

Major-Gifts Programs

A few years ago a major donor to a university was asked to speak to a group that included university officials and development office staff and to explain how he came to be involved. He explained that he had no previous relationship with the university when one day the president called him. He was a prominent builder in his state, and the president asked if he would participate along with several other leaders from his industry as a volunteer member of a task force that would advise on a planned new construction project for the campus. "I'm not an expert on construction," the president had explained, "and I really need input from objective outsiders like you regarding the various proposals that have been presented to me."

The speaker agreed and attended several meetings of the task force. "It was very interesting to me," he explained. "I had never known anything about this university or, for that matter, any university, since I never graduated from college. But the more I learned, the more interesting it became to me."

After the task force had completed its work, the president called again to ask if the man would serve as a member of a permanent advisory council, to help consider various strategic issues involving the entire university. The speaker agreed. And after participating on the advisory council for some time, he was invited to join the university's governing board. He again accepted.

"As I learned more and more, I realized that the university was facing serious financial challenges and the need for a number of new investments," he explained. "I began to worry about it on my own time. The university's problems had become my problems. One night I was telling my wife about how concerned I was. She said 'Well, maybe you need to do something about the problem so you can stop worrying.'" That led to his first major gift, which was followed by a series of additional gifts. He became one of the institution's leading donors.

How did this man progress from stranger to major donor? What principles does his experience illustrate? What mechanisms were at work? And what can an organization's volunteer leaders, executives, and fundraising professionals do to develop more donors like him? These are among questions considered in this chapter.

DEFINITION AND CHARACTERISTICS OF MAJOR GIFTS

A *major gift* is defined by the dollar amount, which may vary considerably among nonprofit organizations and institutions. Larger organizations commonly define \$100,000 as the threshold for a major gift, usually with the assumption that it will be paid in installments over five years. Smaller nonprofits may, of course, consider a major gift to be something less, depending on their particular histories and constituencies. For some small nonprofits, a gift of \$5,000 or \$10,000 on an annual basis may be considered major. A major gift is sometimes also a **special gift**, since it is over and above the donor's regular, annual gift. Some major gifts are unrestricted, but most are designated to support some particular purpose. Some are intended to support a program, but many are designated to meet capital needs or for endowment. A **principal gift** is a large major gift, commonly defined as \$1 million or more, although again, the exact definition varies among organizations (Schubert, 2002).

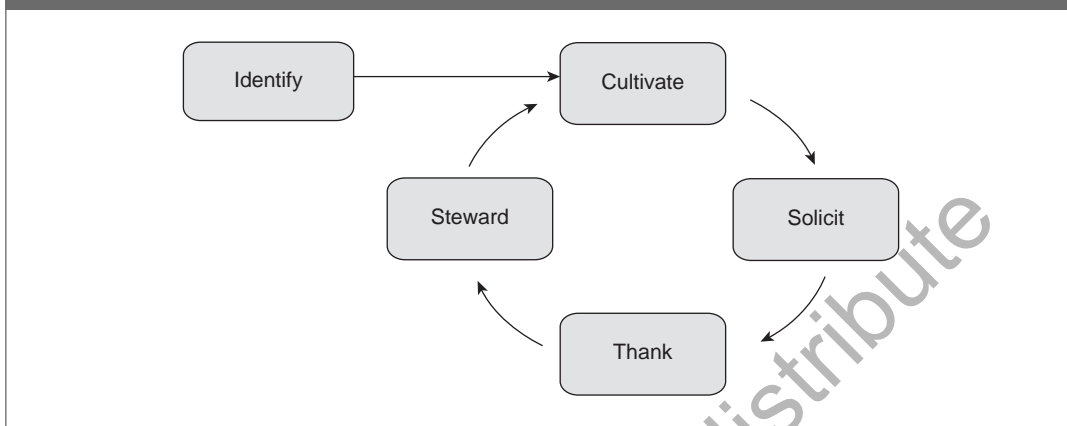
Major gifts may be pledged and paid in installments over time, especially if made from the donor's income. But many are made from the donor's assets. In this chapter, we are primarily concerned with outright major gifts, which of course, are also planned gifts if they involve complex assets or require integration with the donor's financial and estate plans.

MAJOR-GIFTS CYCLE

The process of fundraising for major gifts is a particular adaptation of the generic fundraising process described in Chapter 4, focused on the organization's relationship with the donor. It has been described in similar terms by multiple authors (e.g., Broce, 1986; Kelly, 1998; Knowles & Gomes, 2009; Lindahl, 2010; Scarpucci & Lange, 2007; Seiler, 2011a). Figure 7.1 illustrates a parsimonious version of the cycle showing five basic steps: identify, cultivate, solicit, thank, and steward. Some models depict additional steps, but again, most are similar in concept.

The cycle depicted here relates to a particular prospect or donor, so identification is depicted as occurring only once, although an existing donor could, of course, be identified again in terms of readiness for another gift. Once the prospect has been identified, a strategy for cultivation and solicitation is developed, including a timetable and specific initiatives that will be undertaken to advance the relationship. The cultivation plan is implemented and a gift is solicited when the timing is right. Of course, there may be a period of negotiation and gift planning that occurs at this point. A variety of people may be involved in this phase, including the fundraiser and the donor but also the donor's financial and legal advisors and the organization's own legal and financial officers. Among the questions to be addressed may be the timing of the gift, the specific assets and gift vehicles the donor will use to make the gift, and the terms and conditions attached to use of the gift. And, of course, the process does not end with the donor's commitment of the major gift. Rather, acknowledgment and stewardship continue the cycle, becoming cultivation that leads to future major gifts. Some authors articulate additional strategies and techniques within the cycle. For example, Knowles and Gomes (2009) discuss the solicitation of a **trial gift**

FIGURE 7.1 Major-Gifts Cycle



as a step that precedes moving on to a major-gift ask. And Fredericks (2010) emphasizes using a **pre-ask conversation** to test the waters by exploring the hypothetical of how a donor might respond to a future solicitation. For example, a development officer might ask an oblique question, something like “Bob, as you know, our campaign is focusing now on gifts of \$100,000 and above. Should I bring the executive director to discuss something in that range with you, or would you advise me to wait until a later period of the campaign?” It’s not quite a solicitation, but it plants a seed, paves the way, and elicits a response that may be helpful.

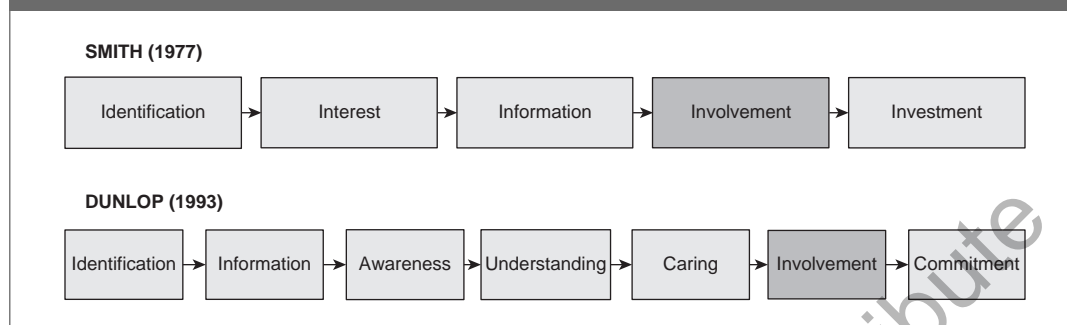
But, in general, again, the major-gifts cycle is described in similar terms by virtually all authors and includes a systematic and planned progression of interactions between the prospect and the fundraising organization, in which the relationship is nurtured on a continuing basis, in a cycle similar to that shown in Figure 7.1.

