

Webinar Supplemental Manual Part 2: Major Gifts

FRENCH AMERICAN CHARITABLE TRUST

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**BY REBECCA JOHNSON, JAMES (KIM) GILLIAM, ALFREDA BARRINGER & EMILY
GOLDFARB**



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FAP Webinar Session 2: Introduction

Many of our organizations would like to have a major donor campaign, raising individual gifts of \$500 or more, but “we don’t know any rich people.” The second part of the FACT Fundraising Assistance Program Webinar will help you to think differently about who major donors are and how you might reach them.

Much of what was discussed in part 1 of the FACT FAP Webinar, the process, organizational commitment to and capacity for grassroots fundraising, is applicable to the process of creating a major donor campaign. You may find it useful to review the materials and presentation from the first webinar in preparation for the second.

As in the first webinar, you will find background materials to help you prepare for Webinar 2 as well as supplemental materials to support your ongoing success as you create new fundraising systems and processes for your organization.

Background and supplemental readings for the Session 2 of the FAP Webinar are largely drawn from two excellent resources:

Untapped: How Community Organizers Can Develop and Deepen Relationships with Major Donors And Raise Big Money, The Linchpin Campaign – A Project of The Center for Community Change, 2009; and

The articles that comprised *Getting Major Gifts – The Basics*, a compilation of articles by Kim Klein that are available individually at the GIFT/Grassroots Fundraising Journal website.

Section 2.1: Why Major Gifts?

Over \$300 BILLION is given to charity annually in America, and of that, over 75% comes from individuals. Yet, we build organizations that are 75% or more dependent on foundations. This is a contradiction.

As organizers, we have developed skill sets for our programmatic successes that almost exactly parallel the skill sets necessary for successful major donor fundraising. However, due to time constraints, fear, misconceptions (I don't know anyone with \$), and a lack of commitment to change our deeply engrained fundraising habits, we continue to go back to our foundations while largely avoiding any deep engagement in individual major gifts work.

With a few basic tools, and a disciplined willingness to change our fundraising habits, we can resolve the contradiction and build stronger, better organizations in the process.

Background Reading: *Untapped* p. 6-8 follows.



ORGANIZERS CAN RAISE MONEY FROM MAJOR DONORS:

An Introduction to The Potential and The Challenges

Consider the Real Potential.

Community organizing attracts considerable financial support from major donors, pointing to a viable and important opportunity for those raising money for organizing. Ninety-four percent of over 100 private, mostly progressive donors we formally surveyed give to community organizing. However, those same donors give more elsewhere. Forty-two percent of those we surveyed focus less than 25 percent of their giving on organizing.

Individual donors provide a substantial amount of support to nonprofit organizations overall.

The Giving USA Foundation estimates that individual giving amounted to nearly three-quarters of all giving in 2007. While this includes all types of nonprofits, including religious congregations, with social change organizations representing just one area, it speaks to the importance of individuals as a funding source.

In the Linchpin survey, over half of the donors we surveyed give at least \$100,000 annually, and over one-third give at least \$500,000. Nearly all of the donors we surveyed contribute at least \$10,000 each year.

This is the first major survey to show that community organizers have earned the trust and respect of donors. However, while many view community organizing as critical for achieving social change, few have a long-term giving strategy to support community organizing.

The potential for organizers to raise money from these individuals is clearly untapped.

Aim Higher than What the Average Member Can Give: Who is a Major Donor?

A major gift is a financial donation that has the potential to make a real difference in the development, planning, and success of your organization. A major gift is an investment in your organization's vision. It could be \$500 or \$1,000,000, depending on the organization. An individual who makes consistent gifts of a magnitude you determine to be particularly significant to your organization is the type of major donor we consider in this guide. When determining the characteristics of a major donor for your organization, think beyond the amount of money an average member of the organization can give. Keep in mind that many major donors are accustomed to thinking big when it comes to money.

A prospective major donor for your organization is someone who: believes in your cause, has money to give, and is someone to whom you or someone working with you has access. For an overview of how to identify potential major donors, see page 10.

Show Your Impact and Effectiveness.

The Linchpin donor survey suggests that some major donors who support community organizing are not giving to organizing efforts at higher levels because they believe it is difficult to measure its impact and they don't seem to be seeing what it all adds up to—the big-picture outcomes that community organizing achieves.

Organizers can address these perceptions head-on, and many are effectively doing so. In this guide, you will find sample phrases, examples, and tips for engaging major donors. For more on measuring impact and seeing the big picture, see page 27.

I think [community organizing] is an essential component when it comes to creating social change, PERIOD. There is nothing that it is not well suited for.

—major donor

USING ONE-ON-ONE MEETING SKILLS FOR MAJOR DONOR FUNDRAISING.

Organizers who raise big money from donors cite the usefulness of a tool that many already use in other aspects of their work: the one-on-one meeting. For those who may be less familiar with this technique, in a one-on-one meeting (in this case with a prospective donor), the organizer sits down for a face-to-face conversation with the donor and listens in order to understand who the person is and what motivates her or him.

The organizer asks open-ended questions that require more than a “yes” or “no” answer. An example of a one-on-one question that is useful for better understanding the interests of a potential donor is simply “What are you passionate about?” or “What keeps you up at night?” The organizer primarily listens—actively listens. An active listener is able to repeat back what the donor says, demonstrating understanding. The organizer may or may not agree with the donor, but indicates that she or he is listening. The organizer makes eye contact, minimizes distractions by turning off a cell phone or radio, and notices and uses positive body language and other nonverbal signals, such as sitting in a relaxed position and smiling, and nodding. Listening is contagious. The donor will feel more open to what the organizer is saying if she or he feels understood.

The organizer primarily listens, but also shares some of her or his motivations as well, sometimes in the form of a story. For example, an organizer fighting for workers’ rights might describe her father’s involvement in a labor union as a motivation. An organizer who at one time worked as a nurse may use that experience to illustrate his interests in creating a more equitable health care system. A leader who is mobilizing to win better wages may describe what it was like to learn that workers in a neighboring county earn much more money for doing the same job.

The deep listening that is integral to an effective one-on-one meeting helps to establish or deepen the relationship between the donor and the organizer. The assessment skills that a good one-on-one meeting fosters lead to the organizer’s ability to make connections between the donor’s interests and the organization’s work and activate that relationship as a public force.

Provide a Bridge: Link Your Work with Donor Interests.

Major donors support organizations that help them to achieve their goals in their areas of interest. You can connect with a donor who shares your organization’s interests but may not yet support organizing by creating a bridge. You can offer examples that link your work to the top issues a donor cares about and to the priorities that motivate the donor. For more about creating “bridge” statements, see page 22.

Connect Emotionally through Stories.

Relating stories about your work and what you do is an important way to connect with donors. While they want to know that your work is effective, many donors are moved to support you from their hearts, not by the details of your work plan. Forty-five percent of donors in our survey reported that “a story about a successful organizing effort related to an issue or population I care about” would be the best way to influence their giving. In contrast, 25 percent said that “receiving facts and statistics about the impact of community organizing” would influence them to give more.

Focus on Building Relationships.

Even though many organizers report that what they like least about raising money from individuals is asking for it, you spend a relatively small amount of your time doing that, in proportion to the amount of time you spend cultivating the relationship. Even prospecting and finding people to approach takes a relatively minor amount of time. The vast majority—over 90 percent of individual donor time—goes into building the relationship. One of our goals is to support you in using this time as effectively as possible.

Obtaining and sustaining gifts from major donors requires ongoing cultivation and relationship building. This includes overcoming any potential discomfort you may have relating to a wealthy person. Keep in mind that a donor with the means to become a major donor could live anywhere, be of any culture, race, or gender, and could have money to give for any number of reasons. Your major donor fundraising will be more effective if you take the time to consider your preconceptions, as well as the dynamics of how you think and feel about money and people who have money and how your own experiences shape your thinking. For more on relationship building with donors and the dynamics of money, see page 10.

“‘Change not charity’ – it’s a good slogan and a good policy. It’s these local organizations that accomplish change that the bureaucracy is helpless to do.”

—major donor



FOUR STEPS OF MAJOR DONOR FUNDRAISING.

There are four primary steps for raising money from major donors: 1) prospecting, 2) cultivating relationships, 3) asking for money, and 4) thanking donors for their support and engaging in ongoing stewardship of the relationship. (While the steps in major donor fundraising are ongoing, at times you may run a six-to-eight week campaign.) The steps apply across approaches and issue areas and are well-documented, so we do not focus on the overall process in this guide. For some suggested resources and how-to guides for moving through all of the steps, see Appendix Three.

