

The Goettler Series
To Advance
The Business of Philanthropy

9

Major Gifts

*Developing Strategies
for Success*

The Goettler Series

This article is one of a series on what we at Goettler Associates consider to be the essential elements of fund raising and institutional development today.

We have developed this series in response to interest expressed by our clients and our colleagues in the field.

One must, however, always exercise caution in writing an article as a guide or “how-to” piece. While the article addresses general principles, each philanthropic institution finds itself in different circumstances.

We like to think that one of the qualities that distinguishes Goettler Associates in the fund-raising field is our recognition of this fact: that each institution, each campaign, each situation is different, and that each requires the experience and skills of a team of professionals to listen, learn, analyze and interpret — and then to organize and carry out the strategy appropriate to the specific circumstances.

On the other hand, we also recognize the need to increase awareness of the time-tested principles of successful fund raising and to advance the “state of the art,” so to speak. We intend this series to be an important contribution in this respect.

This series may also help you understand how we think and how we approach fund development and advancing our philanthropic sector. We hope that it will provoke questions — and that you’ll call us for answers.

Major Gifts:

*Developing Strategies
for Success*

It seems suddenly that every development professional is talking about major gifts—as if their importance in a successful fund-raising program were a new discovery.

In fact, the role of major gifts has long been recognized. It was codified in 1960 by Harold J. (“Si”) Seymour who authored the classic text, *Designs for Fund-Raising*. Generations of fund raisers have applied his “Rule of Thirds” to define major gifts:

... the old but still reliable rule of thumb that in any substantial capital campaign you have to get about a third of the money from the top ten gifts, another third from the next 100 largest gifts, and the last third from everybody else.

Why, then, this sudden interest in major gifts?

Perhaps it is because those of us in development are recognizing significant shifts in the Rule of Thirds. In more and more campaigns, the top ten to fifteen gifts are called on to provide much more than one-third of the goal—perhaps one-half or more. And many organizations have found that the broad base of donors who once provided the final third of the campaign goal are so critical to the success of the annual drive that they can no longer be counted on to support a major capital effort. Nor can they be reached in a cost-effective manner.

As a result, the process of identifying, cultivating, and soliciting major gifts has become an even more important part of any significant fund-raising success.

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Major gifts have always been included in capital campaigns. Increasingly, they are playing a critical role in annual fund drives and planned giving programs as well. The procedure for obtaining each major gift is actually a microcosm of a campaign. At its most basic, it is a four-step process:

- identification
- cultivation
- solicitation
- stewardship

During the campaign, each prospect will move through this cycle, and each activity will be taking place with various prospects at all times:

The Giving Process:

	STEP ONE	STEP TWO	STEP THREE	STEP FOUR
<i>Prospect A</i>	Identified	Cultivated	Solicited	Stewardship
<i>Prospect B</i>	—	Identified	Cultivated	Solicited
<i>Prospect C</i>	—	—	Identified	Cultivated
<i>Prospect D</i>	—	—	—	Identified

A campaign such as this—with various prospects and donors at various stages of the giving process—is called a dynamic campaign. It is quite different from the static campaign calendar that assumes all prospects will be

cultivated before any are solicited. It is often more success-ful, because it is based on the timetable of the donor, not the convenience of the campaign director.

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A dynamic fund-raising program such as this requires vigilant management. Depending on the size of the goal and the prospect pool, it is probably a full-time job.

Some institutions are large enough to assign a single person to handle major gifts, while other staff members are responsible for research, annual gifts, etc. At some organizations the development officer must wear many hats, and often involves the C.E.O. in major gift activities. And finally many institutions, especially those including major gifts as an aspect of their capital campaign, retain fund-raising counsel to manage this process. Whoever manages the process, we will refer to him or her as the campaign director throughout this article.

The campaign director must be highly professional, well-organized, articulate, discreet with confidential information, well-groomed, and comfortable dealing with individuals of influence and affluence.