Major-gifts fundraising is distinguished by its emphasis on the cultivation phase of the process, on developing the relationship with the prospective donor. Thinking back on our discussion in Chapter 4, it is different from speculative fundraising, which emphasizes the volume of solicitations and relies on the probability that some percentage of those asked will give, even without much cultivation. In major-gifts fundraising, progress is measured not only by the end result, the gift, but by the progression of the relationship with the donor throughout the cultivation cycle.

CULTIVATING MAJOR-GIFTS PROSPECTS

Cultivation is itself a process, within the larger major-gifts cycle. Figure 7.2 depicts two versions of the cultivation cycle, developed by two prominent individuals in the history of major-gifts fundraising. This model is still the foundation of major-gifts programs. G. T. “Buck” Smith (1977) began his career as a fundraiser for his alma mater, Cornell University; became vice president at the College of Wooster for many years; and eventually served as

FIGURE 7.2 Cultivation Process



Sources: Based on Dunlop (1993); Smith (1977).

a college president. He retired in 2013 as president of Davis & Elkins College in West Virginia. David R. Dunlop (2002) also was an alumnus of Cornell, who served that university as a major-gifts and principal-gifts fundraiser for thirty-eight years. He retired in 1997 and became a well-known author and speaker on major-gifts fundraising across the country. Smith wrote earlier than Dunlop, who refined some of Smith's concepts and added his own; the two men defined many of the terms and practices used in major-gifts fundraising today.

Cultivation Cycle

Smith and Dunlop offer two similar versions of a model describing how an individual's relationship with an organization or institution develops over time. In some respects, it is consistent with theory from the behavioral and social sciences, but it also reflects some assumptions that may be unsupported or even contradicted by research.

Smith's (1977) model is perhaps the best known, probably because of its memorable nickname: the **Five I's**. It begins with *identification* of the prospect and determination of the prospect's *interest*—these are steps discussed in Chapter 5. With more *information* and then *involvement*, the prospect becomes ready for *investment*, in other words, giving. Dunlop's (1993) refinement of Smith's (1977) model includes somewhat different terminology and some additional steps—*identification*, *information*, *awareness*, *understanding*, *caring*, *involvement*, and *commitment*—but the two models share similar assumptions and have similar implications for the actions fundraisers should undertake.

Both models have some points consistent with the theories of donor motivation discussed in Chapter 3. For example, Schervish and Havens (2002) identified psychological identification with the needs of the organization's beneficiaries as an important phenomenon and stated that it arises from association, that is, interacting with those who have needs. This psychological identification is not to be confused with identification of the donor as a prospect, depicted as the first step in the process by both Smith and Dunlop; rather, it is more related to Smith's involvement stage and Dunlop's awareness, understanding, and caring. But both Smith's and Dunlop's models have shortcomings as well.

Smith's mixes *behavior* (e.g., investment) with psychological or emotional conditions the prospect might achieve (e.g., interest). In addition, as Kelly (1998) notes, both represent a type of **domino model**; that is, they seem to reflect the assumption that "communication increases knowledge, after which knowledge leads to a positive attitude, which results in a desired behavior—all in an inevitable progression" (p. 355). In other words, the models imply that one step in the process will automatically lead to the next, like a row of dominos causing others to fall in order. This is, however, inconsistent with communications theory and research, which suggests that the mechanisms through which individuals reach various emotional states are complex rather than linear. Moreover, theory does not support the idea that information by itself leads to changes in behavior (Kelly, 1998). However, despite their shortcomings, the Five I's model and Dunlop's refinement of it have intuitive appeal and are imbedded in fundraising jargon and practice. As illustrated by the example of the university donor with which this chapter began, they often seem consistent with experience.

Substantive Involvement

The common and pivotal stage in both Smith's and Dunlop's models, and thus highlighted in Figure 7.2, is involvement, which may lead to psychological identification with the organization's goals and problems (Schervish & Haven, 2002). As the university donor quoted at the beginning of this chapter explained, involvement with the organization and its cause may result in a situation in which the donor accepts its goals and problems as his or her own. In other words, the individual acquires a sense of ownership in the organization or institution. As Dunlop (1993) describes,

When people first encounter an institution, they view its people and projects in the third person, in terms of "they," "them," and "those." Before they can become prospects for significant giving, that perspective must change to the first person: They must speak, think, and feel in terms of "we," "us," and "our." (p. 102)

Thus, a donor who spends time as a member of a committee, task force, or board may come to identify with the needs and goals of an organization as he or she comes to see first-hand the importance of its programs.

Another theoretical principle at work is the **rule of consistency**, identified by Cialdini (2003). As Cialdini explains, "[There is] a common tool of social influence that lies deep within people, directing their actions with quiet power. It is, quite simply, a desire to be (and to appear) consistent with what we have already done" (p. 25). Thus, an individual who agrees to serve as part of a group that identifies a problem, the solution to which is additional resources, is inclined to help provide those resources in order to exhibit behavior consistent with his or her position and role.

But involvement must be more than social; it must include what Seymour (1966) calls "involvement in program." As he explains, "Involvement . . . is more important than information, for information, alas, can be ignored" (p. 40). Involvement in program, or substantive involvement, may include asking an individual for advice, either as a member

of a formal advisory body or individually. It may include inviting the individual to participate in program-related activities, serving as a volunteer or perhaps a speaker. It may include asking the individual to take *responsibility* for the organization in some way, perhaps by serving as a member of the governing board or by making a gift. Indeed, the rule of consistency may help to explain why past donors are the best prospects for future gifts; since they already have identified themselves with the organization's programs and needs, it is consistent to continue supporting them. Looking back to the example with which this chapter began, the university president engaged the future major donor in a way consistent with these principles. He asked for advice and then enlisted the individual as a member of an advisory council, a role that led to his election to the governing board and his emergence as a major donor to the institution.