Section 2.2: Identifying Prospects

Remember the Constituency worksheet from the first webinar? You will want to refer to it for this next section. In it you named your constituents and plotted them in relationship to their closeness to and understanding of the mission of your organization. Their relationship to the heart of your organizing and advocacy efforts. Let's look at it now:

Categories of Constituents Worksheet

Committed Supporter – The Inner Circle

Informed and Aware Supporter – One circle out from center:

Aware Supporter – 2nd circle out from center:

Interested but Un-informed – 3rd circle from center:

Potential Supporter:

Compare the persons/groups of individuals you identified above with this list of groups that make up potential prospects for a major donor campaign:

Close to Your Heart	In Your Community
Organization members & staff	Civic organizations
Family members & friends	Chamber(s) of Commerce – regular, African-American, Asian, Latino, Immigrant affiliated chambers
Business contacts/affiliations	Places of Worship
Those who have moved or are no longer active	Alumni & professional networks
Local politicians	Colleges & universities
Allies	Socially responsible investment professionals
Those who already give – to your organization or others	Existing outreach channels
Donor Contacts	

Don't forget – a current grassroots fundraising constituent may be a future major donor!

Background Reading: *Untapped*, p. 10-16 and *Getting Major Gifts –The Basics*, Grassroots FR Journal follows.



WHO ARE MAJOR DONORS?

Donors Have Priorities for Their Giving.

Major donors to community organizing fall into several broad categories. Sometimes their giving overlaps more than one category. Being aware of these categories can help you to figure out the best way to approach and talk with a specific donor. Sample categories include the following:

POLITICAL/ELECTORAL DONORS give to candidates and toward civic engagement efforts to increase voter registration and voter participation, for example. When we asked donors in the Linchpin survey to rank their top areas of interest, they ranked this area third overall.

ISSUE-BASED DONORS give to address the issues that most concern them. In our survey, the top interest area donors cited was economic justice and poverty, followed by environment, civil rights and political participation, and education.

DONORS CONCERNED WITH COMMUNITY LIFE AND LEADERSHIP give to aid a local community's improvement or for the improvement of a city, and toward efforts that offer training and opportunities for community-based leaders.

SOCIAL VENTURE DONORS AND NEWLY WEALTHY ENTREPRENEURS give to a wide range of interests. It may seem counterintuitive to approach someone whose core work is to build a profitable business, but it is important not to overlook these potential donors. For example, these types of donors are used to taking risks. They may be more open to an approach that they are less familiar with, such as community organizing, if it resonates with their values and concerns. They often know first hand what it takes to get things done. They know why you need a good Web site and a database to build your infrastructure, and decent salaries to sustain an effective staff. With this type of donor, you can think about the specific role she or he can play in supporting your work. While these characteristics can be true of anyone, they particularly apply to social venture donors.

“This is the difference between the way my father gave and the way I give. The bottom line for him was: ‘Is it cost-efficient?’ rather than my question: ‘Do these people deserve a chance?’”

—major donor

CONSTITUENCY-BASED DONORS give to organizations that address the interests of the constituency they are most moved to support. Seventy percent of donors we surveyed said their giving supported women; 69 percent said racial, ethnic, or tribal communities; 67 percent said children or youth; and 52 percent said immigrants. About 50 percent said their giving benefited LGBT individuals.

FAITH-BASED DONORS give to institution- or congregation-based organizing or to efforts with an explicit spiritual values base. Around 25 percent of donors we surveyed reported contributing to support people of faith as a constituency.

YOUNG PEOPLE WITH INHERITED WEALTH may be figuring out where they can be most effective. This type of donor may start by giving to services in an area of interest that reflects her or his own experiences as a student, volunteer, or camp counselor, leading to support for a scholarship fund or an after-school or camp program. But this type of donor may be very open to hearing about your organizing to improve the public education system or exploring other methods of structural change. “Young people with inherited wealth have many different stories of where the money comes from, how long it has been in the family, and what their class upbringing or class culture is,” says Rodney McKenzie, Jr. executive

director of Resource Generation, a national organization that works with young people with financial wealth to deepen their social engagement and understand their role as philanthropists. “Equally diverse are the ways they feel about the money, ranging from guilt to responsibility, entitlement to a sense of possibility.” Young donors in particular engage with the work broadly and serve in every role, from organizer to donor to fundraiser.

DONORS ARE “NICE.” One organizer who cultivates major donors in a range of these categories notes that the organizers he works with would rather do anything than ask people for money. “They will ask people to drive hours to go to a meeting at the state capitol, or to come in and make a hundred phone calls, but they will do anything to avoid asking people for money. It’s funny, because major donors are really nice,” he laughs. “They’re interested in us and what we do, they love meeting regular people from the community who are leaders; they sometimes even offer you lunch and tea. These conversations are not argumentative,” he says. “We go in prepared, of course. We have the three things we want to get out of the meeting, and who will play what role, just like when we meet with a legislator or a reporter. The donor may say ‘I’m sorry, we have different interests,’ but compared to a lot of other meetings organizers put together, meeting with donors is really very pleasant.” It is pretty normal to like the other aspects of what you do more than asking for money. It may help to keep in mind that as happy as an organization is to get a major gift, the donor is just as happy to give it. In our interactions with donors and with the organizers who work with them, the picture of a major donor that consistently emerges is one of an approachable person who wants to do good—a person who wants to do something useful with her or his money.

MAJOR DONORS ARE DIFFERENT FROM FOUNDATIONS. While many aspects of raising money from foundations are similar to raising money from major donors, there are some differences. Individuals have priorities and interests, but they tend to be driven by the heart. Their giving is not guided by the same kinds of mission statements and established goals that foundations have.

Where staff members represent foundations, individuals generally represent themselves, possibly with the support of an assistant or a financial advisor. You can approach individuals directly to build a relationship or ask them to increase their giving.

Individuals tend to be less formal than foundations in how they consider gifts, and they have no cutoff dates or waiting periods—they can fund you whenever they want for as long as they want, and give as much as they want to give. Some individuals give more money over the course of a year than foundations do.

“Working with major donors can be so much easier than writing a ten-page proposal or writing funding reports with all sorts of graphs and charts about outcomes,” says one longtime community organizing director. “Often, major donors make quicker decisions than foundations. Phone calls and visits with donors can replace a pile of paperwork. Donors often continue to increase their donation as they learn more about the work. In addition, donors are often more willing to make multiyear commitments or to make monthly pledges that help cash flow.”

DONORS MAY HAVE FAMILY FOUNDATIONS.

If a donor is also connected with a family foundation, you may be able to approach her or him as an individual and also through the foundation. The goals of the donor’s family foundation may match yours, and family foundations sometimes have money that individual family members can access at their discretion. It is important to be sensitive to the appropriate channels of communication. For instance, if you are going to approach the foundation, it is generally best to follow the foundation’s guidelines—don’t bypass the staff and go directly to the donor, even if you have a relationship with the donor. Similarly, an individual donor may have a donor-advised fund that is staffed by a fund manager. In that case, you would approach the fund manager for a major gift.

IT’S NOT ALL ABOUT MONEY.

All of the gifts of a major donor, including her or his time, advice, and connections, can support your organization and be long-lasting. In this way, major donor fundraising is really a form of organizing. You build a base of engaged people who bring resources but can also provide support in other ways.

The best relationships with major donors are not just focused on making a financial transaction. As one organizer puts it, “We are not picking the donor’s pockets. We are not selling a used car. Our donors can give us access; they can connect us to other donors; they have ideas. These are real relationships.”

PEOPLE GIVE TO PEOPLE. PEOPLE ARE COMPLEX. Relationships with major donors are, first and foremost, relationships. They require time and commitment to cultivate. Individuals have idiosyncrasies, yet every potential donor is worth getting to know. Even those who seem different from you can share your goals, value your organization's constituents, and believe in your work. As many organizations acknowledge, even within their own memberships, not everyone agrees on everything. Yet people find ways to work together based on the values and goals they share.

"People are complex," suggests one organizer who regularly cultivates major donor relationships. "Progressive organizers tend to ignore people's complexity just because people are on the other side in some areas." For instance, you and the donor may not agree about a social agenda, but that same donor may be extremely upset about how local schools are failing and how this is making the region economically uncompetitive. In forging a relationship with this donor, you can look for the broad connections, the threads you can pull from what she or he is concerned about. You can talk about

THE DYNAMICS AROUND MONEY.

In major donor fundraising, staff and leaders directly confront their fears around asking for money or their preconceptions about people who have money to give. Some think, for example, that if they need to approach someone of a different race or from a different economic class, they will be in a world they don't know and won't know how to act. "I won't know what fork to pick up at lunch" is how one organizer put it.

