



Major Gift Strategies for Success

Is It Time to Throw Out the Campaign Manual?

As our country works toward recovery from this severe recession, many development professionals are asking if the rules have changed. Is it time to rethink our approach to fund-raising and donor engagement?

If there is a call for greater efficiency and effectiveness of your development program, we suggest you take a careful look at the operations of your major gift fund-raising activities.

At its most basic, major gift fund-raising is a four-step process: **identification, cultivation, solicitation, and stewardship.**

In spite of the economy, these four steps present the basis for creating the metrics that will result in a successful program.

The key to success is how each step is implemented, as outlined in our featured *Goettler Series* Volume Nine: Major Gifts—Developing Strategies for Success.

1. Identification: from Suspect to Prospect: Prospect identification is a crucial aspect of any business. Be sure to first establish a keen appreciation for your current donors. Who is giving and why? How did they come to support your organization, and how were these relationships forged? Be sure to learn from your past success to guide your future work. Finally, explore and prioritize all of the potential capacity within your existing donor pools before moving on to research others.

(continued, page 3)

Responding to Current Market Survey Results

The Road Ahead in a Changing Marketplace

The results of our Outlook 2009 on-line survey* painted a clear picture of what most of us already know. . . raising money today is challenging. But, as development professionals are an optimistic lot, let's focus on the positive and work to find the best path forward.

What did we learn? We learned that the future lies with individuals. Not exactly an “ah ha” moment you say, yet it seems that far too many organizations have to learn this lesson time and time again. Our survey results show that there are organizations raising more money than in previous years, and the contrast of these organizations that bucked the downward trend did so with individual donors.

Individuals are still giving, and those organizations which did raise more did so with larger gifts from individuals. Many were actively engaged in capital campaigns, others saw improvement from focused major gift efforts, and in the words of one survey participant “we asked more people to give.” We believe the results of our survey point to the activities and disciplines that will lead your organization to better results.

We must carry the disciplined focus of leading individuals through the defined major gift metric that clearly exists in a capital campaign to our day-to-day development activities. For many of our colleagues, it is just this activity that resulted in their increased levels of gift revenue. Many others are on this path as they identified that they are working toward:

- revising overall fund-raising strategies,
- specifically increasing efforts with annual/recurring gifts, and
- increasing efforts with major gift programs.

Surprisingly, these are not entirely unlike previous years; however, we believe there is a renewed sense of urgency to accomplish these shifts in strategy and tactics, and we as a firm have been listening.

* download a copy of the full survey report from our website

(continued, page 2)

Strengths + Objectivity = SUCCESS

Our SMART-FOCUS Fund-Raising Analysis Report Card

The response to our new SMART-FOCUS service has been tremendous. We have had the opportunity to work with a variety of organizations. We have listed just three engagement outcomes that further demonstrate the success of our “strengths-based” approach:

- A community college developed a roadmap to a more effective major gifts effort, and identified the opportunity to engage a larger corps of volunteers from surrounding communities.
- A Catholic high school identified a metric-based approach to its annual appeal methods. The analysis and report built general consensus on carefully allocating limited staff resources; on direct and personalized appeals; and the potential to expand the number of mid-level donors, all for the single purpose of student sponsorship.
- A social service organization serving youth found that too many major donors were corporations and financial institutions that were cutting back. The analysis was able to uncover a key group of donors that had made gifts, but not every year. Finally, former board members and alumnae were identified for increased contact.

To learn more about the SMART-FOCUS Fund-Raising Analysis, please browse our website.

The Road Ahead in a Changing Marketplace

(continued from page 1)

Over the past several months we have been working to develop an array of services that respond to these shifting needs with solutions that can fit into today’s nonprofit organizational budgets and operational urgency.

- Our SMART-FOCUS Fund-Raising Analysis is priced at \$7,200 and can be completed in about 30 days. The design of this unique analysis is focused on identifying the strengths of your organization, development programs and staff. Our recommendations strive to identify specific and immediate tactics that your organization can implement with little or no additional cost. We work to position these recommendations within an overall organizational metric for improved and continued growth in your fund-raising results.
- We have forged an alliance with a computer application developer specializing in on-line, peer-to-peer fund-raising, targeted e-Mail and social media marketing. Our goal is to help our clients integrate new opportunities created by today’s social internet to cast a wider net to attract new donors, to improve their ability to build community and to drive operational efficiencies.

Successful organizations will respond to today’s marketplace by working to expand the number of donors and neutralizing the current market trend toward a smaller dollar volume of recurring gift transactions.

- To support and improve your major gift efforts, we can provide individualized development action plans, board and staff training, or direct the electronic prospect research and qualification of your donor and broader prospect constituency database.

Goettler Associates has a prescription for the changes in the fund-raising marketplace that so many organizations are facing today. We can assist you not only with determining the right strategies for your particular situation and existing resources, we can also help you to implement new strategies and new tactics; improve your annual/sustaining gifts programs; and, of course, with your major and special gifts program.

Our firm is confident that the nonprofit sector will find innovative solutions to generate sufficient financial resources and get back to the important work ahead.