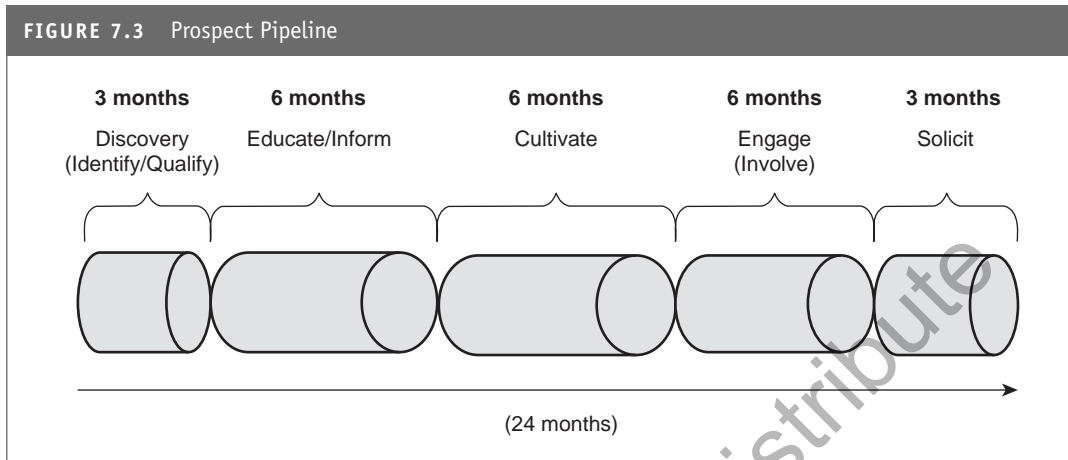
CULTIVATION STRATEGIES

In well-managed major-gifts programs, cultivation of prospects is a systematic, planned activity. This suggests that every contact with the prospect is undertaken as part of a pre-determined strategy, in order to maximize results. Some people may think that developing a human relationship with such rational intention is inherently manipulative and inconsistent with the noble purposes of nonprofit organizations and institutions. Some also may find the vocabulary of major-gifts fundraising, some of which is introduced here, to be more suited to selling commercial products than nonprofit programs. However, the alternative to a systematic and planned approach would be a random and disorganized approach, which would fail to meet the financial needs of organizations and their programs. That would ultimately harm the interests of those who benefit from those programs. The techniques and vocabulary of fundraising may seem uncomfortable to some, but most would agree with the higher purposes they advance.

Moreover, discomfort regarding the systematic methods of donor cultivation may be based on unrealistic assumptions about donors' interests and perceptions. Such methods do not reflect efforts to manipulate gullible donors, since most are more than sufficiently sophisticated to recognize and understand the process in which they are involved. Like a well-planned courtship, cultivation follows established principles in building a relationship that is mutually desired.

Major-Gifts Pipeline

From the perspective of the fundraiser, the Smith/Dunlop continuum is viewed as a **pipeline** (Scarpucci & Lange, 2007). Like a pipeline that carries water, the major-gifts pipeline contains a flow. Prospects enter the pipeline as they are identified and proceed through it during cultivation and solicitation. Maintaining a constant flow thus requires the continuing identification of new prospects and efforts to keep prospects moving through the pipeline. Experts suggest a variety of guidelines for the time and effort required to move an identified prospect through the pipeline to a major gift. One example is provided by Scarpucci and Lange (2007), who suggest that it requires eighteen to twenty-four months



Source: Adapted from Scarpucci, P., & Lange, S. (2007, March). *Best practices in major gifts prospect management*. Presentation to the 44th annual AFP international conference. Retrieved April 10, 2014, from <http://martsandlundy.com/reports-commentaries/ml-special-reports/2007/06/best-practices-in-major-gift-prospect-management>.

from an initial contact with a prospect to securing a major gift of \$100,000 or more. As shown in Figure 7.3, their conception of prospects' flow through the pipeline generally follows the Smith/Dunlop model.

Moves, Initiatives, Actions

The purpose of cultivation is to move prospective donors through the pipeline, from identification to solicitation (Lamb, 2012). The interactions undertaken to move prospects through that pipeline are commonly known as **moves**. The systematic implementation and **tracking** of those initiatives is known as **moves management**. The terms *moves* and *moves management* are generally credited to Smith and Dunlop, who introduced them at Cornell University (Weinstein, 2009). In more recent writing, Dunlop has substituted the term *initiative* for *move*, considering it a more respectful word (Dunlop, 2002). However, the terms *moves* and *moves management* are well-entrenched in the common vocabulary of major-gifts fundraising (Weinstein, 2009). Scarpucci and Lange (2007) offer a clarification on the terminology, defining the interaction a fundraiser initiates with a prospect as an *action*, and reserving the term *move* to describe the transition of the prospect from one stage to another, for example, from cultivation to being ready for solicitation. In other words, a contact with a donor that is just "keeping in touch" is not a move; the action must *move* the prospect one step closer to a gift (Lamb, 2012).

Dunlop (1993, 2002) identifies two basic types of initiatives (or moves): **background initiatives** and **foreground initiatives**. Background initiatives are those undertaken "for a group that includes one or more prospects" (Dunlop, 2002, p. 99). Such initiatives might include, for example, invitations to events, mailing of a newsletter or magazine, and other ongoing communications and contact. These activities have not been developed with

regard to a particular individual; they are going on anyway. The major-gifts fundraiser simply includes them in the program of communication and interaction with the prospect. On the other hand, a foreground initiative is “conceived, planned, and executed with a specific prospect in mind” (Dunlop, 2002, p. 99). Such an initiative might include, for example, setting up a meeting with the nonprofit’s CEO, sending the donor a report on the impact of his or her gift, or conducting an event at which the individual donor is recognized.

A cultivation strategy encompasses a series of background and foreground initiatives (or actions) intended to advance the organization’s relationship with the donor prospect and to move that prospect through the pipeline toward readiness to make a gift, according to a specific timetable.

Cultivation Partners

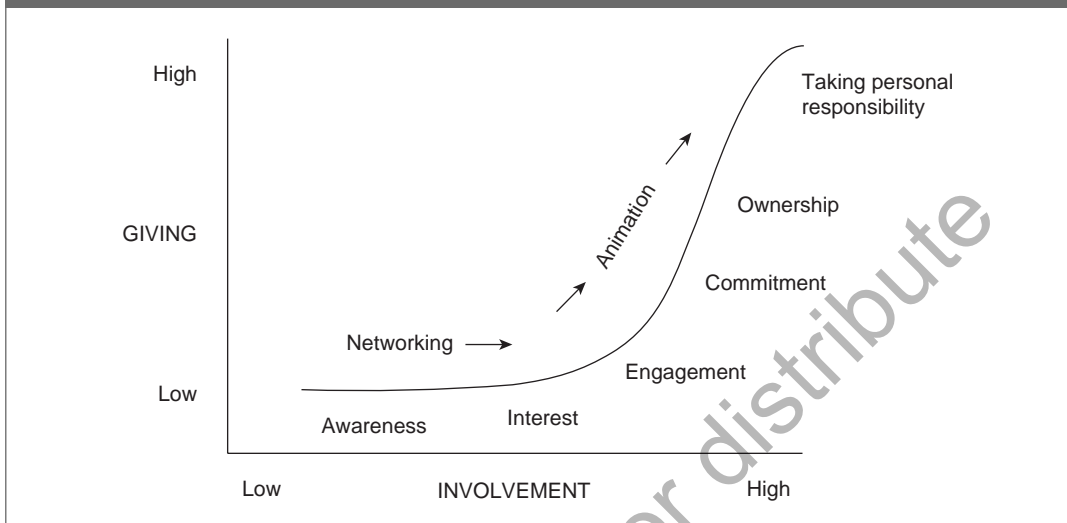
Recall from Chapter 5 that fundraising is most effective as a team effort. Dunlop (2002) identifies and describes specific roles in the major-gifts cultivation process, including both volunteer leaders and fundraising professional staff.

Dunlop (2002) suggests identifying **natural partners**, individuals who have a close and influential relationship with the donor prospect and who are willing to be helpful in cultivation. Some are **primes**, people “in the best position to help guide and carry out the most appropriate foreground and background initiatives” (p. 101). Others who can help are identified as **secondaries**; as the term implies, they can help, but not as much as primes. A natural partner may be a volunteer who is involved with the organization, perhaps a board member, who has some relationship with the prospect. The natural partner may be a business associate, neighbor, a golf partner, or even the prospect’s legal or financial advisor; usually, partners also will be friends of the organization, so they may be enlisted as allies in cultivation. The fundraiser may talk with such partners to gain advice on the prospect’s interests and the best way to approach him or her. The partners also may play an active role, for example, inviting the prospect to an event at the organization or hosting a meeting with the CEO. Remember the discussion of cultivation events from Chapter 6. The model recommended by the consulting firm Benevon includes asking donors to reach out to others with invitations to point-of-entry events, in essence, to serve as partners in the cultivation of new prospects.