Knowing what your own fears, feelings, or preconceptions are and coming to terms with them internally is important for being able to leave them at the door and work with major donors. You can start by thinking about your own background and experience with money and how that may influence you in your fundraising role. What has the role of money been in your own life?

Often organizers believe that donors see them in certain ways—as beggars or as people whose time is not as valuable as that of donors. Raising money from major donors is not begging. What we hear from donors is that they understand that it is your job to approach them. They know that you need to raise money to do your work, and you have to get it from somewhere.

It can help to simply make a list of what you think the donor thinks about you and talk about it with another person in your organization, as a way of trying to come to terms with it. You can also list and talk about your assumptions about the donor. It's common to anticipate that a donor will act a certain way based on her or his wealth, race, or gender, especially if these are different than your own. These assumptions may or may not turn out to be true, but if you are going to have a real, productive relationship with a donor, knowing who she or he is as an individual is essential. Organizers sometimes apply their anger at injustice to anger at people with wealth, believing that people with money to give have done something wrong to get that money. In order to meet a potential donor in the most fair and conducive place possible, understanding any of these kinds of thoughts and feelings you might have, and finding some other place to put them, makes a difference in your effectiveness.

Another dynamic to consider is that a donor may not necessarily be from a completely different world than yours or your organization's members'. Major donors can come into money in a range of ways and may donate a significant portion of what could be considered a relatively modest income. People who give big money come from all cultural, racial, gender, and professional backgrounds.

Organizers sometimes see some donors as people they would never ally with if it was not for the money. Or they fear that major donors are looking to get overly involved and directive about the organization's work. This is why getting to know a donor as a complex person with a range of ideas, goals, motivations, and gifts to contribute is essential for determining where you would like to try to fit that person in relationship with your organization and into your fundraising base.

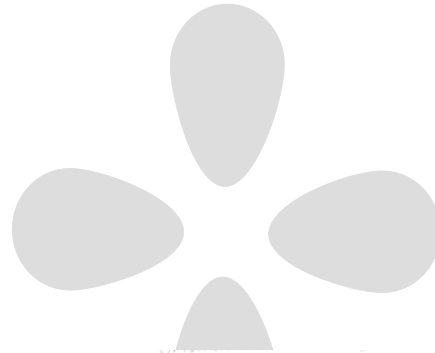
Facing your fears and feelings, getting to know an individual with wealth, forging a relationship, looking her or him in the eye, directly asking for money, and continuing to build on your connection not only strengthens your fundraising ability, but shifts the power dynamics around money itself. This is true for organizers and leaders alike.

how your organization gets public school parents—who share the donor's concerns—involved in making the public school system stronger and more effective.

Even if a donor is on another side of the political spectrum, or even opposes some piece of your organization's agenda, you can directly acknowledge: "We don't agree on everything, but we do agree on many things when it comes to what kids in this community need. And your gift will help us make those kids' futures brighter."

RELATIONSHIPS REQUIRE ONGOING PERSONAL CONTACT. It is essential to stay in close personal contact with each donor. Ultimately, you want yours to be one of the top organizations the donor cares about and is committed to supporting. The closer the personal contact, the more likely it will lead to sustained giving.

You can simply ask the donor which type of contact she or he prefers. Some only want e-mail. Others like to hear from you or members by phone. Some prefer to get a hard copy of the newsletter in their mailbox and have coffee with you once a year. Similarly, some want public recognition. Others wish to remain anonymous. Once you know what the donor wants, you can follow those preferences.



"The more people are afraid of or intimidated by me, the less they tell me the truth and the harder it is to truly connect. Every room I walk into, I am seen as holding the checkbook to solve everyone's problems. Sometimes I feel like I'm going to die from all the people who want money from me. But if that's the price for [my] engagement and self-respect, I'm willing to pay it."

—major donor

WHAT DONORS SAY, AND THE IMPLICATIONS FOR ORGANIZERS

The following statistics reflect the views of the donors who completed the formal survey we distributed through progressive social change funding networks. For more on the Linchpin survey, please see Appendix One. The implications for organizers, examples, and talking points draw as well on Marjorie Fine's interviews and ongoing conversations with donors, donor advisors, organizers, and other supporters of community organizing.

Throughout this section, while we primarily cite the organizer as the representative of the organization, many of the statements we use as examples could instead be spoken or adapted by development staff or by leaders from the organization's membership.

Linchpin Survey: Finding One

Major Donors Do Open Their Wallets to Community Organizing and They Can Give More

Donors...

- **GIVE TO ORGANIZING.** Ninety-four percent of the donors we surveyed make financial contributions to community organizing.
- **BELIEVE IN ORGANIZING.** More than nine in ten respondents believe community organizing can play a critical role in achieving their goals for their giving.
- **HAVE MORE TO GIVE.** Nearly half (42 percent) give less than 25 percent of their annual donations to community organizing.

Implications for Organizers: Identifying Major Donors

Move individuals into relationship with your organization and move them up the giving ladder.

Start Inside.

Finding prospective major donors whose purpose matches yours begins inside and works its way out. You may already have a set of prospects, but for those just starting out with this type of fundraising, you can begin with the members of your organization and make a list of who they know. The following is an example of questions you could list on a worksheet, asking members to think about a set of indicators that make sense for your situation.

- 1) Who demonstrates that they value our work, by coming to our events or asking you for information about our work? Who shows potential interest, for example, through what they do for a living or where they volunteer?
- 2) Whose giving patterns in other areas suggest they are “givers” and have money to give? Who attends local fundraisers, donates auction items, or gives to organizations that work on similar issues?
- 3) Who knows, loves, or supports you, and would potentially be open to extending that relationship to include supporting our organization?

The following suggests some brainstorming categories. For some of these, you can also keep in mind the networks you and others in the organization already are part of via online social media tools, such as Facebook.

It is important to not limit your brainstorming with preconceived ideas about who gives, in terms of race, class, gender, or neighborhood. People from all racial, ethnic, and gender groups, who live in all different communities and come from all walks of life, can and do give, and give big.

As you build your list, you can prioritize where you want to focus first:

ORGANIZATION MEMBERS AND STAFF.

Who within the organization can be tapped to become what you define as a major donor?

FAMILY MEMBERS AND FRIENDS. Who can you connect with among the family members and friends of your organization's members and staff? Your goal is to begin to develop a relationship that is not just based on individual loyalty, but a relationship with the organization. They begin to give because they love you, and continue to give because they are connected to the work.

BUSINESS CONTACTS/AFFILIATIONS. Include those with whom your members and your organization do business. You can approach both the business owner and the business itself. Consider every place from local restaurants to office supply stores to funeral parlors, both large and small businesses and corporations. Include local medical practices, real estate agencies, beauty parlors, accounting firms, and other professional services. You are not prospecting for favors from these businesses; you are looking to identify new relationships with individuals who support what your organization does for the community.

Sometimes union memberships or trade organizations can be similar sources for potential relationships, with the head of a union, for example, being a potential personal donor.

THOSE WHO HAVE MOVED OR ARE NO LONGER ACTIVE. Include members, board members, and community allies who have moved away or are no longer actively involved. This gives those who still care but can't be involved the chance to stay connected and those who have moved the chance to still support the work back home. This can include people who made money in your neighborhood with a small business but have since moved away.

LOCAL POLITICIANS. You can go to politicians you have worked with and ask both for their direct support and for names of people they know who you can approach. One organization was able to identify new donors by asking defeated candidates for public office to send a letter to their donors, asking them to support the organization as a way to achieve some of their goals.

THE BEST CONTACTS: THOSE WHO ALREADY GIVE.

An individual who already gives to you or to other organizing efforts at low levels offers the best potential to move from being an "impulse giver" to becoming a thoughtful, major donor. Similarly, those who already give at a high level can move from giving on impulse to giving more steadily, and giving more. Those donors have shown that they value community organizing. They have also proven their ability and willingness to make financial contributions.

Moving people up in their giving really does work. Review your relationships regularly, and when a donor has been consistent, consider asking for more.

Also, when your organization brings in new donors who give to honor a friend at an annual awards event, for example, plan out how you will cultivate and keep them as donors. This is an example of engaging those you know are willing and able to make donations.

ALLIES. Your allies at the foundations that fund your work, clergy whose members participate in your organization or benefit from your work, and community organizations that you've worked with can all potentially give you names of major donor contacts.

THOSE WHO ALREADY GIVE—TO YOUR ORGANIZATION OR OTHERS. Who already gives \$100 or \$250 to your organization? Can you move them up the giving ladder to become bigger donors?

Who do your inner contacts know who gives to other community organizing efforts or to support similar issue areas? Who from among those donors can you move into your organization and up that ladder?

