small percentage of the total prospect pool, but their impact on the success of any fundraising effort will be significant. By cultivating their interest and increasing their linkage, you can persuade them to make the gifts that will ensure your organization's future.■

Selected References

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Audio and Video Cassettes

Cultivating & Soliciting Major Donors. Video tape. Presented by Henry Goldstein.

Corporate Solicitation. Video tape.

John Carver on Board Governance. Two video tapes. Presented by John Carver.

Speaking of Money: A Guide to Fundraising for Nonprofit Board Members. Video tape.

Special Events Fundraising. Video tape.

Strategic Leadership. Audio tapes. Presented by John Carver.

These resources are available through the Society For Nonprofit Organizations' Resource Center. For ordering information, see the Society's *Resource Center Catalog*, included in this issue, or contact the Society at 6314 Odana Road, Suite 1, Madison, Wisconsin 53719 (800-424-7367).

Fundraising Software Resources

Chronicle Guide to Grants, 1255 23rd Street, N.W., Suite 700, Washington, D.C. 20037 (202-466-1000).

Donor Perfect fundraising software, SofterWare, 540 Pennsylvania Avenue, 2nd Floor, Fort Washington, Pennsylvania 19117 (800-220-8111).

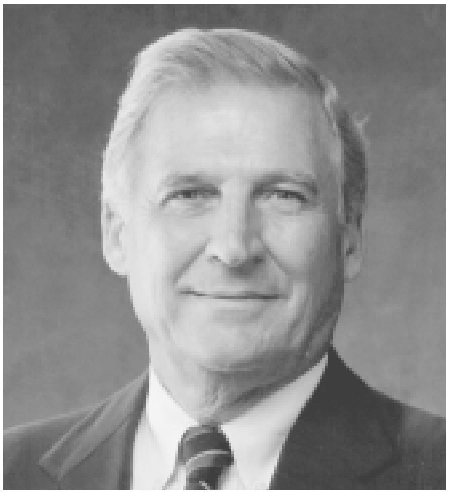
Fund-Master 7.0 fundraising software, Master Software Corporation, 5975 Castle Creek Parkway N. Drive, Suite 300, Indianapolis, Indiana 46250 (800-950-2999; fax 317-849-5280).

ParaGon planned giving software, Blackbaud, 4401 Belle Oaks Drive, Charleston, South Carolina 29405-8530 (phone 800-443-9441, Ext. 307 or 803-740-5400; fax 803-740-5410).

Planned Giving Manager (PGM) software, PG Calc Incorporated, 129 Mount Auburn Street, Cambridge, Massachusetts 02138 (phone 617-497-4970; fax 617-497-4974).

Pledgemaker software, SofTrek, 3729 Union Road, Buffalo, New York 14225 (phone 800-442-9211 or 716-685-0823; fax 716-681-7669).

The Raiser's Edge fundraising software, Blackbaud, 4401 Belle Oaks Drive, Charleston, South Carolina 29405-8530 (phone 800-443-9441, Ext. 307 or 803-740-5400; fax 803-740-5410).



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