Figure 7.4 depicts a process similar to the Smith/Dunlop models. Developed by Tarnside Consulting, this version emphasizes the development of identified prospects into interested and engaged individuals, called “networking,” and then “setting up situations where prospective donors can not only commit funds directly but can also become advocates and champions who bring in other donors through their own networks and influence,” which is called “animation” (Tarnside, 2014). This conception is similar to the Benevon model, in which individuals are engaged first as prospects and donors and then as partners in the major-gifts process. Its depiction of “taking personal responsibility” as the ultimate stage in the relationship also is reminiscent of the story of the donor with which this chapter began.

Dunlop (2002) encourages a practical view in determining who may be effective partners—there are “reals” and “wannabees” (p. 102). Reals can actually help, while wannabees wish they could. There sometimes may be volunteers, board members or others, who offer to

FIGURE 7.4 Tarnside Curve of Involvement



Source: Adapted from Tarnside Consulting, http://www.tarnside.co.uk/major_donor_development.php, retrieved July 28, 2014.

help with a prominent prospect at least in part because they seek an opportunity to advance their own association with that individual. But they may not be the best person to represent the organization to that prospect. This situation requires that the fundraising professional exercise judgment and diplomatically engage the reals rather than the wannabees.

Despite the importance of partners, Dunlop (2002) emphasizes the essential role of the fundraising professional, whom he calls the staff manager but who is usually called the **prospect manager** (Lamb, 2012). Some people who emphasize the importance of relationships in major-gifts fundraising use the term **relationship manager** for this role. The person who plays that role is often, by title, a **major-gifts officer**, sometimes called simply a **gift officer**. The staff professional is responsible for bringing discipline to the process, reviewing the relationship periodically, and coordinating the activities of the volunteer partners. In Dunlop's conception, the staff manager is primarily a facilitator and coordinator of initiatives—the quarterback from the football metaphor described in Chapter 5. Of course, in many development offices today, major-gifts officers are expected to facilitate and coordinate but also to engage in donor contacts, including solicitations, with specific goals for their activity.

MANAGING THE MAJOR-GIFTS PROGRAM

As discussed, effective major-gifts programs are not merely the sum of random activities that occur casually over some indeterminate period of time. The process of identifying, cultivating, soliciting, and stewarding donors is planned and managed. It is important to acknowledge

that much of what is written about the management of major-gifts programs—and much of the discussion in this chapter—relates primarily to large and complex institutions. For a small nonprofit, the major-gifts program may encompass a small number of prospects, perhaps including members of the governing board and some leading local citizens. Setting priorities for cultivation may require little more than identifying a list of “Top 25” prospects and perhaps a list of the “Next 25” (Fredericks, 2010, p. 67). Major gifts may be a part of the overall responsibility of a development officer who also manages the annual fund, events, and other programs. In many nonprofits, the executive director, along with natural partners on the board, may in reality play the role of the major-gifts officer. But even on a small scale, the principles of the cultivation cycle apply and initiatives need to be carefully planned, executed, and tracked. It is possible for a small program to be overly managed, consumed with tracking and reporting to the detriment of time spent with prospects; however, there is nevertheless a need to take a disciplined approach. Larger organizations, especially those that have decentralized units or chapters, require more elaborate systems, policies, and protocols.

Setting Priorities

Chapter 5 discussed the identification and qualification of prospects and two basic variables by which prospects are rated—the financial *capacity* to make a gift and the *inclination* to do so, also sometimes called *likelihood* (Birkholz, 2008; Hogan, 2008). Some models define *interest*, *affinity*, or *connection* as rating criteria; they are essentially surrogates for inclination or likelihood. Some systems use **readiness** or **stage** as a rating variable, referring to the prospect’s placement in the cultivation cycle. And some models rate prospects using more than two variables (Birkholz, 2008; Hogan, 2008). Whatever terms may be used, it is obvious that the only two relevant variables are the prospect’s financial ability and some measure of the probability that he or she will make a gift to the organization.

Ratings may be developed through peer screening by volunteers, through contacts with the prospect by fundraising staff, through information obtained and analyzed by prospect researchers, through electronic database screening conducted by commercial vendors, or some combination of methods (Birkholz, 2008). Commercial vendors may have their own unique standards for rating prospects, but the two key variables remain capacity and inclination, by whatever term the latter may be identified.

One use of prospect ratings is to efficiently allocate time and attention among prospects in order to maximize gift revenue over time, that is, to establish priorities. Without a systematic approach, there can be a tendency to emphasize the short-term or to solicit the more readily available gifts while deemphasizing contacts with more capable prospects, who may not yet be ready to give but who may hold more substantial long-term potential. Table 7.1 illustrates a simple rating system that produces a priority ranking of prospects. This specific format is my creation, but the model is similar to what is used by a number of organizations. Let’s walk through it.

The top portion of Table 7.1 displays the capacity ratings assigned to each identified prospect, while the middle box shows the ratings based on inclination. Both are expressed in numbers. Multiplying the two variables together yields an array of products (from 15 to 0), shown in the bottom box. This array provides a rough guide to the time and

TABLE 7.1 Prospect Ratings and Management

Capacity	
5	= \$5,000,000
4	= 1,000,000
3	= 500,000
2	= 250,000
1	= 100,000
0	= Less than \$100,000
Inclination	
3	= High inclination
2	= Medium inclination
1	= Low inclination
0	= No inclination
Priority Rankings (Multiply Capacity and Inclination)	
5 × 3 = 15	\$5 million capacity, high inclination
4 × 3 = 12	\$1 million capacity, high inclination
5 × 2 = 10	\$5 million capacity, medium inclination
3 × 3 = 9	\$500,000 capacity, high inclination
4 × 2 = 8	\$1 million capacity, medium inclination
3 × 2 = 6	\$500,000 capacity, medium inclination
2 × 3 = 6	\$250,000 capacity, high inclination
5 × 1 = 5	\$5,000,000 capacity, low inclination
2 × 2 = 4	\$250,000 capacity, medium inclination
4 × 1 = 4	\$1 million capacity, low inclination
1 × 3 = 3	\$100,000 capacity, high inclination
3 × 1 = 3	\$500,000 capacity, low inclination
1 × 2 = 2	\$100,000 capacity, medium inclination
2 × 1 = 2	\$250,000 capacity, low inclination
1 × 1 = 1	\$100,000 capacity, low inclination
0 × (anything) = 0	(inclination/interest but no capacity for major gift)
(anything) × 0 = 0	(capacity but no inclination, interest)

attention that should be expended on prospects in various circumstances. Some of the results are entirely obvious. Surely a prospect who is capable of giving \$5 million and who is highly inclined to do so, that is, who is ready, should be the highest priority. A \$5 million prospect with a medium inclination should also receive a high level of attention, since we might think that some additional cultivation could result in completion of that gift within a reasonable time. Obviously, this prospect should receive somewhat lower priority than the \$5 million prospect who is more inclined to make the gift now, but perhaps not much less.