No organization owns its donors. Donor information tends to be in the public domain, listed in annual reports and on Web sites. Exploring this with reasonable sensitivity is appropriate. You can review the donor pages of annual reports of organizations that work on your issues as well as gala programs or ad books from their events. Don't limit your research to community organizing supporters. For example, an organization that provides services for children may give you some potential

names of people to approach for your campaign to make health care for children and families more affordable—and someone within your organization may know them and be able to make the first contact.

DONOR CONTACTS. You can ask current donors for names of potential donors as well. Current donors “are some of the best untapped resources for donor prospects,” suggests Priscilla Hung, executive director of GIFT.

BUILD OUT INTO THE COMMUNITY. You can gain access to new relationships—and a sign-in list of potential donors—by speaking at gatherings that have a wide reach of engaged and active community members. You can use these opportunities not necessarily to ask for money on the spot, but to expose people to your issue and the ways you are addressing community problems. Some places to consider include the following:

CHAMBER OF COMMERCE. One organizer reports that a presentation to the local Chamber of Commerce offered a key way to access relationships that led to millions of dollars eventually going into community organizing. While this clearly doesn’t happen everywhere, local business associations are definitely sources of potential supporters. Similar gatherings to address might include a Rotary Club meeting, a bankers’ luncheon, or a YMCA staff meeting.

PLACES OF WORSHIP. You and your organization’s members can also expose people to your work by speaking at congregation services, events, and social action committees. Nearly every congregation has people of some means. Talking to the faith-based community is an important way to identify donor relationships.

ALUMNI AND PROFESSIONAL NETWORKS. Articles in newsletters of colleges that you, staff, or active leaders attended, or professional associations you are part of, promote your organization and may lead to contacts down the line. This includes reaching out through sororities, fraternities, and similar networks.

COLLEGES AND UNIVERSITIES. Speaking with a class or at a campus event is another way to put information out there about your work and meet potential donors, even if it is not an appropriate venue to immediately and directly ask for money.

SOCIALLY RESPONSIBLE INVESTMENT PROFESSIONALS. You can write to and approach those who have a client base of people who already care about social issues, to get on their radar as a possible contribution to your organization. Or you can ask to present with these professionals when they speak with groups of investors and demonstrate that supporting your organization is a way to give back to the community.

EXISTING OUTREACH CHANNELS. Make sure that anyone who looks at your Web site or receives communication from you knows how to easily give to your organization, by clicking on a donation button or mailing back a self-addressed envelope. This is a way to get small donations and to get names of people you can further cultivate.

DO SOME LIST RECONNAISSANCE. Regularly pass the list of potential donors to the board of your organization and its fundraising committee. Foundation staff members who support your work can also offer insight into the list. Ask them all to provide as much information as possible about the interests and capacity of the potential donors they know, so you can best determine how to approach each individual.

In addition to cultivating financial support, consider other ways you could strengthen the connection between people on the list and your organization. Who could be a board member? Who might open doors to other donors? Who would be willing to volunteer for a specific task?

PLAN YOUR APPROACH AND EACH MEETING. You can develop a plan for approaching each person on the list based on existing relationships, donor interests, and giving history if you already have an individual donor program.

Part of the plan is to decide who can best approach those on the list and how they should do so. Whenever possible, have the person with the most direct relationship—the “hottest” contact—reach out first. If that person cannot make the first contact, ask if the person who will make the contact can use her or his name. Decide if the best initial contact is by letter, e-mail, or phone, and choose how you will frame your purpose in that communication. Be direct that you would like to meet for forty-five minutes to an hour to let her or him know more about your organization and to explore her or his interest in supporting your work.

The goal of the initial contact is generally to get a meeting, which may be for cultivation or to ask for a gift,

Getting Major Gifts:

The Basics

by Kim Klein

There are only two absolutes in fundraising:

- in order to raise money you have to ask for it
- once you receive the gift, you should thank the person who made it.

In studies asking people, “Why did you make your most recent donation?” 80% have answered, “Because someone asked me.” Of that group, only 50% can remember the name of the organization they gave to, but almost all of them can remember something about the person who asked them, even if that person was a stranger. The lesson here is that your chances of getting a donation are highest when you ask someone for a gift in person. Further, the likelihood of donations being repeated and upgraded is also much higher with such personal contact.

In organizations committed to having a diverse base of funding, about 60% of their general operating income should come from about 10% of their individual donors. This releases them from being overly reliant on foundations, corporations or government monies. Obviously it is too unpredictable 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. In fact, up to 60% of the time spent on individual donors should be spent identifying this top group, increasing the number of people in it, and seeking to increase the size of gifts people in that group are making.

This article discusses each of these aspects of the major gifts process. Using an operating budget for a hypothetical group, we will show how to determine the gift ranges required to meet the goal. First, it is necessary to understand how to create a gift range chart.

The Gift Range Chart

It would be ideal if you could say, “We need to raise \$50,000 so we are approaching 2000 people to give \$250 each.” Then you send a letter to 2000 people who have been known make gifts in that range, phone them after they receive the letter, even visit some of them, and get your money. Unfortunately, 2000 people will never act the same way. Some of them would give less than \$250, 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. A few people are willing to give large sums of money; a few more people will give slightly smaller sums; and many people will give much smaller amounts. Based on that pattern, it is possible to plan how many gifts you should seek and in what amounts to meet any fundraising goal, and how many prospects you will need to ask to get the total number of gifts you need.

The pattern we have observed is this:

- 50–70% of an organization’s income comes from 10% of its donors
- 15–25% of the organization’s income comes from 20% of its donors
- the remaining 15–25% of the organization’s income comes from 70% of its donors.

In other words, you will get a great many small gifts, but most of your income will be from a few larger donations.

A second observation concerns gift size. Generally one gift needs to equal 10% of the goal, the next two gifts need to equal the next 10% of the goal, and the next 3–5 gifts need to equal an additional 10% of the goal. After the top 30%, the

group will have greater numbers of gifts in lower amounts as we go down the chart. The specific number of gifts of each amount depend on a number of variables: where the group is located (a rural group will generally have fewer small gifts because they don't have the population to have thousands of gifts in one category); how many people you have working on the campaign (the more people you have, the more people you can ask); what your experience raising money in this way is, and so on.

Let's look at an example. Suppose a group has a budget of \$100,000 and decides to raise \$50,000 from individuals and \$50,000 from foundations. They will raise the \$50,000 from individuals using a variety of grassroots strategies, such as direct mail, special events, and major gifts (defined as any gift of \$100 or more).

Of the \$50,000 they need from individuals, they will raise \$30,000 — 60% of the money they need — in gifts of \$100 or more from 10% of their donors, using the major gifts solicitation techniques described here. They will raise \$10,000 from donors giving \$25–99, which will be about 20% of their donors, using direct mail. They will raise the remaining \$10,000 in gifts of all sizes, mostly \$1 to \$50, from about 70% of their donors using raffles, special events, T-Shirt sales, and so on.

They can plot out how many gifts of what size they will need to make their goal, using a tool that is called a “Gift Range Chart” (see the example).

GIFT RANGE CHART

Goal: \$50,000

GIFT AMOUNT	NUMBER OF GIFTS	NUMBER OF PROSPECTS NEEDED	TOTAL	CUMULATIVE TOTAL
\$5000	1(10%)	4	\$5,000	\$5,000
2500	2(10%)	8	5,000	10,000
1000	5(10%)	20	5,000	15,000
500	10	30	5,000	20,000
250	20	60	5,000	25,000
100	50	150	5,000	30,000
TOTAL: 88 major gifts (10% of donors and 60% of \$)				\$30,000
\$25–99	≅175	varies w/ strategy	\$10,000	\$40,000
\$1–50	≅600	varies w/ strategy	\$10,000	\$50,000

The Gift Range Chart is to be used as a planning mechanism, not a blueprint. Its purpose is to guide you in figuring out what kind of major gifts you will need to solicit in order to meet your goal. The numbers can be changed, the ranges moved up and down, depending on the group.

Whom to Ask, and for How Much

Once the gift range has been established, you can proceed to figure out where to find prospects. Ideally, you would start by concentrating on getting the top gifts and work

down. However, you can also start with the highest gift you can get and work up from there. Most people have friends of equal or slightly higher economic well-being. If you are a person who can give \$250, you will know five more people who can also give that amount, and a few able to give \$500. In turn, the \$500 donors will know five more people able to give \$500 and a few able to give \$750 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, test the proposition that the group is worth supporting by starting with yourself. Make a gift that is large enough that you can feel it, and that you can feel good about it. Now ask yourself who you know who cares as much about the cause as you do and could give that much or more. One way to help people to give a larger amount than they may feel initially able to give is to encourage them to make a pledge. Almost any employed person can give \$100 by paying \$8 per month. Many people have found that they can make much larger gifts than they have before if given a chance to spread their payments over a year. Recognizing that being a large donor is not the exclusive province of the 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. What is the highest gift you have received, and how did it come about? Do you now have donors who have given \$100 or more? It is not unusual for people to send in \$50 or \$100 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; 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:

Ability: Evidence that a person has the ability to make the size of gift you want

Belief: Evidence that a person believes in your cause, or would if they knew about the cause

Contact: Evidence that a person knows someone in your organization, so you can establish contact with them.