This is not to suggest that the campaign director will be the one who will actually solicit major gifts. We've found that prospective donors are most likely to make a major gift when the cultivation and solicitation is done by a social or professional peer who has already made their own generous gift. In this environment, the campaign director's job is to support the volunteer solicitor with the motivation, training, and materials he or she will need to become a successful advocate.

What is a major gift?

In defining major gifts, it is important to remember the donor's perspective—to him or her, any sacrificial contribution is a major gift, regardless of its relative size. Nevertheless, it is essential to direct the most energy toward those gifts that will have the greatest impact on fund-raising success.

Like beauty, a major gift is in the eye of the beholder. If your organization's campaign goal is \$1 million, then a gift of \$100,000 certainly ranks as major. But, desirable as it may be, a gift of \$100,000 cannot be considered major if your campaign goal is \$10 million.

To define the size and quantity of major gifts necessary to achieve fund-raising goals, the first step is to develop a table of gifts. An effective gift table is never thrown together. Rather, it should be the product of a small

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committee of your community's leaders—especially those who know the most generous contributors—who can adjust the table of gifts to fit realistic expectations.

A giving table based on contemporary giving trends will be quite different from one based upon the “Rule of Thirds.” [Refer to Tables A and B below.]

A table of gifts will serve many purposes in a capital campaign. First, the table may be used during the planning study¹ to affirm that potential major gifts are attainable.

As the campaign is being planned, it will provide a graphic guide for the process of prospect identification by illustrating clearly the number of gifts that will be needed for success. It is a generally accepted rule-of-thumb that there should be three prospects for each gift, so simple multiplication will indicate the number of prospects needed to succeed.

“Rule of Thirds” Table of Gifts Required to Attain \$10,000,000				
No. of gifts	Amount of gift	Total this giving level	Cumulative total	Percent of goal
1	\$1,000,000	\$1,000,000	\$1,000,000	10.00%
1	750,000	750,000	1,750,000	17.50%
1	500,000	500,000	2,250,000	22.50%
2	250,000	500,000	2,750,000	27.50%
5	100,000	500,000	3,250,000	32.50%
One-third of campaign goal met from top ten gifts				
9	75,000	675,000	3,925,000	39.25%
10	60,000	600,000	4,525,000	45.25%
11	50,000	550,000	5,075,000	50.75%
16	35,000	560,000	5,635,000	56.35%
24	20,000	480,000	6,115,000	61.15%
30	15,000	450,000	6,565,000	65.65%
One-third of campaign goal met from next 100 gifts				
50	10,000	500,000	7,065,000	70.65%
75	7,500	562,500	7,627,500	76.27%
100	6,000	600,000	8,227,500	82.27%
150	5,000	750,000	8,977,500	89.77%
200	2,500	500,000	9,477,500	94.77%
225	1,000	225,000	9,702,500	97.02%
350	500	175,000	9,877,500	98.77%
many below \$500 to ensure success		122,500	10,000,000	100%
Campaign goal reached with more than 1,300 gifts				

Table A

Contemporary Table of Gifts Required to Attain \$10,000,000				
No. of gifts	Amount of gift	Total this giving level	Cumulative total	Percent of goal
1	\$2,000,000	\$2,000,000	\$2,000,000	20.00%
1	1,000,000	1,000,000	3,000,000	30.00%
1	750,000	750,000	3,750,000	37.50%
3	500,000	1,500,000	5,250,000	52.50%
4	250,000	1,000,000	6,250,000	62.50%
Top ten gifts exceed one-half of campaign goal				
8	100,000	800,000	7,050,000	70.50%
12	75,000	900,000	7,950,000	79.50%
15	50,000	750,000	8,700,000	87.00%
15	25,000	375,000	9,075,000	90.07%
Next 50 gifts bring campaign to 90% of goal				
25	15,000	375,000	9,450,000	94.50%
35	10,000	350,000	9,800,000	98.00%
40	5,000	200,000	10,000,000	100.00%
Campaign goal reached with more than 150 gifts				

Table B

¹To learn more, please refer to Volume 2 of **The Goettler Series: The Planning Study: Foundation for a Successful Campaign.**

Each prospect must be paired with a volunteer solicitor. On average, a volunteer can be counted on to solicit three to five prospective donors, so simple division will determine the approximate number of volunteers to be recruited.