It may seem counterintuitive that the \$5 million prospect who is only moderately inclined should receive a somewhat higher priority than the \$500,000 prospect who is highly inclined. Would it not be better to harvest that \$500,000 gift than to spend time on the \$5 million prospect, who is less likely to commit now? In practice, that is what might occur. But the two priorities would not be mutually exclusive; soliciting the ready-now \$500,000 prospect could occur, even as the rankings remind us that continued cultivation of the not-quite-ready \$5 million prospect is also a very high priority. One benefit of the priority ratings is that they remind the relationship manager to devote time and attention to the high-capacity prospect who is not quite ready and not simply harvest smaller gifts that are available right now.

Looking down through the balance of the table reveals some additional results that may initially seem to be counterintuitive but also some that make common sense. For example, prospects rated with relatively low capacity and/or who are less inclined should receive less time and effort now than those who are either more capable or more inclined. And, of course, those who lack the ability to make a major gift or who are disinclined to do so are just not relevant to the major-gifts program, although they may be fine people who are important to the organization in other ways.

The rankings are a rough guide. They are not intended to be followed blindly without further judgment. In practice, a gift officer may consider the rankings in clusters, perhaps defining just high, medium, and low priority. And there may be occasions when attention is directed to prospects of lower rank because of logistical realities; for example, a gift officer may be traveling and thus will focus on prospects in a certain location. It would make no sense to waste part of the trip by only visiting the top-rated prospects in the area, so the gift officer likely would spend some time as well with prospects of lesser immediate priority. But, again, establishing priorities helps to remind the fundraiser to focus on the long-term potential of prospects and not be distracted by more short-term opportunities.

Table 7.2 provides an interesting example of another priority-setting model, developed by the Corporation for Public Broadcasting as a resource for its member stations (Corporation for Public Broadcasting, 2012). In this model, prospects are rated on two criteria, called **affinity** and **life stage**. Again, the product of ratings on these two variables provides a priority ranking, the interpretation of which is included in Table 7.2. This model does reflect a donor-centered approach and a long-term perspective, especially as it relates to the donor's life stage, but it does not explicitly reflect financial capacity.

Reporting and Tracking Activity

Contact with a major-gift prospect is summarized in a *contact report* (or *call report*), which becomes a part of the organization's records (Lamb, 2012). Contact reports can be

TABLE 7.2 Prioritizing Prospects

Affinity or How Well Do They Like you?
Assign each prospect a ranking of 1, 2, or 3 indicating the strength of their commitment to you. 3 = They place your institution among the one or two most important in their life. 2 = They place you among the three to five most important. 1 = They know of you and support you.
Life Stage or Where Are They in Their Life?
Where are they in their life in terms of ability to make a major gift? 3 = Their children are grown and self-sufficient, or they have no children. Spouse is healthy or deceased. Wealth is certain; they are ready to dispose of wealth. 2 = They are at the peak of their career, their inheritance is expected. Children are beginning their own careers, starting their own families. Wealth is not yet certain; they are not yet disposing of their wealth. 1 = They are young, midway through their career, children are still at home.
Ranking: The Product of the Two
Multiply these two numbers together to get one of the following combinations, visualized in the moves management prioritizing grid: 9 = These are your best prospects. They are the most committed, have the greatest disposable wealth, and are most ready to give. 6 = These come next; either they need to become more committed to you (something you can influence), or they need to get older (nothing you can do here). 4 = Need both to like you better and to be in a better position to give to you. After addressing your 9s and 6s, turn to this group.

Source: Corporation for Public Broadcasting (2012). *Public broadcasting major gift initiative*. Retrieved April 9, 2014, from http://majorgivingnow.org/downloads/pdf/cultivation_system.pdf.

used by fundraising managers to track the movement of prospects through the pipeline, that is, for moves management, and also to evaluate the performance of major-gifts officers.

Various types of contacts are recorded, including personal visits, telephone and e-mail communications, and interactions at an event. The definition of a contact is sometimes a subject for discussion in development offices, with major-gifts officers often preferring a generous definition reflecting all of their activity and managers sometimes preferring a narrower definition that includes only personal visits and other substantive interactions.

Again, not every nonprofit organization has full-time professional staff members exclusively dedicated to major-gifts fundraising, although an increasing number of such positions are found in even medium-sized organizations. Where a fundraising professional holds such a position, his or her activity is tracked and evaluated.

Each gift officer carries a **portfolio**, that is, a list of prospect relationships for which he or she is responsible (Poust, 2012). The gift officer's portfolio is balanced, including prospects

in various stages of the pipeline. Some are prospects in discovery; they have been recently identified, but their interest is still unknown. Others have been identified and qualified and are in the cultivation stage of the process. Some are ready for solicitation and others have made major gifts and are in the stewardship stage. The proportion of assignments in each stage may reflect the gift officer's time in the position. For example, someone in his or her first year in the job may be expected to engage primarily on qualifying new prospects, that is, making discovery calls or visits. In the second year, the gift officer will continue to qualify new prospects, but some who were qualified in the first year now will have moved into the cultivation stage. By the third year, if things are going well, more prospects will be ready for solicitations, which the gift officer will be expected to undertake or manage, although he or she will continue to contact prospects in earlier stages, maintaining the flow through the pipeline. Over time, the gift officer's responsibilities shift toward more solicitation, as more of his or her prospects reach that stage (Grabau, 2010). Of course, a gift officer's portfolio is not static. Discovery calls may determine that some individuals really are not major-gift prospects and they will be removed from the portfolio. New prospects will be continually added. And in some cases, it may be determined that the gift officer assigned is not the best person to be managing a particular relationship—for reason of personal chemistry or something else—and the prospect may be moved to another officer's portfolio.

The definition of gift officers' portfolios also may reflect the status of the organization's fundraising program. As Scarpucci and Lange (2007) suggest, the distribution of prospects by stage may vary depending on whether the organization's program is a start-up or mature and if it has recently completed a campaign. In a new program, most prospects have been recently identified and few are ready for solicitation. In a mature program, portfolios may be relatively balanced, with a constant flow of new prospects into the pipeline, others in cultivation or ready for solicitation, and others who are in stewardship after having made a recent major gift. At the conclusion of a campaign, there may be more donors than prospects, at least in the short term, as campaign pledges are fulfilled, so there may not be many individuals in the earlier stages of the pipeline, at least until the next turn of the cycle. Table 7.3 summarizes the proportions suggested by Scarpucci and Lange, although they are only illustrative and may or may not apply in a given situation.

	Start-Up Effort	Balanced/Mature Program	Postcampaign
Discovery	75%	25%	15%
Cultivation	10%	25%	15%
Solicitation	10%	25%	20%
Stewardship	5%	25%	50%

Source: Adapted from Scarpucci, P., & Lange, S. (2007, March). *Best practices in major gifts prospect management*. Presentation to the 44th annual AFP international conference. Retrieved April 10, 2014, from <http://martsandlundy.com/reports-commentaries/ml-special-reports/2007/06/best-practices-in-major-gift-prospect-management>.