When you have positive information about ability, belief and contact, then you have a “qualified prospect”—that is, someone who can be asked for a gift. For obvious reasons, we call these criteria ABC, but in order of importance, they are CBA, and we will examine them in that order.

Contact: The most important factor is contact. If you don't know the person or don't have access to them, then you have a stranger and not a prospect. That's why you start with who you know. You know three kinds of people: those you know personally, those who are known by people you know (you might gain access to a person in this category by using the name of someone you both know), and those who are currently donors. Though you may not personally know each current donor, you can call any donor and say, "We don't know each other but we have in common that we support Verygood Group." Many of your best contacts are going to come from people who give money already.

Belief: Ask yourself if there is any reason that the potential prospect would not believe in your cause. Groups working for social change often think that a person won't believe in their cause when in fact the prospect has no opinion one way or the other. They may not have heard of the group, or possibly even the issue, or don't see how the issue affects them.

Sometimes a person may not recognize that their own beliefs are represented by a group because of how the issues are presented. For example, an organization working to keep abortion legal ran into problems at a meeting in a small, politically conservative community when it described abortion as a vital feminist issue. This language did not resonate with the audience. However, when a leader in the organization said, "The government should not make these decisions for us—a woman should make a decision about the outcome of a pregnancy for herself," the meeting participants applauded loudly. Though they supported legal abortion as a right of self-determination, they did not identify their support as a tenet of feminist ideology. Several large contributions to the abortion-rights group subsequently came from that community.

In a second example, a man living in a small town was approached for a donation by a suicide-prevention group. The person asking him had not done any research on this prospect, but was able to make an appointment through a common acquaintance. In fact, the prospect believed suicide indicated a weak character and was, furthermore, more of a problem in big cities. He listened politely and noncommittally as the solicitor described the global nature of suicide, using as examples numbers of suicides in Los Angeles, New York and London. He was sent away with a token donation.

Later that year, another person did more research on this prospect and learned that the prospect was a member of the local Chamber of Commerce and was active in civic affairs. He had lived in this community all his life and owned a great deal of real estate there, much of which had been developed as suburban housing. This solicitor made an appointment to see the prospect and told him exactly how many suicides and attempted suicides happened each year right in that town. He pointed out that some of the suburbs had high suicide rates for no apparent reason. The suicide-prevention program, he explained, proposed to address the

problem of suicide locally by having on-call counselors available at churches and libraries and by launching a large poster campaign telling people how to reach these counselors. Posters would be hung in grocery stores ("Two of which are yours," the solicitor commented) and other public places. The solicitor then asked the prospect to underwrite the entire campaign. He walked away with a check for \$10,000—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.

A great deal of money is lost through assuming a lack of belief on the part of a potential prospect. More often, belief can be uncovered by bringing the cause closer to the prospects' personal experience.

Ability: The first question to ask about ability is not how much money the prospect has, but whether he or she gives away money at all. Many people profess to be committed to the health of 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. We know that about seven out of ten adults are donors. If your potential prospect is not one of those seven, she or he is not a prospect.

Sometimes people wonder how they can find out if someone is a donor. There are several ways. In the course of a conversation, you could talk about a group you give money to. "I give money to the Park Heights Free Clinic, and I saw in their newsletter that they are going to have a mobile unit. Isn't that great?" Your friend might then share, "I heard about that at a board meeting of Options for the Aging." If your friend is on a board, he or she probably makes a gift to that group. You can also ask if someone belongs to a group in the context of a conversation about something that group works on. If the person says yes, you know that he or she has given to that group.

Many organizations publish a list of donors in their newsletter—search through those. If your community has a symphony, opera, or theater, most have a page in each program listing the donors or patrons. You can request Annual Reports from groups similar to yours — many of them list at least their major donors. From these, you may find out if the person donates. If they do, your task is to help them decide to donate to you.

Once you have determined whether the person is a giver, you now must decide how much to ask for. Don't go by 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 of wealth. The most telling evidence is how much they give to other groups. Do they attend events that cost \$100 for a ticket? Do they have season tickets to the local theatre or basketball series?

Next, you can look for evidence of what they would spend spontaneously. For example, would this person ever spend \$100 or \$200 on one item of clothing? Does this per-

son buy art or antiques? Do they ski or scuba dive, or have other expensive hobbies? Do they eat out often in expensive restaurants? Now compare what you know about what this prospect gives and how they spend money against the sizes of gifts you need in your gift range chart. Finally, take into account what the prospect knows about your group. For example, suppose a prospect gives \$1,000 to her favorite organization, which has similar values to your group. She has never given to your group, but a board member knows her and is willing to ask her for a gift. You have a qualified prospect, but don't start by asking for \$1,000. That is what she gives to her favorite group. What will she give to a group she has never given to before? You should ask her for something in the \$100 to \$250 range.

The prospect form shown here gives you a way to gather information on prospects systematically. You may wish to design your own 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 solicitation. As you get to know your donors, ask them for names of other donors. For prospects who live far away, write or call them. Local prospects can be visited.

A donor program builds on itself. With careful research, accurate records, and the willingness of volunteers to do face-to-face soliciting, any organization can have a successful major gifts program. ■

PROSPECT FORM — CONFIDENTIAL

Date: _____ Compiled by: _____

Prospect name: _____

Address (Business & Home): _____

Phone: _____ Fax: _____ E-mail : _____

ABILITY:

- Evidence that this person is a donor (*Include names of groups and amounts given, if known*):
- Organizations this person is involved in (*Be as specific as possible about degree of involvement: "Active in Justice Now" is not as helpful as "Attends monthly meetings of Justice Now, serving as recording secretary. Also in charge of yearly auction for the last three years."*):
- Giving History (*Both to your group, and to other groups*):
- Occupation:
- Length of time in current occupation or with current employer:
- Income sources:

BELIEF:

- Note source of information about what this person believes (*For example, "Karen Smith heard this prospect speak at a school board meeting in favor of a pro-gay rights curricula" is more useful than "Pro-gay/lesbian rights."*):
- In a committed relationship? if yes, partner's name:
- Children: How many and what age:
- Personal history with our program or similar programs:
- Knowledge about our group (*What aspect of our organization will be most appealing to this prospect?*):

CONTACT:

- Whose name shall we use in approaching this person?
- How will this prospect wish to be approached? (*For example, by two people, by board only, prefers to meet Executive Director, etc.*)

CONTACT & CULTIVATION RECORD (including solicitation efforts):

- Date:
- What happened:
- Who did it:
- What should happen next:

Section: 2.3: Telling Your Story

A potential donor will frequently say, “Oh yeah, I’ve heard of them? I hear they do good work. Remind me, what is it that they do?” A reminder that only you can tell your organization’s story – the one about your community, your issue, why your work is important. It’s not “just the facts.” It’s also how the story is framed. The context the reader or listener will use to analyze your problem and whether and how they will identify with your mission and work. The folks at [smartMeme](#) ask you to think about your “narrative landscape” to discover who’s story is being heard. Sometimes it is that of those in power, sometimes it is an assumed status quo. Your organization’s analysis of your issue and steps you are taking to create change are the information donors need in order to make a decision to give.

Background Reading for this section, *Untapped* p. 24 – 28, follows.

The following exercise will help you think about key features of that story. Identify and describe the following:

Exercise 2.3.1: Telling Your Story

	The Facts	The Analysis (adapted from smartMeme Battle of the Story)
1.	Your Organization's Name & location	Tell us more than your address. Who lives/works/associates together. What's special about these relationships?
2.	What's the problem or threat?	Tell something about the characters involved – people, institutions
3.	Why is addressing this important now?	Remember to use metaphors, images – show don't just tell! Help the listener to create a mental picture
4.	Why are you uniquely positioned to address this problem?	Be concrete. List a couple key accomplishments. Briefly explain how you measure those accomplishments.
5.	What is your vision of long term success?	Show us what comes next. How is this problem successfully resolved?
6.	How will you get there?	Tell us about the incremental steps your organization will take to get to your vision.
7.	Cost?	What financial resources do you need to take those intermediate steps?

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____

Linchpin Survey: Finding Three

Donors See the Short-Term Benefits of Community Organizing Activities,
Though They Do Not Necessarily See How It All Adds Up

Donors...