During the campaign, the table of gifts will be a constant reference—a yardstick against which to measure progress and identify areas needing increased effort.

Finally, after the campaign, the fulfilled table of gifts will be useful in evaluating the donor constituency and planning future fundraising activities.

Identification: from Suspect to Prospect

The distribution of wealth in America today has created a rich pool of individuals, corporations, and foundations with the capacity to make major gifts. Simply knowing who they are, however, doesn't make them prospects. In order to be considered prospective donors, they need not only the ability to give, but also an interest in your organization's mission, and linkage—through familiarity with your board or as a recipient of your services.

Corporations and foundations are often among the easiest prospects to identify, be-

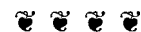


Several years ago, a private college in the Midwest launched its first capital campaign with a goal of \$3 million. The city's leading corporation had been identified as the primary prospect for the lead gift of \$500,000. The campaign chairman knew the corporation's CEO well, and invited him to tour the college with the president. At the conclusion of the tour, the CEO was asked if the corporation might consider a gift of \$500,000.

A few days later, the college president and campaign chairman visited the corporate offices and met with the CEO and a vice president of corporate affairs, who announced that the corporation would be making a gift of \$300,000 over three years. The campaign chairman knew that a gift of \$300,000 would not set the pace for a successful campaign. After restating the college's importance to the community, and explaining the corporation's leadership role in the campaign, he asked the CEO to consider stretching the pledge period to five years.

Five days later, the CEO called the president of the college to confirm that the corporation would be making a gift of \$500,000. Subsequently, in view of this lead gift, two other major prospects raised their gifts substantially so that the campaign's top gifts accounted for almost 60 percent of the goal.

As a result, the campaign exceeded its original goal.



cause they are highly visible within the community, and may have a record of generous contributions. When corporations and foundations are included on the prospect list, there are two important points to remember:

- ✓ although corporations and foundations often give generously, individuals make the vast majority of charitable contributions—more than 82 percent. Bequests take the figure to 88 percent.
- ✓ when corporations and foundations make gifts, *people* make decisions. These individuals must be cultivated much like any other major gift prospect.

Although corporations and foundations give generously, individuals make the majority of charitable contributions—more than 82 percent.

How do you identify those with the ability, interest, and linkage to make major gifts? The place to start is close to home—among trustees, advisory board members, and other volunteers who already support the institution. If there are not at least a few individuals with the capacity to give or get major gifts, the capacity to launch a major gift effort is probably diminished or delayed.²

²To learn more about building a strong fund-raising board, please refer to Volume 7 of **The Goettler Series: The Role of Trustees in Development: Building an Effective Fund-Raising Board.**

If there are individuals serving on the board or in another volunteer capacity who have the ability to give or get major gifts, they probably have friends or colleagues with similar capacity to contribute. An *ad hoc* committee of four to six such individuals can form the nucleus of your prospect identification effort. Individuals who have served as leaders in other voluntary efforts are particularly helpful in this role—the person who chaired the United Way or led another campaign with a donor constituency similar to your organization’s.