How many prospects should comprise a gift officer's portfolio? The answer depends, of course, on a variety of factors. If the gift officer has job responsibilities other than fundraising, for example, perhaps managing other staff members, then that person will be able to manage fewer prospects than one who has no such responsibilities. A gift officer whose portfolio includes prospects in various locations may be able to manage fewer relationships than a gift officer whose prospects are geographically concentrated, since some of his or her time will be used up in travel. A portfolio of highly rated prospects, for example, principal-gift prospects, may require that more time be spent with each and thus includes a smaller number of assignments. A range commonly recommended for a gift officer's portfolio is seventy-five to one hundred fifty prospects (see, e.g., Poust, 2012). That range was developed by fundraising practitioners and consultants, but it has some interesting theoretical support. Evolutionary psychologist Robin Dunbar studied social connections among groups of monkeys and then extended his research to various human situations. He determined that the capacity of the human brain permits us to maintain close relationships with no more than about 150 people. This has become known as Dunbar's number. Clans of ancient hunter-gatherers as well as military units have tended toward that limit. Although Dunbar does not specifically address major-gifts fundraising, his findings coincide with the conventional wisdom of practitioners. As an interesting aside, he does suggest that the number applies as well to social networking relationships, since the average number of friends on Facebook is about 130. As Dunbar notes, this is "just short enough of Dunbar's number to allow room for grandparents and babies" (Dunbar, 2010).

Prospect Management Policies

In large and complex organizations, there are often internal debates about who should be permitted to interact with donors and prospects. For example, this was an issue between the American Red Cross national headquarters and its local chapters as discussed in Case 5.1. It is also a common topic for discussion at universities, museums, and other large organizations with units that enjoy some degree of autonomy and have fundraising staff specifically dedicated to them. The absence of policies and procedures can lead to competition for access to prospects and multiple solicitations that may produce less revenue overall than a more coordinated approach. A fragmented approach may make the organization appear undisciplined to prospective donors, causing them to question its overall management. It also makes it difficult for the organization's senior leadership to develop comprehensive relationships with donors, like the Red Cross' partnership with Nationwide Insurance discussed in Case 5.1, or to obtain support for programs and projects that cut across departments, chapters, and other units.

Prospect management policies, commonly called **protocols**, define who is permitted to contact prospects and establish procedures for obtaining approval to do so. Such policies commonly permit anyone within the organization to interact with a prospect for purposes of cultivation but require explicit approval from the relationship manager assigned to that prospect before a solicitation can be undertaken. Contacts with prospects for principal gifts often are subject to more rigorous control, requiring approval from the relationship manager assigned and a development office official. For example, Box 7.1 includes policies

BOX 7.1 Prospect Activity and Contact Protocol

Contact report required fields in the . . . database include: Date of Contact, Contact Type, Purpose, Description (brief title) and Text or Attachment. This information must be entered in order for the contact report to be filed in the database. Prospect managers and team members who request administrative professionals to file contact reports on their behalf should provide administrative staff with data for all contact report required fields.

Prospect managers should update prospect stages with a contact report. Operations staff will change stages weekly based on the filing of a stage-change contact report.

Prospects with no record of activity within a 3-month period are subject to reassignment pending submission and review of proposed next steps in a strategy contact report to the research staff and the two AVPs of development.

Prospect managers should do a quarterly review of all prospects assigned and update ratings or request release. A contact report is required for release. (Suggest new assignment, if appropriate, through research staff.)

Cultivation efforts should begin immediately as part of a broader moves-management strategy for the prospect.

Initial solicitation is expected within 12 months of assignment at the minimum amount of \$1,000 (President's Associates level).

A special gift or major gift solicitation (\$10,000+) is expected within 23 months of assignment.

No one may contact an assigned prospect on matters related to a personal solicitation without the consent of the prospect manager.

Assigned prospects will not be automatically excluded from central or college-based direct mail solicitations.

Assigned prospects will not be automatically excluded from event mailings (golf tournaments, Front and Center, Vision and Visionaries, regional alumni gatherings, seminars, receptions, etc.).

Assigned prospects may be automatically excluded from central or college-based telemarketing programs by request.

The Alumni Association may mail membership material to assigned prospects.

Disagreements in strategy or assignments may be resolved through the appropriate AVP, dean, and/or the vice president for university advancement. The university president is the final arbiter in prospect assignment matters.

Senior university administrators are exempt from prospect management guidelines.

Source: Cal State Fullerton website (<http://www.fullerton.edu/advancement/operations/research/contact-protocol.asp>), retrieved July 28, 2014. (Policies in effect as of 11/20/12).

in effect at the California State University Fullerton in 2012. It articulates expectations of prospect managers for the movement of prospects through the pipeline, defines policies for contact with assigned prospects, and describes a process for the resolution of disagreement. Again, such formal policies would be overkill for small, centralized organizations

with few major-gift prospects but are essential to maintain an organized approach in larger, decentralized institutions. Some examples of such policies can be found on the web.

Gift Officer Performance Evaluation

The standards by which major-gifts officers' performance is evaluated vary among organizations. Some may be judged entirely by how much money they secure. But that raises issues and concerns. Some of those are ethical concerns, which are discussed further in Chapter 14, but some are practical considerations. For example, if a gift officer is evaluated only by dollars raised, he or she may have an incentive to ignore priority rankings like those depicted in Table 7.1, focusing attention on those prospects most likely to give something this year and ignoring those who may not be ready to give until later, even though they may have greater financial capacity. That approach could maximize the gift officer's total this year, perhaps resulting in a raise, but it might be detrimental to the long-run interests of the organization. In complex organizations, especially with decentralized units, this method of evaluation also may create competition for the most promising prospects and discourage teamwork. And an exclusive focus on dollars could create an incentive for an unscrupulous fundraiser to pressure or mislead prospective donors, with obvious negative implications.

An alternative approach is to evaluate gift officers based on their productive activity, that is, on what they *do*, with thoughtfully designed objectives. Consider Table 7.4, which depicts a tool developed by Richard Dupree for the Corporation for Public Broadcasting (Dupree, n.d.). It is similar to models used by a variety of nonprofit organizations and institutions. In this model, the gift officer is evaluated based on a possible 100 points. An

TABLE 7.4 Major-Gifts Officer Evaluation

	Points
Dollar goal (cash and pledges)	25
Proposals submitted	25
Contacts	25
Quality of work	25
A. Success rate	5
B. Prospecting	5
C. Cultivations	5
D. Use of management/leadership	5
E. Budget management	5
Total possible points	100

Source: Adapted from Corporation for Public Broadcasting. (2012). *Public broadcasting major gift initiative*. Retrieved April 9, 2014, from http://majorgivingnow.org/downloads/pdf/cultivation_system.pdf

individual earning 75 points would meet expectations and likely remain employed. Fewer than 75 points might be grounds for probation and eventual dismissal. A total of 80 points or more could qualify the gift officer for an increase in compensation.¹

Only 25 points can be earned based on dollars raised. To be successful the gift officer also needs to demonstrate a level of activity in submitting proposals, undertaking contacts with prospects, and measures related to quality of work. The criteria can, of course, be modified in order to alter the individual's anticipated behavior and to reflect the organization's priorities.

Again, if dollars raised was the only criterion of good performance, that could lead to a focus on short-term successes rather than long-term revenue or, in the case of a gift officer who closed a big gift in January, a disincentive to continue working hard the balance of the year. But neither situation is likely to occur if the gift total accounts for only 25 percent of the individual's overall performance. On the other hand, if performance were evaluated only on the basis of such metrics as contacts completed and proposals submitted, that could result in a gift officer who generates much activity but raises little money, so dollars need to be considered. A balanced approach to evaluation may result in an allocation of time and effort that is aligned with the organization's immediate and long-term goals and consistent with the priority ratings of prospects in the pipeline. In addition, the quality-of-work metrics included in the model can be varied to create incentives for cooperation and teamwork and to discourage destructive internal competition, often a concern in large and decentralized institutions (Dupree, n.d.).