- **ASSOCIATE ORGANIZING WITH CONCRETE ACTIVITIES.** Eighty-five percent of respondents to our survey said, for example, that community organizing is effective at increasing voter turnout. President Barack Obama's 2008 election victory, with its emphasis on making personal contact and using online tools to move people to action, supported this perception. Donors tend to associate organizing with concrete activities like this, or with such roles as creating coalitions.
- **QUESTION THE BROADER IMPACT OF ORGANIZING.** While 50 percent of the respondents agreed that "community organizing is the most effective way to change institutional or community values over the long term," nearly as many (41 percent) answered "neutral." This is a significant deviation in this survey, as most respondents agreed or disagreed with most of the other statements we presented to them.
- **WANT TO SEE ORGANIZING BUILD A MOVEMENT.** Seventy-five percent of donors surveyed express concern that community organizing is not being used enough to build a popular base for the broader progressive movement.

Implications for Organizers: Cultivating Donors

As you deepen your engagement with donors and ask for their support, you can offer them opportunities to hear and see the broader implications of your day-to-day activities.

BRING THE DONOR INTO THINKING BIG WITH YOU. Many major donors think big, and they need to see how you are bringing this kind of thinking into your work. Some donors may want to engage in discussion about history and theory in relationship to your work. One organizer finds that many potential donors respond to an analysis about the decline of social capacity in the United States, leading to a clear description of how organizing is a response to this decline in civic participation and public life. "For a more progressive audience, I will dig into the rich history of social justice movements," the organizer reports, noting that "a command of literature and history does not hurt" in these kinds of interactions.

The following example illustrates how to bridge three things in a big-thinking conversation: 1) the donor's priority, 2) a key moment in history where organizing led to significant social change, and 3) your work:

Organizer: "What kind of world do you want for your children and grandchildren? By supporting our work to stop predatory lending, you can bring the same transformative power to economic justice as neighborhood organizations brought to the battle against redlining."

Another way of showing big-picture thinking comes from describing connections to other organizations, especially on a national scale. In a 2008 report on the impact of advocacy, organizing, and civic engagement for the National Committee for Responsive Philanthropy, Lisa Rangelhelli notes that "evidence of an organization's capacity is its connection to national expertise that adds value to the local work." Highlighting your national connections concretely says that your organization thinks and acts in expansive ways.

ILLUSTRATE THE TIPPING POINT. When a donor believes in community organizing, you can talk about how your work is part of creating a "tipping point" or breakthrough on an issue. Here are some examples of how to phrase this to lead into an "ask":

Organizer One: Our success in stopping contamination of our groundwater follows in the tradition of the cleanup of America's skies and rivers—activating our local communities to stand up to polluters is the foundation for that kind of broader policy change. We hope you can help us train more local community members to be leaders in this campaign. We have so appreciated your gifts of \$2,000 in each of the last two years. Would you be willing to pledge \$5,000 to us over the next two years?

Organizer Two: Just as we now see increased support for a higher minimum wage so that no one who works has to live in poverty, our campaign to make health coverage mandatory for all children in our state is changing how policymakers view the needs of vulnerable children. To ensure that we can continue at this level of successful work, we started the Double Our Donors campaign. We are hoping that each of our donors will double their gift, and identify one other person we can ask to be a donor. We are hoping you will be one of the first ten who will do this. We know this is bold, but only because we are so excited about the campaign do we feel comfortable asking.

DESCRIBE YOUR WORLDVIEW. What are your broader goals and strategies, and how do your campaigns, leadership development, and day-to-day work

move you closer to these goals? This core concern of many donors is one that organizing not only addresses, but does so in ways that offer unique opportunities to donors to strengthen fundamental principles of democracy and participation in the community and on the issues they care about.

You can weave in your own thinking with on-the-ground narratives. You can concretely demonstrate how your organizing involves your members and leaders in policy setting in the organization, on an issue, or in the community. The following is one way to describe how the day-to-day work of organizing moves an organization toward its ultimate goals.

Organizer: We believe in training low-income people, particularly women, to participate in the policy-making process. We think they can and should take on leadership in coalitions with other organizations, and win concrete policies that improve their own lives. Our core belief is that this will not only help us to build a strong organization that our members want to be a part of; we believe this will create a more fair and equitable community for everyone.

Donors want their dollars to lead to substantial social change. Organizing does that, and you can show them how.

“We found that when we were funding community organizing, we empowered a group of people, that whether they won or lost the issue, they’d continue to be a voice for change . . . [society] can’t step on them the same way anymore. So we knew that even if you lost the issue, you had changed lives.”

—family foundation member



ENGAGING DONORS IN WRITING HISTORY: LIVING WAGE CAMPAIGNS

The Story of a Movement. Several donors in our survey mentioned the movement for living wage jobs as an example of where they clearly see how community organizing delivers real outcomes and changes the social and political culture. The living wage movement demonstrates the unique ability of organizing to lift an issue above the radar and raise up the voices and experiences of ordinary workers. It fosters broad-based partnerships that can take on other economic justice issues and taps into sophisticated, big-picture strategies that organizations across the United States have honed, shared, and sustained over time. We provide this brief case example to illustrate a current movement-building success story and to show you how you can frame your own successful campaigns.

Over 140 Successful, Unique Campaigns. Beginning in the mid-1990s, “city-based campaigns were creating the foundation for a new social movement, and employer organizations were calling the living wage movement a serious threat,” Stephanie Luce, associate professor of labor studies, University of Massachusetts-Amherst, cites in her chapter in *The People Shall Rule: ACORN, Community Organizing, and the Struggle for Economic Justice* (Robert Fisher, ed.).

By 2007 there were 140 successful living wage campaigns in cities and counties around the country. “The ordinances were not the same everywhere, but most required employers holding service contracts with a city to pay their workers a wage close to the federal poverty line,” Luce reports. “A conservative estimate suggests that as of mid-2004, as much as three-quarters of a billion dollars was redistributed from firms, city governments, and consumers into the paychecks of low-wage workers, at an average of \$3,000 per year per worker.”

Living wage campaigns offer organizers the opportunity to illustrate for donors how this kind of success could only emerge from community organizing. “No one model of campaign has dominated,” Luce suggests. “Instead, in every city the campaigns take their own form, shaped by a particular congruence of community organizations, unions, faith-based groups, students, and workers.”

In an October 2008 victory, for example, the San Jose City Council approved a living wage ordinance at the San Jose airport that it implemented on January 1, 2009. The city had adopted a living wage policy in 1998. Under the plan for the airport, workers earning as little as \$8 an hour before the ordinance began to get \$12.83 an hour with health benefits, or \$14.08 hourly if no benefits were offered. This victory was the result of a community organizing effort including airport employees, a range of community leaders, and Working Partnerships USA—a coalition including labor, faith, and neighborhood organizations.

A Compelling Frame. The concept of a living wage has itself taken on a distinct and accessible meaning. “The genius of living wage campaigns has been to provide specific framings that highlight oft-hidden economic realities and fit progressive morality,” says linguist George Lakoff.

Organizations have successfully put a human face on the stark fact that workers who put in 40 hours per week still cannot afford health care or support their families because of their low wages, while their employers benefit from tax breaks and government contracts. For instance, during a successful St. Louis living wage campaign, the local Jobs with Justice organization conducted a Tour of Shame, publicizing area employers who were paying poverty-level wages while receiving tax support. *The New York Times Magazine* highlighted the living wage movement for a mainstream audience in a January 15, 2006, article, including photographs and profiles of workers whose lives were directly improved by a living wage victory in Santa Fe, New Mexico. Ramona Lovato, a janitor, reported that with her \$2.00 per hour raise to \$9.50, she planned to “Get caught up on everything. I’m behind on my mortgage, I’m behind on everything.” Louis Alvarez, a cook and hotel worker who saw his wages rise similarly, said simply that he would “buy a pair of shoes” and try to help his family.

From “Nowhere” to “Redefining the Wage Floor.” “It was nowhere on the agenda ten years ago,” Steve Kest, executive director of ACORN, told Stephanie Luce in a 2005 interview. “Now, everyone talks about it.” Kest notes that the living wage momentum has helped promote the “notion that the wage floor should be decided by democratic process rather than imposed by a privatized corporate process.” This flags a big-picture idea for donors, especially compelling for those who already like what they see in community organizing.

Linchpin Survey: Finding Four

Donors Are Motivated to Give by Outcomes They Can See,
But They Believe It Is Difficult to Measure the Effects of Community Organizing

Donors...