Each member of this committee will approach the assignment from a different perspective and will in all likelihood suggest prospects the others may not think of. To direct their efforts and ensure the best result, the campaign director should provide them with a variety of resources:

- ✓ a confidential list of major gift prospects suggested during the feasibility study interviews
- ✓ those who already support your institution at the most generous levels
- ✓ individuals who have benefited from the services you provide, such as alumni or grateful patients
- ✓ the names of those who have provided generous support to similar institutions, gleaned from annual reports and donor recognition displays

- ✓ wealthy individuals and successful corporations identified in reference sources such as *Who's Who*, *Standard & Poor's Register*, and *Forbes 400*.
- ✓ a list of foundations whose guidelines include your type of institution, including their senior staff and board members. Additional information on foundations, including 990 PFs, can be obtained from the local foundation library or the state attorney general's office.

An effective prospect list is more than a simple itemization of affluent individuals, corporations, and foundations. The development professional must augment the volunteers' familiarity with the prospects by conducting background research.

When completed, each prospect's file should include not only his or her name, business and home address and telephone numbers, spouse and children's names, but also information to help establish a linkage with the prospect. Data about his or her alma mater(s), social and professional associations, publicly held assets, for-profit and nonprofit board memberships, and favorite causes will help to identify values that the prospect shares with the organization, and the best pathway to elicit support.



Identifying Prospects on the Information Superhighway

The information superhighway can provide development officers with powerful tools for prospect research, while reducing or eliminating the need to maintain an extensive, expensive library of reference books.

Virtually anyone with a personal computer and modem can gain access to literally hundreds of information sources ranging from directories and bibliographic indexes to full-text sources that print out an entire article.

Most experienced researchers and sophisticated institutional development offices will subscribe to several online databases. A good place to look for services which might meet your institution's needs is Cuadra's *Directory of Online Databases*. A few of the more popular services include:

- ✓ DataTimes, Oklahoma City, OK
- ✓ DIALOG Information Services, Palo Alto, CA
- ✓ Dow Jones News/Retrieval, Princeton, NJ
- ✓ Dun & Bradstreet Information Services, Paramus, NJ
- ✓ CDA Invest/Net, Ft. Lauderdale, FL

Performing philanthropic prospect research on the information superhighway is not always free—in fact, most services charge handsome fees for usage time. However, this cost must be weighed against the time saved and opportunity gained by expanded access to information on prospective donors.



John D. Rockefeller, one of America's most generous philanthropists and a gifted fund raiser, recognized the value of this information when he said:

It is a great help to know something about the person whom you are approaching. You cannot deal with all people the same way. Therefore, it is desirable to find out something about the person you are going to— what his interests are, whether you have any friends in common, whether he gave last year, if so, how much he gave, what they might be able to give this year, etc. Information such as this puts you more closely in touch with him and makes the approach easier.

Often, the work of the identification committee is verified by a confidential prospect qualification committee. These knowledgeable and influential individuals work privately—sometimes in isolation from one another—to affirm each prospect's ability to make a major gift, assign an appropriate amount he or she might be asked to contribute, and determine who the best solicitor might be.

Friend raising comes before fund raising.

Once this process identifies candidates for a lead gift and for the top ten gifts, then the major gift program is ready to move forward.

**Cultivation:
from Linkage to Involvement**

Prospects you hope to convert into major donors will generally fall into two categories:

- ✓ those already familiar enough with your organization and sufficiently impressed with the campaign's objectives to make an early commitment (generally board members or others with significant involvement)
- ✓ those unfamiliar with your organization's activities and thus less inclined to immediate action.

Your identification and qualification efforts helped to identify these prospects. In a dynamic campaign structure, those who are receptive may be solicited immediately. Others will require varying degrees of cultivation.

Often it is not just the prospective donor who must be cultivated. Everyone who will participate in the decision to make a gift should be involved, as well. This may include a spouse, adult children, business partners, financial or legal advisors, or others.



A human service agency in the Northeast had set an ambitious \$8 million campaign goal. More than half of the campaign proceeds would be used to build a new facility in a deteriorating downtown neighborhood. Although the campaign had received several generous gifts and strong voluntary leadership, it was still well short of the goal.