DEVELOPING DONOR RELATIONSHIPS

Personal interaction with prospective donors is a hallmark of major-gifts fundraising. This section considers principles related to those interactions and common advice for developing relationships during the cultivation phase.

Donor Interaction Models

Schervish and Havens (2002) argue that "the prevailing strategies used by charity advocates" reflect a presumption that donors are disinclined to give. As they describe, in this view, "the demands of [donors'] needs are presumed to be so numerous and important, and the willingness of donors to be so meager and hesitant, as to warrant an attitude, if not an actual fund-raising practice, that enlists as it allies guilt, embarrassment, comparison shaming, and imposed obligation" (p. 223). These assumptions about donors lead to what Schervish and Havens (2002) label the **cajoling** (or **scolding**) **model** of fundraising, in which donors are presented, at least implicitly, with messages constructed in both negative and positive formulations, both unflattering:

Negative formulation

1. You are not giving enough
2. to the right causes

3. at the right time
4. in the right way.

Positive formulation

1. You ought to give this amount
2. to these causes
3. at this time
4. and in this manner. (pp. 223–224)

However, the authors argue, donors—especially wealthy donors—are *inclined* to be philanthropic. Thus, they recommend that fundraisers follow an **inclination (or discernment) model**, in which donor prospects are guided to be self-reflective in order to discover what gifts might be most fulfilling to them. Although the questions may not be asked explicitly in exactly this form, fundraisers who assume donors are positively inclined might lead a prospect to consider questions such as the following (Schervish & Havens, 2002):

1. Is there something that you want to do with your wealth
2. that fulfills the needs of others
3. that you can do more efficiently and more effectively than government or commercial enterprise
4. and that expands your personal happiness by enabling you to express your gratitude and actualize your identification with the fate of others? (p. 226)

Again, it would be awkward and unnatural for a fundraiser to ask a donor these four questions as written, and Schervish and Havens (2002) do not intend to provide a script. But a fundraiser following the discernment model would be advised to listen more than talk, ask the prospect open-ended questions that invite him or her to reveal values and priorities, and to be alert to how the latter may align with the values, priorities, and needs of the organization. In other words, the emphasis in cultivation should be on advancing the relationship with the prospect, from which gifts eventually will flow, rather than rushing to make the sale.

Appropriate Pace of Cultivation

In developing relationships with major-gift prospects, fundraisers are advised to proceed at an appropriate pace. As Dunlop (1993) suggests, “Let your friendships grow naturally. Don’t assume familiarity that is not based on the experience of your relationship with the prospect. The best way I have found to judge the appropriateness of initiatives is to apply the same standards you use in your personal friendships” (p. 109). Maintaining an appropriate pace during the cultivation phase may at times conflict with the urgency of

the organization's needs and the expectations placed on a gift officer to close the gift. That is one argument for establishing criteria for evaluation that are not exclusively focused on dollars raised, as discussed earlier. The right pace is one that proceeds deliberately and is mindful of the organization's goals but not so quickly as to offend or alienate the prospect. In addition to appropriate incentives, this requires sensitivity and judgment.

Appropriate Tone and Style

It is essential that a fundraiser maintain an appropriate tone and style in contacts with prospective donors. As Tempel (2013) observes, "The *organization* owns the relationship" (p. 410; italics added). That means that the fundraiser's relationship must remain professional and be focused on building the donor's relationship with the nonprofit, not personally with the development officer. Assuring that the relationship is between the donor and the organization is of particular importance in view of the high turnover among gift officers.

Kelly (1998) notes another reason for maintaining clarity about the nature of the relationship between the fundraiser and the prospect: it "guards against inappropriate behavior on both sides" (p. 495). The relationship between a gift officer and a prospect or donor can easily feel like personal friendship. As Kelly notes, multiple meetings may occur in personal homes or over meals, which may include alcohol. The focus is on building a relationship, and with increasing familiarity conversation can easily drift into personal matters. But the fundraiser is building a professional relationship with the donor as an agent of a nonprofit organization that he or she represents and it is essential that both parties understand and respect that distinction.

VISITS AND PURPOSES

Personal contacts are characteristic of major-gifts fundraising and, as discussed earlier, visits to the prospective donors occur in various stages of the cycle. Each type of visit has a different purpose and objective.²

Discovery Visits

Once a potential prospect has been identified, the first contact is a **discovery visit** (Birkholz, 2008), also commonly referred to as a *discovery call*. This visit is often undertaken by a fundraising professional, although sometimes a prospect may not be open to even an initial meeting with anyone who is not the CEO of the organization or a peer. The purpose of the discovery visit is to qualify the potential prospect with regard to the "I" of LAI, that is, to determine interest, and also to obtain additional information and insight that will add to the existing research regarding the individual's financial capacity (the "A").

The individual conducting the discovery visit listens more than talks and asks the prospect open-ended questions that may invite him or her to be forthcoming (Fredericks, 2010). For example, the fundraiser might ask biographical questions, such as, "Where did

you grow up?” “How did you come to enter your current profession/business?” and “What are your volunteer interests in the community?” Such questions may put the donor at ease and encourage him or her to engage in conversation, perhaps providing clues as to his or her values and interests. For prospects who are already donors at some level, the questions might be even more specific. As Fredericks (2010) suggests, the discussion could provide especially useful insight if the prospect responds to questions such as “How did you come to be interested in our organization?” “Out of all the organizations . . . why did . . . you support us?” (p. 62). Responses to such questions reveal the prospect’s attitudes about his or her experience with the organization and begin to explore the individual’s interests and motivations. Thinking back to the seven faces of philanthropy discussed in Chapter 3, the discovery visit can be the first step toward identifying the prospect’s donor type.

Cultivation Visits

Cultivation visits are undertaken with a qualified prospect to advance the relationship and pursue common interests. Such visits provide information to the prospect (one of the Five I’s), including updates and reports on the organization’s activities. A primary purpose of discussion on cultivation visits is to match the organization’s programs and needs with the donor’s interests. Some version of Schervish and Haven’s (2002) questions may be useful but need to be asked naturally, not in a tone that suggests a scripted interrogation. Once a donor’s interests have been determined, cultivation may include visits that introduce some new faces and begin to strengthen the prospect’s relationship with the organization. For example, a program director might be invited to join a visit to discuss his or her work in more detail than a fundraising professional is able to do, or the prospect might be invited to visit the organization’s facility to see its programs in action. Including others also helps to assure that the prospect develops relationships that go beyond one person, that is, that he or she builds a relationship with the organization itself and the various personalities who represent it.

Some authors have applied **coorientation theory** to the process of matching donor interests and organizational needs (e.g., Lindahl, 2010). Developed by Newcomb (1953) and expanded by McLeod and Chaffee (1973), coorientation theory explains how the relationship between two individuals interacts with an object, or an idea, about which they are communicating. If they see it differently, that causes a tension that is resolved either through deterioration in the relationship or through some evolution in their perceptions toward a more common view. The theory suggests the importance of maintaining a positive relationship and of ongoing communication to achieve understanding and consensus. In other words, it calls for developing a relationship, which may not unfold neatly or efficiently but requires give and take and mutual adjustment to the other person’s viewpoint.

THE ASK

The cultivation process culminates in a solicitation—what is often called **the ask**—which some people may consider to be the essence of fundraising (Fredericks, 2010). If the

objective is a major gift, the solicitation is almost always undertaken face-to-face. The ask involves a process of its own.

