The Seven Pillars of a Major Gift Program

As a result of our years in working alongside major gift programs, we have learned that the key to success in major gifts is creating a strategic plan for each qualified donor on your caseload.

Creating a strategic plan for every donor who has signaled they want to be involved to a greater degree:

► **Gives you a road map that shows you where you’re going.** If you allow your (and your volunteers’) interactions with individual donors to be subject to the ebb and flow of your day or week, you will wander in your relationship to those donors. And that wandering will cause failure.

► **Provides a structure to work within.** This doesn’t mean you can’t change the plan as needed. In fact, a framework actually frees you to be more creative in the type of tactics you employ during the course of the year. Without a framework, you’re simply scrambling.

► **Keeps you accountable.** Having specific plans and goals to reach with each donor guide you toward your bigger goal. Each donor strategic plan is a stepping stone on the path to providing robust revenue for your organization. It can only do you good.

► **Actually works!** Everyone in the major gifts world seems to be looking for the one big donor, the right mix of board members, or the magical campaign or event that will take their organization to the next level. Experience tells us that what actually works is staying focused on your donors, having a plan for each donor and working that plan, and remaining accountable. It’s not sexy, but it’s the foundation of most successful major gifts programs.

But creating a strategic plan is only the beginning of what will cause success in your new and improved major gifts program. There are seven steps or pillars which, when followed, will make you a successful major gift fundraiser.

In this article we will list the seven pillars and offer a short explanation of each one, to help you see how they fit together. Note that each step gives you links to dig deeper into learning and tools. We want to provide you with the details of what needs to be done in each of them and how they can help you build the right strategy for your major gifts program.

**Pillar 1: Cultivate the Right Donors**

If you hope to be successful in cultivating major donors, it’s essential to make wise choices about which donors you will relate to. The most important thing is to create a caseload of donors who WANT a deeper relationship with your organization.

But, as we’ve already indicated, it is also essential for every MGO to have a manageable number of donors on his or her caseload. This means each MGO is cultivating no more than 150 qualified major
donors. In addition, once you have qualified a group of no more than 150 donors, the donors should be grouped into three tiers (A, B, and C) based on your assessment of their ability and interest in giving. MGOs should expect to spend half of their time working with A-level donors.

So, the first step is to make sure you find those donors who want to get more involved. And this means putting all major donor prospects through a qualification process to find the “right” donors.

**Pillar 2: Establish a Revenue Goal for Every Donor**

We strongly believe you need to establish a revenue goal for every donor on your caseload. This goal gives you a destination that can shape your work with each donor. The goal for each donor needs to be realistic, yet it should have a bit of a stretch in it as well. Why? Because these goals will help push you to new heights. In our experience MGOs that create goals with some stretch in them usually make them.

Often, we find that MGOs are reluctant to create goals for individual donors because they fear they will be reprimanded or may even lose their jobs if they don’t make the goal. This is not what goals are about. Goals are there to 1) drive the plan for your donor; 2) help your team budget for the year; and 3) help you stay focused on the process to get to your goal.

Frankly, major gifts are often volatile. The changing circumstances of just one donor could totally “blow” all your goals for that year. Does that mean you have failed? Of course not. Not if you stayed with your process and plan. That truly is all you can control. But we have found that an MGO who creates a plan and stays focused on it will normally make or exceed their original goals.

Sometimes, MGOs are required to establish goals that are not their own—often such goals are just “what the boss wants.” Or they may be told that giving needs to be raised a certain percentage, so they simply attach the same percentage of increase next to each donor’s name. That’s insanity. The goal for every individual donor should have a story that includes what he gave last year, his current financial situation, how he feels about your organization, and where you stand in relationship with him. It’s not just assigning a dollar figure based on a previous dollar figure.

**Pillar 3: Create a Strategic Plan for Every Donor**

To put it simply, the strategic plan answers the question of how you’re going to make your goals. Planning for every donor on your caseload is no small task. It means undertaking the arduous exercise of evaluating your interactions with that donor during the past year and analyzing the outcomes. It means thinking carefully about the type and timing of your communications, and how they relate to what your organization is seeking to do in the next year. It means creating a cash flow for your revenue goals that includes your best estimates for when the gifts will come in. And, of course, it requires really understanding each donor, so that you can effectively connect her passions with the good work you are doing.

Sometimes we talk with development officers who believe they do not need an individual plan for each donor because “My major donors just want to help.” Of course, your major donors want to help. So do all the other people who support your organization. But does this mean all your supporters are exactly the same? If an individual shows noticeably greater inclination and capacity to give than most others, do
you think she’s letting you know she wants the exact same information and engagement as everyone else?