- **WANT TO MAKE A DIFFERENCE.** A majority of respondents answered the open-ended question about what motivates them to give with some variation on the idea that they want to make the world a better place or make a difference in their communities.
- **LOOK FOR RESULTS.** They are more focused on the end result achieved than the process for achieving it. The examples of successful organizing that respondents cited were often “wins” such as living wage agreements. Additional examples include victories on expanding health-care coverage for children, and other policy changes.
- **BELIEVE THAT THE IMPACT OF ORGANIZING IS HARD TO MEASURE.** Forty-one percent agreed with the statement “It is very difficult to measure the impact of community organizing,” and nearly 21 percent replied “neutral,” meaning they did not strongly agree or disagree. This opinion undermines the ability of at least some donors to see what the activities they associate with organizing add up to.
- **WANT TO KNOW HOW ORGANIZING IS EFFECTIVE.** Donors don’t expect perfect measurement tools, but most do want to support organizations that are driven by results, with leaders that regularly assess and refine their efforts to achieve great impacts.
- **CONSIDER WHAT THE RETURN WILL BE FOR THEIR INVESTMENT.** Organizing is cost-effective, yet it often comes across to some donors as being expensive, since it can take a lot of time and effort to achieve concrete results.

Implications for Organizers: Deepening Donor Engagement

DONORS WANT TO KNOW WHAT MEMBERS WANT TO KNOW: Is this organization worth what I have available to me to invest? For most members it is about their time first and their money second. For most donors, it is about their money first, then their time.

PROVIDE A MEASUREMENT. Offering a clear measuring stick and being prepared to tell donors with confidence why it is relevant socially and politically as well as to their goals is often extremely important for drawing them in and moving them up the giving ladder.

Major donors are not all the same. Some need to see statistics, others gravitate to stories and individuals they can identify with. While donors are complex in their experiences, motivations, and preferences—they are all ultimately in it for the same thing: results and a connection to the values that are important to them.

In the following example, the organizer is holding a cultivation meeting with a donor whose giving is driven by a sense of fairness. In addition to offering a story that the organizer believes the donor will consider relevant to her or his goals, the organizer starts to define the concept of building power. In this example the organizer chooses the language of collective thinking to connect with the donor. As the donor becomes more knowledgeable about organizing, the organizer can introduce power building more directly, as one measurement:

Organizer: We brought together twenty-five low-income women and taught them how—by thinking through their problems together—they could come up with real solutions.

Donor: People have to take responsibility for themselves, but they should have the chance to work for a better life.

Organizer: Our members would agree with that. When we bring them together they can share their experiences with one another and learn about the social policies that affect them, rather than seeing themselves as isolated victims of challenging economic times. They see that when they act together, they can make changes that benefit not only themselves, but the entire community.

In the following example, an organizer and a leader are meeting with a donor who is used to funding big-number results in social service programs. They make the work of organizing as compelling as direct service while encompassing its broader goals:

Leader: Because we won the housing trust fund, three hundred families who would otherwise be in the shelter system found homes. My family is one of those families. My kids now have stability, and they are doing better in school.

Organizer: And five hundred additional units will be built over the next two years, ensuring that people like [the leader] can stay and raise their children here. Our housing trust fund victory has done a lot to resolve the immediate affordable housing shortage in this community.

“I grew up in a family which prides itself on giving back to the community. I want to help to correct social, environmental, and economic injustices at home and abroad.”

—major donor

You can point to the additional benefits that come from organizing. For instance, a decade of research on social capital, which is often built through organizing, demonstrates “overwhelmingly that when people are more connected to each other and to political and social institutions, all of society benefits,” Lisa Rangelhelli notes in a 2008 report on the impact of advocacy, organizing, and civic engagement for the National Committee for Responsive Philanthropy. She maintains that the research shows these benefits manifest in positive outcomes for children, low crime rates, economic pros-

perity, improved physical and mental health, policy innovations, and a government that is more responsive to communities.

SHOW THE VALUE OF ORGANIZING AND THE RETURN ON INVESTMENT. You can place a dollar amount on the resources required to win specific policy changes and cost out both the redistribution of public resources and the impact on individuals and families. The living wage movement, as we describe on page 26, provides one example. Stephanie Luce estimates that as of mid-2004, as much as three-quarters of a billion dollars was redistributed to low-wage workers because of successful living wage campaigns, at an average of \$3,000 per year per worker.

Lisa Rangelhelli estimates the “return on investment” for the fourteen organizations in New Mexico she studied from 2003–2007. “For every dollar invested in the fourteen groups for advocacy and organizing (\$16.6 million total) the groups garnered more than \$157 in benefits for New Mexico communities.” She cites a total of \$2.6 billion dollars in benefits to the groups’ constituencies and the broader public over a five-year period. The issue wins that Rangelhelli documents include living wage and minimum wage increases, anti-predatory lending legislation, and affordable housing gains.

You can compare your costs to what it costs the opposition to stake its position. For example:

Organizer One: We do have a million-dollar budget, but keep in mind that Jack Smith spent 25 million dollars to win his Senate seat. The Waterfront Alliance spent five million in less than a year trying to convince taxpayers it cared about their kids playing ball on the waterfront when what they really wanted was to build condos.

Organizer Two: We will work hard with the money you have given us. Our organizers earn modest salaries, we have never purchased a piece of furniture—everything in our office has been donated. . . .

DESCRIBE THE COST OF NOT ORGANIZING. If you can compare what your organizing achieves to the long-term negative impact and sheer expense of a community problem, the cost of organizing takes on a different meaning.

You can also put the time and money your approach requires in perspective, given the extent of the problem. In the following example, the organization is forcing an environmental cleanup:

Section 2.4: How Our Major Donors Become Our Full Working Partners

Raising gifts from major donors requires focus, hard work, attention to small detail, and deep relationship building.

Maintaining and substantially increasing an individual's gift from one year to the next involves a dedication to regular and comprehensive (and highly personalized) cultivation throughout the year.

A truism of this business is that if you take care of the relationship, the money will take care of itself.

Background Reading for this section, *Untapped* p. 30 -31 and *Keeping In Touch* by Kim Klein, Grassroots Fundraising Journal, follows.

Linchpin Survey: Finding Five

Donors Want More Direct Contact with Community Organizers

Donors...

- **GET MORE FROM SITE VISITS AND BRIEFINGS.** Donors are more likely to give to organizations or programs they are personally familiar with. Fifty percent of surveyed donors reported they would prefer site visits, and 64 percent said they would like donor briefings with other donors in order to learn more about community organizing.
- **ARE NOT AS INFLUENCED BY INDIRECT CONTACT.** Very few donors selected such contact methods as Web sites and videos (27 percent and 19 percent, respectively). These are unlikely to be highly effective for engaging potential donors.

Implications for Organizers: Sustaining Relationships with Donors

YOU ALREADY KNOW THE VALUE OF PERSONAL MEETINGS AND FACE-TO-FACE CONTACT. Organizers will get more out of donor relationships by personally connecting with major donors as often as possible, depending on how often the donor wants to hear from you and the type of contact she or he prefers.

PERSONALLY CONNECT. Although it takes more time and effort, organizers can invite donors on site visits, showcasing the human impact of organizing in action. Actions, leadership training sessions, and tours of the communities you organize all allow donors to meet members directly.

You can bring leaders to meet with donors and share from their own hearts why they value the organization. As you meet with donors over time, the meetings you hold will grow and develop, offering a training ground for others in the organization to learn how to meet with major donors. Personal connections not only cultivate major gifts, they more effectively sustain real relationships.

When donors meet members and see your work in action, it helps them to make emotional connections and raises up the hopefulness of what you do. While the Internet has expanded the reach of fundraising appeals, our survey indicates that face-to-face is still the way to go. Technology-driven campaigns are less effective for moving donors.

THANK AND INFORM DONORS REGULARLY. When any donor gives money, be sure to send a written thank-you within as close to twenty-four hours as you can, and for a major donor, make a phone call. If the donor has supported something specific, such as a member's participation at a national event, a thank-you note from that member makes the connection even stronger. If the gift has particular significance, such as putting your fundraising campaign over the top, call and let the donor know that.

Effective stewardship of donor relationships is ongoing and is similar to what you already do to sustain an active membership in your organization. For instance, conducting a phone bank where members or board members call donors to update them is great for building donor relationships and is a way to identify which donors you can move up the giving ladder. Depending on each donor's contact preferences, sending newsletter updates (hard copies tend to be more effective than e-mail versions), inviting donors regularly to public events, having coffee together to get their input, and strategically asking donors to do more, such as participating on committees, are all ways to build personal, sustained connections. In addition, it can be appropriate at times to do things such as go to a talk that a major donor is giving or attend an event held in her or his honor.