One of the primary prospects for a major gift was the widow of a prominent industrialist. Two volunteers had attempted to meet with Mrs. B, but she was not responsive. As the end of the year approached, she mailed a check for \$500, and asked that she not be contacted again.

At the campaign director's suggestion, the campaign chairman called Mrs. B to thank her for her gift and apologize for disturbing her. As they chatted, Mrs. B mentioned that she rarely went downtown anymore because so many stores and restaurants had closed. The campaign chairman saw an opening, and told Mrs. B how the agency hoped to build a

new facility that would help restore the vitality of downtown. This piqued her curiosity, and Mrs. B asked to meet with the campaign chairman and learn more.

When the campaign chairman met with Mrs. B in her beautiful home, she became intrigued by the project and asked how she could help. The chairman showed her the listing of commemorative opportunities, and suggested that it would be fitting to name the building in honor of her late husband who had devoted his career to building up the city. Although an amount was never mentioned, the commemorative booklet clearly stated that "naming the facility" would require a gift of \$2.5 million.

Within a week, Mrs. B's accountant and attorney met with the organization to structure the gift of \$2.5 million. In later years, Mrs. B continued to support the agency generously, and eventually doubled her original commitment. The construction of the downtown facility sparked renewed interest, and the downtown is once again a lively center of commerce and entertainment.



Quite often, the cultivation process can be lengthy, as Si Seymour illustrated with his pickle analogy: "You can't make a pickle simply by squirting vinegar on a cucumber; you must let it soak for a while."

Ideally, some cultivation may have already taken place, by involving prospects in strategic planning or interviewing them during the feasibility study.

³Please review Volume 4 of **The Goettler Series: The Case for Support: How It Can Become Your Most Potent Marketing Tool**, for guidance in preparing an effective case for support.

Additional cultivation opportunities may occur and should be explored. For example, prospects might be interviewed while the case for support is being researched and written.³

For each prospect, the moment will arrive when it is most advantageous to solicit a major gift. The success of the entire fund-raising effort depends on the campaign director's ability to recognize that moment and act upon it wisely.

By participating in the feasibility study and/or the development of the case for support, the prospect will be subtly drawn into a sense of partnership with your institution and ownership for its goals.

If a large percentage of the major gift prospects are not familiar with your organization, then a structured approach to cultivation may be necessary. Those key volunteers who are already familiar with your organization must be organized and mobilized to meet with other prospective donors in small and informal gatherings, to inform them about the organiza-

tion and its goals and stimulate their interest. No funds are solicited at these gatherings, based on the principle that “friend raising comes before fund raising.”

Those prospects who show a great deal of interest can be put to work right away, hosting a similar gathering for their own circle of friends. This level of involvement leads naturally to advocacy, and creates a positive environment for successful solicitation.

**Solicitation:
Converting Interest and
Involvement to Investment**

For each prospect, the moment will arrive when it is most advantageous to solicit a major gift. The success of the entire fund-raising effort depends on the campaign director's ability to recognize that moment and direct volunteers to act upon it wisely.

The “Four Ws” of Major Gift Solicitation

At this point, **the four Ws** of major gift solicitation must be considered—who should ask whom for what amount when? A fifth W might be added—why should the prospect consider making a gift?

The answers to these questions should be self-evident when the prospect is a member of the organization's board. Every board mem-

ber 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 will have the ability to make equally large gifts. Very likely, though, one or more of the top ten gifts could come from board members. Ralph Goettler always says, “The board should be as generous in their own financial support to the program as they expect the community supporters to be. This will be an inspiration for other donors, and will ensure the board member’s effectiveness as an advocate and solicitor.”

Who should ask whom?

The short answer to this question is deceptively simple: “the person(s) who can best deliver the maximum gift.” In reality, matching solicitors with prospects is no simple process.

In the past, volunteer solicitors were shown a list of prospective donors and asked to select three to five whom they were willing to call on personally. Today, the opposite is true. Rather than matching prospects with volunteers, volunteers are recruited to solicit a specific prospect (or prospects). Each major gift prospect may require a different cultivation and solicitation strategy.