Is it Time to Throw Out the Campaign Manual?

(continued from page 1)

Effective prospect identification lies in securing information not only on wealth and capacity to give, but also the best pathway to elicit support. In a word: linkage. You may find a linkage to new major donors through your key stakeholders and other volunteers who already support your nonprofit organization.

2. *Cultivation: from Linkage to Involvement*

In our experience, cultivation of donors is the most neglected step in the process, and often one that can be the most important and rewarding aspect for greater volunteer engagement. How often do we hear that our board members will “do anything except ask for money.” Then why not respond by asking for their assistance in a cultivation event?

The most effective fund-raising programs have a structured approach to cultivation. Working creatively within the organization’s existing schedule of activity and events can reveal opportunities to utilize key volunteers to meet with prospective donors in small and informal gatherings.

3. *Solicitation: Converting Interest and Involvement into Investment*

At some point, the four W’s of major gift solicitation must be considered—**who should ask whom for what amount and when?** These seemingly simple questions are often quite challenging to get just right. For most nonprofit organizations, the discussion will include the role of professional development staff vs. the role of the board and other volunteers in the process.

Historically, our view has been that a peer asking a peer to consider a philanthropic investment was the preferred method, with professional staff members limiting their role to support and assistance. In many situations today, these roles have changed dramatically, with the staff expected to lead the effort, and limited roles for the volunteer.

While many successful fund-raising departments have “graduated” to performance metrics and moves management, the dynamics of the solicitation and the results will depend on the relationship between the asker and the donor. Be sure to select the most effective person, whether they are staff, volunteer or a team comprised of both

4. *Stewardship: of Gifts and Givers*

Stewardship of financial resources is an obligation, and the relationship with the donor should be maintained with equal importance. In many instances, those who make a transformational gift or significant bequest began as modest recurring donors and progressed up the donor pyramid through continued cultivation and involvement.

For more insightful information on this topic, be sure to visit our website and download a complimentary copy of Volume 9 in our Goettler Series, Major Gifts—Developing Strategies for Success.

The Goettler Series

Major Gifts Developing Strategies for Success

Major gifts have always been vital to capital campaigns. Today, they are playing a more critical role in advancing the mission of successful nonprofit organizations.

The ninth volume in our acclaimed Goettler Series describes how you can work to develop strategies for major gift success!



To receive your complimentary copy, please take a moment to complete and return the enclosed reply card. Or, you can download a copy from our website:

www.goettler.com

For more information, e-mail us at:
info@goettler.com





GoettlerAssociates

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;
- the quality of our work in achieving success.

We would welcome the opportunity to learn about the current status of your advancement program — your development objectives, the challenges you face, and the resources you have for achieving your goals.

A Goettler Associates representative is available to discuss your future plans and share our insights and ideas for advancement. We offer a preliminary consultation without cost or obligation.

580 South High Street
Columbus, Ohio 43215
(614) 228-3269 voice
(800) 521-4827 toll-free
(614) 228-7583 fax

Regional Office

334 Dickinson Avenue
Swarthmore, PA 19081
(610) 662-9527 voice

On Second Thought

Is Social Media Right for Your Organization?

The phenomenal impact of social networking on the '08 Presidential election has spawned a tidal wave of nonprofits that want to put Twitter, Facebook, LinkedIn and similar applications to work as a fund-raising tool.

But what is social media? For anyone beyond their 30s, such as board members and possibly chief executives, there remain questions. How does it work? What will it cost? How much time will it take, and what are the returns? Unfortunately, too few are asking these fundamental questions before launching head first into this exciting new arena.

Clearly there are many reports of success, but recent studies suggest that industry-wide fund-raising results through social networking sites are ineffective compared to traditional methods. Then are we advising against a move to social media? Quite the opposite. The suggestion of ignoring social media is akin to suggesting that marketing, branding, and public relations have no impact on fund-raising results.

Social media can be an extremely effective and remarkably affordable tool, but it should be one instrument within an integrated strategy to overall Institutional Advancement. We believe that organizations should also evaluate on-line peer-to-peer fund-raising, e-mail marketing, as well as mobilizing your constituency through community building websites. It will help you cast a wider net to attract new donors, remain relevant in today's fast changing social Internet age, and drive efficiencies.

How to tie all of these new media tools together with your existing development strategies has been an issue we are carefully and diligently evaluating. Perhaps you too have evaluated early purveyors of new media applications only to reject it based on the significant costs quoted. As this new media marketplace has grown, there are now very affordable options that are delivering impressive returns.

Yet, no commitment of resources will be truly successful without an overriding strategy and plan. What works for a small private high school may not work for a national advocacy group, and what works for a community hospital may not work for an alumni association.

For most nonprofits today, social networking contributes more to their awareness and presence rather than their bottom line. Organizations who invest significant resources (be it time or money or both) solely on social networking are not likely to see a financial return any time soon. Take a coordinated, measured and strategic approach. Understand your objectives, your budget, available resources and how to measure a deliberate course to new media integration. Don't get caught on the sidelines, and don't chase a red herring.