ACTIVATE DONORS. Getting donors to do things with your organization is another way to foster deep connections. These invitations depend on donor interests and preferences. For donors who want to be more active, you can ask them to do everything from phone banking and attending public actions to holding house parties for other potential donors to chairing a fundraising committee or serving on the board.

CONNECTING DONORS DIRECTLY WITH ORGANIZING: FROM TOXIC TOURS TO “A DAY IN THE LIFE”

Opportunities to Show Your Story. You can use the activities that you regularly engage in as opportunities for connecting donors with your work. You cultivate their knowledge of what you do as well as build relationships. What works for a good site visit with a program officer is also effective with a major donor.

For instance, Iowa Citizens for Community Improvement (Iowa CCI) organizes on a variety of social and economic justice issues, including housing, immigration, and campaign finance reform. One area of focus is to support family-owned and -operated farms and to oppose factory farms. Hugh Espey, executive director, describes to the local press the environmental impact of a factory farm: “The hogs stand on flats and their feces and urine—what doesn’t cling to the slats—drop into concrete pits below the building. When the pits are pumped out, there are millions and millions of gallons of manure that are spread on the ground, and from there some of it drains into streams and gets into the groundwater.” The manure smells horrible and affects the health of local residents. When donors see the source of these ills firsthand, they see what their money is helping to fix.

An Iowa CCI leader who operates a family farm near a factory hog farm puts this in perspective: “We want to preserve the peace and calm, the laundry hanging on the line,” he said while addressing a public rally, “but now there are close to 40,000 hogs in confinement units within a five-mile radius. . . . The smell doesn’t confine itself to the legally required separation distance.”

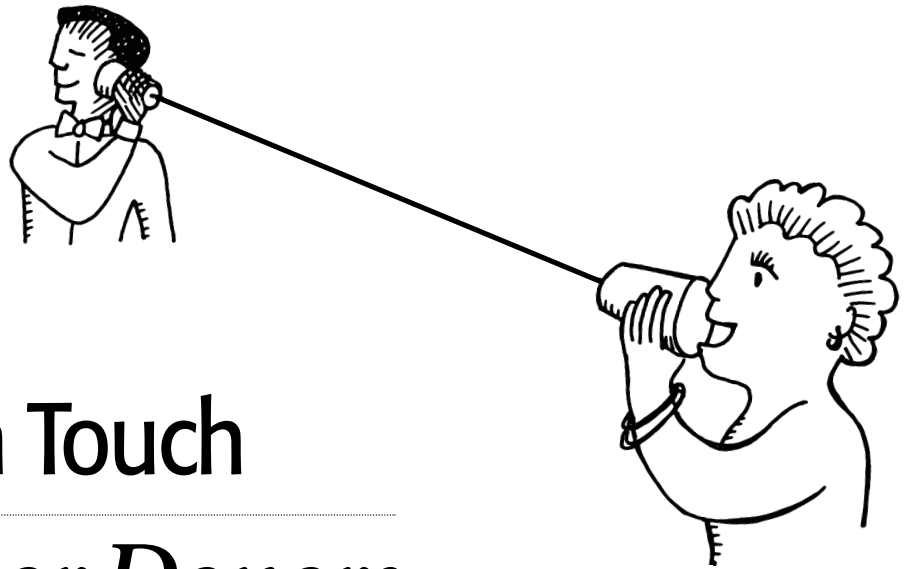
“NonToxic” as Well as Toxic Tours. The organization paints a clear picture of the factory farm, yet in at least one case, brought funders to the more hopeful family farm alternative that it supports. “The most significant impression,” according to one participant, “. . . was what there was not: no foul and acrid smell, no sludge pond, no acres of farmland inundated with manure, no pigs in confinement. The three-week old piglets looked healthy and frisky . . . they had a farmer to talk to them and rub their necks—and [Iowa] CCI to help keep them and their owners from being swept away.”

Similarly, environmental justice organizations have long used toxic tours to engage funders and allies as well as those targeted by their campaigns. Many have seen how taking people directly to see the operations of corporate polluters and experience how its impacts local communities builds a powerful understanding of what is at stake.

What We Live and How We Do Our Work. In economic justice campaigns, organizations have successfully used “Day in the Life” actions, such as taking a public official on a tour of a public housing project or having her or him spend a day experiencing what a mother receiving welfare benefits for her family must do just to survive.

“We find that we have no chance at all to get some donors (major or otherwise) to support us unless we create multiple opportunities for them to ‘see’ us,” says Jane Beckett, vice president of Progress Center for Independent Living, which organizes to change public policies and also creates self-help programs. “That can be as simple as showing them pictures of our turnout of one hundred seventy people at the Disability Pride Parade or inviting them to an open house to meet our members and staff, or making sure that we’re visible in the community at every opportunity.” Beckett notes that this not only makes her organization’s work real to donors and potential donors, but it helps establish connection with people who are not able to give money but may be able to help the organization in other ways.

Seeing the problems of a community and its solutions through real, concrete experiences draws all supporters of your organizing, including major donors, into partnership and commitment with your organization.



Keeping in Touch *with Major Donors*

by Kim Klein

Supporters who give a “major gift” need to receive more than a newsletter and occasional direct mail appeals to feel the organization’s appreciation for their generosity. They need special contacts that will continue to build loyalty 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 members feel that donors who give \$100 or more only demonstrate that they have more money than other people. This is not an accurate reading. People giving \$100 or more to an organization are demonstrating a willingness (as well as an ability) to do more than the minimum and to support your group more than they support most other groups. Even wealthy people cannot afford to give \$100, \$500, or \$1,000 to every worthy nonprofit they care about. Since most donors give to between five and fifteen nonprofits, it is clear that those giving major gifts are making your organization a priority in

their charitable giving. In order to keep and to increase this priority status, you must help them to realize that their decision to give 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 closely 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. It is not usually appropriate to send them flowers, buy them presents, invite them to Thanksgiving dinner, 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.

You should try to be in contact with major donors three or four times a year in addition to when 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. Some donors will want more contact than that and some may request less. You should certainly honor as many wishes of the donor as you can.

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.

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. With 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.

With two contacts taken care of by formal reports, there are two other times remaining to make personal contact with your major donors. These two times can be structured according to the interests of the donors. For some donors, this will be easy. You know them, you call them frequently. For others, 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, send copies of 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; most of the time they 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 that they want to be close to the organization. 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 think we are respecting their privacy. Ironically, however, our lack of attention can itself be intrusive. Donors often register complaints such as, "I gave \$500 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. ■

Section 2.5: A Process For Doing It

After you have identified your top prospects, gotten your story straight, and clearly defined your financial needs, there are three basic tools for setting major gifts in motion—an introductory letter to a current donor or prospect followed by a telephone call followed by a face-to-face meeting in which you ask for a gift.

Here's an example of an introductory letter:

Date

Dear [Prospect with whom I hope to meet]:

Several weeks ago, when I saw John Smith at a statewide social justice conference, he told me about his recent meeting with you, and asked me to contact you. By way of introduction, I am the executive director of [_____] organization.

John mentioned that you have a far ranging interest in environmental justice issues, and though you would be particularly amenable to meeting with me to learn more about the role we are playing in one specific arena of water pollution control. Without going into too much detail in this letter, I'll pique your interest by saying that within the next month we have reason to believe that [something enticing] will develop.

I would be grateful for the opportunity to meet with you to provide more details about this, and to at least explore whether this might be work you would consider supporting financially.

I will plan to give you a call next week to see if we can arrange a mutually convenient time to meet. In the meantime, I enclosed a recent news article that provides a good deal of background about this issue.

Sincerely,

Your Name

And Don't Forget Kim's Top Ten Guiding Principles for Successful Major Gifts Fundraising

- It's all about relationships. People give to people.
- People give for one primary reason—because they are asked.
- This is a full working partnership between the staff and Board—the Board helps provide the who; and the staff the what, when, why, and how.
- A donor's largest gift is never a donor's largest gift—work from top down, inside out.
- This is a world with no deadlines. It is only your time management and internal structure that keeps it moving.
- It's 90% preparation and 10% execution—you'll be judged on your intelligence.
- Tell the truth—you'll be judged on your integrity.
- Stay focused—you'll be judged on results.
- It's the small details that make you.
- After the gift, the real work begins.

Have Fun, Good Luck, Do Well!

Downloadable Resources

Convio will make you register to receive [The Next Generation of Giving](#)

[Millennial Donors](#)

[Re:Imagining Change by smartMeme](#)

Major Donor Research

www.nozasearch.com - 24 hr free trial, \$800/year

www.wealthengine.com - 48 hr free trial, expensive

www.campaignmoney.com - electoral gifts

And don't forget these useful resources:

[Techsoup Learning Center](#)

[GIFT and the Grassroots Fundraising Journal](#)