<p><i>OLD METHOD</i></p> <p>Volunteers were recruited, then asked to select three to five prospects they were willing to call on personally.</p>
<p><i>NEW METHOD</i></p> <p>Prospects are identified, then volunteers who will be successful solicitors are recruited for each specific prospect.</p>

Frequently, prospects are solicited by more than one individual. The volunteer solicitor may be paired with a colleague and/or sup-

People give in view of the gifts of others.

ported in his or her efforts by the C.E.O. or development officer. An approach by a team can be quite effective, but requires careful planning and coordination. Once the date and time of the solicitation have been set, the team should gather to ensure that it understands its role and the desired outcome of the meeting.

While the C.E.O., development officer, or campaign director may accompany the volunteer on calls, it should be made clear that requesting the gift is the volunteer’s responsibility. Except in rare instances, professional staff members should limit their role to one of support, explain-ing the mission and vision of



Volunteer Training

Volunteers have the capacity to be the most successful fund raisers, yet they can also be terrible disappointments. Orientation training can increase the likelihood that the outcome of a volunteer's solicitation visit will be a generous gift.

When a volunteer is preparing to solicit a major gift, the campaign director usually meets with him or her one-on-one to discuss the prospect and the strategy for the solicitation. If the campaign leaders have determined that a team of two or three will visit the prospect to solicit the gift, then all members of the team must be involved in this preparation. Training "workshops" involving larger groups are usually reserved for those volunteers who will be soliciting smaller gifts.

Of course, before any volunteer is permitted to call on a prospect, he or she **must** have made their own gift.

The appointment with the prospect should be scheduled by the volunteer. It is often effective to initiate the process with a brief introductory letter. A telephone call can then be made to schedule an appointment; the caller should resist any in-depth discussion of the program over the phone. Finally, the prospect should be sent a simple note confirming the date, time, and location of the meeting.

In preparing a volunteer (or volunteers) to call on a prospective major donor, the campaign director should review the following with the solicitor(s):

- ✓ The Case for Support
- ✓ The prospect's prior involvement with the institution, including prior gifts
- ✓ Other relevant information about the prospect, such as other philanthropic interests, or general biographic data
- ✓ The size of the gift to be requested, and the reasons for the amount

It is often effective to rehearse the solicitation visit by role-playing. A professional development officer can play the role of the prospect, and present the volunteer(s) with a variety of responses—from enthusiasm to reluctance. It may be helpful to separate the solicitation into five phases:

- ✓ **Opening** — to establish a friendly atmosphere and obtain the prospect's trust
- ✓ **Involvement** — a two-way discussion of prior involvement with the organization, focusing on the prospect and his or her family, peers, and other areas of specific interest
- ✓ **Presentation of the Case for Support** — as volunteers describe the campaign goals, they should mention the reasons for their own commitment to the campaign. This should be upbeat, and focus on the organization's strengths. If the prospect has concerns, they





should be addressed graciously.

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✓ **Close** — at the appropriate time, volunteers must be prepared to request a gift of a specific amount, then listen carefully to the response. Volunteers must know to never leave the pledge card behind. If the prospect wants more time to think about the gift, then another personal visit should be scheduled.

✓ **Follow up** — if the prospect agrees to give, then arrangements must be made to formalize the gift. If not, then volunteers should be instructed to find out why the prospect is reluctant and keep the door open for future visits.

The volunteer(s) might also be provided with a portfolio of printed materials to be used before or during the visit with the prospect. This could include brochures about the organization and the campaign goals, a pledge card, a list of commemorative giving opportunities, or a description of planned giving opportunities.

Remember, all five of these steps may not be accomplished in a single visit. Major gifts can require months—even years—of cultivation and negotiation before they are closed.