Successful major gifts programs are led by strategy, and this strategy means creating an individual moves management plan for each donor. It’s only right that your contact with them should reflect their interests and make it clear that you know they’re special.

**Pillar 4: Ask Donors for Support**

When the average person thinks of development or fundraising, “the ask” is what usually comes to mind first. Of course, asking for financial support is a key part of any good major gifts program. But too many nonprofits jump to quickly to that point without the necessary preparations and planning. If you’ve read this far, you know we view that as a major problem in many major gifts programs.

It is essential to match the hopes, dreams, and desires of your donors with the elements of your program. You can only do this if you are looking your donors in the eye, and understanding exactly what programs or projects you have that will meet those desires and dreams. This means spending significant time with your donors, time that allows you to find out who they are, why they give, what they are most passionate about, and what elements of your organization’s work will most interest them. Only then can you ask for their support in ways that are both effective and respectful.

A good ask builds a bridge between the interests and passions of the donor and the needs of the organization. Too many MGOs jump right into the process of writing proposals, thinking only about the needs of their organization. But unless your request is based on knowing what a donor wants, he or she won’t fully engage.

**Pillar 5: Thank Donors**

You might think we would not need to mention this; unfortunately, this key step is still too often neglected. Whenever we work with an organization, we spend some time talking to their donors to get a sense of their experiences. It’s astounding how often they tell us that they never get thanked for their gifts. And, we’re not talking about gifts of $10 or $25—we’re talking about gifts of $10,000 or $25,000!

It is absolutely essential that you have this thanking business down. This means having a protocol in place to 1) send a receipt quickly (within 1 week of receiving the gift); 2) calling the donor within 3 days of receiving the gift and 3) if appropriate, have the executive director call to thank the donor.

Thanking every donor is an essential way of telling the people who support your work that you value them and their gifts.

You must not mess this up. It’s key to a long relationship.

**Pillar 6: Report Back**

In surveys with donors asking why they stop giving to organizations, repeatedly the top answer is “I never heard back from the organization about how my gift made a difference.” Sadly, we have found that many organizations have no process for making sure donors ever hear about the progress that has been made because of their support.
When donors make a substantial gift (or even a small gift) in support of a particular program or campaign, it is essential that you offer them updates on the progress of that program. You simply must make reporting back to donors a priority for your organization. Otherwise, you will always struggle with donor retention—and that will limit the good work you’re able to do.

Donors need to know that their gifts make a difference. It’s pretty simple: If you don’t tell donors what their gift has helped to accomplish, you probably won’t get another gift.

**Pillar 7: Be Accountable**

Accountability seems like a harsh word. For those of us who are independent spirits, the word can evoke negative feelings. This is too bad. Because accountability is a good thing. It helps us do what all of us—managers and employees, donors and staff—want to do.

But often, nonprofits don’t have their act together on the accountability thing. Internally, the problem often starts with managers who do not define anything for their employees. An employee is hired to do a job, but everything about that job—including the job description and the objectives—is so vague that no one has a clear and common understanding of what needs to be done.

Unfortunately, in many nonprofits there seems to be little value placed on setting goals, measuring progress against those goals, and holding people accountable to do good and effective work. Good folks often struggle to help people or change the world through really good programs but often are stymied while money is lost, labor is wasted, laziness is rewarded, and a lot of mindless activity is being tolerated. Organizations spiral down because employees who want to do good work get the nagging feeling that there’s a gap between what’s expected of them and what they can actually deliver. That gap—such a nasty little gap—is what will tear them down.

When you go through those “dry” periods, someone has to be able to look you in the eye and say, “Hang in there, and trust the process. The process works.” Such accountability will help you stay focused and prevent you from veering off into the woods and getting lost.

Accountability is not something punitive and negative—although many managers use it that way. Management and accountability systems and processes should be a kind, honest, direct way of helping a person meet expectations—not just management expectations, but their own expectations as well as those of their peers and subordinates.

Without good management and accountability, leaders will not lead as they should, MGOs will not perform as they should, and the funds for program will not come in as they should. But when management and accountability are done well, it’s beautiful, because every person on the team is clear about expectation and has a chance to meet them. When managers do this kindly and positively, they will have happy, effective, and productive MGOs. Happy, effective, and productive MGOs mean happy donors. Happy donors mean programs receive funding, which is what we all set out to do in the first place.

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