Finally, the volunteer should be thanked for his or her efforts, regardless of the outcome. The most effective way to reward volunteers' effort is to ensure that their tasks are meaningful, the organization uses all gifts appropriately, and the fund-raising effort is ultimately successful.



the institution, and answering questions as they arise.

The dynamics of the solicitation—and the results—will vary greatly depending on the relationship between the solicitor and the prospect. That's why it is critical to select the most effective volunteer solicitor.

... *for what amount?*

“People give in view of the gifts of others,” says Ralph Goettler. Therefore, setting the amount to be requested from each prospect is a matter of ranking his or her position on the table of gifts based on:

- the *ability* to give
- involvement* with the organization
- linkage* with the volunteer solicitor

Factors that must be weighed in determining the amount each prospect will be asked to consider include:

- ✓ What was the evaluation of the confidential prospect qualification committee?
- ✓ Has the prospect given to the organization before? If so, how much?
- ✓ How much has he or she given to appeals from similar organizations?

- ✓ Has the prospect's financial situation changed recently?
- ✓ How much was given by the volunteer who is carrying out the solicitation?
- ✓ How much has been given by others with a similar financial capacity?

According to John D. Rockefeller, "another suggestion I like to have made to me by a solicitor is how much it is hoped I will give." In fact, every prospect—not just major donors—should be asked for a gift of a specific size. Yet, many volunteers are uncomfortable discussing a specific gift amount with the prospect. In these situations, the campaign director can suggest one of several strategies:

- ✓ Lead by example. Have the volunteer tell the prospect the amount he or she has given.
- ✓ Show the table of gifts, and demonstrate the success of the campaign to date.
- ✓ Share a list of commemorative giving opportunities with the prospect. Indicate that "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."

Every volunteer solicitor should be assured that no prospect is insulted when the gift amount requested is too large, and that campaigns generally 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 time-table or the director's calendar. There are subtle signs to recognize when this moment has come:

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

- ✓ when the prospect accepts a significant volunteer assignment
- ✓ when he or she begins to refer to the campaign or the organization in the first person, i.e., "we" and "our"
- ✓ when the ideal solicitor for the prospect makes a generous gift

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

... *why should the prospect give?*

Entire books have been written to explain the impulses that guide major donors. Some theorists have identified seven types of major donors, while others claim there are really four different characteristics.

Theories can be helpful in planning, but when the time comes to solicit an individual gift prospect, they are irrelevant. The only thing that matters is why this particular prospect is interested in supporting the cause. How will you know this? By involving the prospect and listening carefully to what he or she says—during strategic planning, while researching the case for support, when he or she was interviewed for the campaign brochure or video, or at a cultivation gathering. When an organization listens carefully and responds thoughtfully, then the prospect will realize that a major gift is actually an *investment* in his or her own aspirations. When donors give with this attitude, they will join countless other enlightened philanthropists who have said, “I don't give until it hurts, I give until it *feels good*.”

A prospect's initial inclination to make a major gift is almost always emotional—a desire to do good by helping others. That's one

reason that ambitious, visionary projects are often more successful than modest plans. They fire the imagination of prospective donors who want their involvement to have *impact*, not just maintain the status quo.

However, affluent people are accustomed to making financial decisions based on reason, so they will need valid rationale to affirm their initial emotional response. Some of the factors that can motivate a prospect to make a major gift include:

When an organization listens carefully and responds thoughtfully, then the prospect will realize that a major gift is actually an investment in his or her own aspirations.

- ✓ Strong support for the mission
- ✓ Participation in setting goals for the future
- ✓ Knowledge gained from extensive cultivation
- ✓ Respected peers on the governing board
- ✓ Personal solicitation by an acquaintance of equal stature
- ✓ Evidence that the fund-raising effort will succeed

- ✓ Credible financial oversight and plans for the future

Stewardship—of Gifts and Givers

At the beginning of the major gift process, one of the keys to identifying prospective donors was to look for those who had given generously in the past, for they are most likely to give generously in the future. Stewardship is the engine that propels this giving cycle.

Stewardship of financial resources is a moral obligation. Organizations that solicit gifts are bound—legally, ethically, and pragmatically—to use the money wisely in accord with the wishes of the donor.

Stewardship of the relationship between the donor and the organization can be equally important. All donors should be appropriately acknowledged and kept informed of the organization's progress so that their decision to give is affirmed. Some appreciate commemorative opportunities or other public recognition. Others want to see firsthand the results of their gift by meeting the scholarship recipient or touring the new facility. Donors may also want to be involved in guiding the use of their gift by serving on the board or in another advisory capacity.

The building of 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 to the annual campaign, 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 ultimate success of any fund-raising effort will be significant. By cultivating their interest and increasing their linkage, they can be persuaded to make the gifts that will ensure a successful campaign.

Whether an organization is conducting its annual fund drive, initiating a capital campaign, or building an endowment, there are a limited number of prospects who will ensure the program's success. There are no set rules for identifying, cultivating, soliciting, and stewarding these prospects—each warrants an individualized strategy. And each will give when solicited by a peer who has already given generously, and when convinced that support for your organization is an investment in his or her own desire to improve the common good.

About the Firm

Goettler Associates was founded by Ralph H. Goettler in 1965 to serve the nation's nonprofit organizations. The firm brought together a group of highly qualified professionals to serve the total funding and marketing requirements of clients' major fund-raising initiatives. Since 1965, we have helped more than 1,500 nonprofit entities raise over \$1 billion to fund capital projects, build endowment, or facilitate special projects.

Services

Goettler Associates is a full-service, client-oriented firm. We tailor a program to the special circumstances of each client. This often requires a combination of several essential elements, including capital, annual, and deferred giving; and marketing and public relations. We take pride in the quality of counsel that we can provide in all of these areas.

We have helped our clients conduct successful capital campaigns, increase annual operating support, establish planned giving programs, and strengthen their endowments through our services:

Studies and Assessments

- › Campaign Planning Studies
- › Development Assessments
- › Strategic Planning

Donor Cultivation and Campaign Positioning

- › Leadership Awareness Programs
- › Case for Support Development
- › Campaign Identity and Marketing
- › Writing, Print Design, and Video Production

Development Support

- › Prospect Research
- › Endowment Management
- › Executive Search

Campaign Management

- › Resident Campaign Direction
- › Periodic Campaign Consulting
- › Consultation on Annual and Deferred Giving Programs

The Team

The Goettler Associates team of fund-raising professionals draws upon a wealth of experience and is supported by extensive human and information resources. Our consultants average more than fifteen years of experience in institutional advancement.

Building on Trust

Our Mission is to assist nonprofit organizations in achieving challenging fund-raising goals by:

- › strengthening the client's image and awareness;
- › recruiting, training, and motivating volunteers; and
- › attracting significant philanthropic support.

We guide our clients toward their financial goals through:

- › the integrity and high performance standards of our employees;
- › effective and honest relationships; and
- › the quality of our work in achieving success.

Let's Talk About Your Situation

Fund-raising campaigns have been won without implementing all the principles and strategies discussed in this article. Often, in the course of planning and executing a particular campaign, we find that the best way to achieve success is to “invent” new tools and approaches to replace the standard ones. We at Goettler Associates strive to apply the principles of fund raising in a flexible way that is appropriate to the needs and circumstances of each individual client.

There are certain constants, however. Our experience shows that the campaign which is properly conceived, planned, and executed—with the assistance of professional counsel—is the campaign which invariably enjoys success.

We'd enjoy talking with you informally about these ideas. Or, better yet, we'd like to learn about *your* situation and discuss with you how we can apply our experience and talents to further your success. We would welcome the opportunity—without cost or obligation—to learn more about the current status of your advancement program. This includes your development objectives, the challenges you face, and the resources you have for achieving your goals.

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