Getting in the Right Mind-Set

Before undertaking a solicitation, fundraisers are advised to be self-reflective and to get in the right mind-set to ask. That may include examining their own personal experiences, assumptions, and biases with regard to money.

Fredericks (2010) observes that money can be an emotional topic, with just the word bringing back memories of past struggles in one's own or family life. As she explains, "If money is viewed in negative terms, it becomes much more difficult during the [solicitation] because these negative feelings can sabotage [a solicitation] or make it extremely uncomfortable and unnatural when asking for money" (p. 4). Matheny (2010) likewise notes psychological barriers that may stand in the way of asking for a gift, including fear of failure, fear of rejection, and fear of losing control.

Most fundraising professionals and most nonprofit CEOs are not individuals who possess significant personal wealth. That reality may lead to an attitude toward money that stands as an obstacle to communication on the subject with individuals whose assets far exceed their needs. Of course, the potential for a problematic difference in perspective is reduced when a volunteer leader is involved in the discussion with a prospective donor. As discussed further soon in this chapter, that scenario is recommended as the most desirable, in part for this reason (Fredericks, 2010). For fundraising professionals and nonprofit CEOs, any psychological obstacle to asking may diminish with experience and, especially, with positive results.

Planning the Solicitation Meeting

The solicitation of a major gift is too important to proceed on the fly. In other words, it is essential that the individuals who will participate in the solicitation meeting are well-prepared with a plan for how they intend the meeting to unfold. If the solicitor is one individual, perhaps a major-gifts officer, that individual nevertheless needs to have a roadmap in mind for how the conversation with the donor will unfold and, indeed, may benefit from a rehearsal with a supervisor or colleagues (Gattle, 2011).

Questions to be considered in advance include the following:

- Who should be involved in the meeting, including both the individuals who will be part of the solicitation team and on the donor's side of the conversation?
- Where should the solicitation meeting be held?
- What gift amount should be solicited?
- What should be the purpose of the proposed gift?
- How should the meeting unfold; in other words, who should speak when?

- What are possible concerns or issues that the prospect might raise, known as *objections*, and what responses might be offered to each?
- How should the meeting end, under scenarios in which the donor's response is positive, negative, or ambiguous? (Fredericks, 2010)

Solicitation Team

The often-cited formula for a successful solicitation—sometimes called the **Five R's**—is “the right person asking the right person at the right time for the right amount for the right project” (Calhoun & Miller, 2004, p. 11). Most authors agree that the right “person” is often a team rather than one person, although major-gifts officers do solicit gifts alone. Fredericks (2010) argues that “the higher the Ask amount, the more imperative it is to have someone in a leadership role at the organization to do the Ask” (p. 84). She calls the combination of CEO and board chair the “dream team” and suggests it be used when soliciting the largest gifts” (p. 92).

A volunteer may bring special authenticity and credibility to the meeting. If a volunteer is part of the solicitation team, then it is common wisdom that the volunteer needs to have already made a gift at the level being solicited or above. Recall from Chapter 4 that this principle was articulated by Seymour in 1966; it has been endorsed by many others since (e.g., Fredericks, 2010; Gattle, 2011). However, some offer a modification, requiring that the volunteer solicitor be recognized as having made a **stretch gift**, which will be perceived as sacrificial in proportion to his or her means and not necessarily as much as is requested from a prospect known to have greater capacity (Fredericks, 2010). But if the volunteer solicitor is known to be capable of more than he or she has given and is soliciting another person for a larger gift, that volunteer is unlikely to bring much credibility to the ask.

How many members should be on the solicitation team? Fredericks (2010) recommends two, noting that “four eyes are better than two” in observing body language and the nuance of a prospect's words (p. 80). In addition, two solicitors give each other courage and assure that the report of what transpired in the meeting will reflect the consensus of two people, rather than the (perhaps) overly positive or negative perception of just one.

Sometimes the solicitation team can include more than two people; for example, it might include the CEO or a volunteer leader, the director of the program for which the gift is sought, and the chief development officer who has cultivated the relationship with the donor. But too many is a mistake and is likely to make the prospect feel overwhelmed.

Solicitation Location

There is something close to consensus in the literature regarding the ideal location for a major-gift solicitation. Fredericks (2010) recommends the prospect's home or office or an office or conference room at the organization's location, citing advantages of each setting. She advises against asking in a restaurant, due to the potential for interruptions and distractions. The choice between the prospect's office or home may depend on whether the individual is still working or retired and whether his or her spouse also should be included in the meeting.

Amount and Purpose

A major gift is most often designated to a specific purpose, in line with the prospect's interests as discovered and developed in the course of cultivation. Accordingly, the gift proposed in the solicitation relates to that purpose. But there are two questions on which opinions sometimes diverge: whether to ask for a specific amount or whether to take an alternative approach; and whether to present a written proposal at the solicitation meeting.

Fredericks (2010) is adamant: "If you don't ask the person for a specific amount, she may supply her idea of an appropriate sum, and it may be well below what you are anticipating or dreaming she will give" (p. 39). However, this approach assumes that prospect research and the cultivation process have resulted in assessments of the donor's financial capacity and inclination that are reasonably accurate. If they are not, it could result in an amount requested that is too low. The prospect may readily agree, but the organization may be leaving money on the table. An alternate approach, discussed in Chapter 6 in the context of telephone solicitation, is the door-in-the-face technique (Dillard & Knobloch, 2011). This involves asking for a high amount, while being prepared to negotiate to something lower if the donor provides a negative response to that initial request. Matheny (2010) suggests beginning with the *purpose* of the gift, for example, using phrasing such as "to establish a chair in dramatic arts would require \$500,000." This might be followed by the statement, "We were wondering if you could consider a gift in the range of \$500,000 to establish . . ." (p. 73). As Matheny observes, this phrasing immediately establishes the purpose of the gift, presents an exploratory amount, and leaves the door open to a wider range of responses than the simple statement "Please give \$500,000" (p. 73).

The question of whether to prepare a written proposal that is delivered to the prospect at the solicitation meeting receives various answers. Broce (1986) expressed the classic view that the solicitor should "present the individually tailored written proposal . . . and review it quickly page by page" (p. 187). Kelly (1998) also describes a scene in which a prepared proposal, "clearly marked as a draft," is given to the prospect (p. 494). But Fredericks (2010) urges caution. Sending a proposal in advance may be a mistake, since it is equivalent to asking on paper rather than in person. Having a written proposal prepared for presentation to the prospect after the gift has been requested verbally may be an acceptable technique, but it is always possible that the discussion will go in unanticipated directions, perhaps inconsistent with the proposal that was written in advance. So the proposal had best be kept in the briefcase while the conversation unfolds. Fredericks (2010) suggests sending a written proposal (or letter) *following* the meeting. In that way, the proposal can refer to points discussed in the meeting and reflect the donor's responses. It also can provide an opening for a follow-up conversation with the donor, which is especially important if his or her response has been ambiguous.

Anticipating Objections

Not every solicitation results in an immediate positive response. Prospects may raise **objections**, although the term implies more negativity than is generally present

(Fredericks, 2010). Objections are issues or concerns that the donor may express and that need to be addressed before the gift can be made.

Matheny (2010) identifies common objections in categories, including the following:

- *Focus of the gift.* The donor may propose a use of the gift that is different from what the solicitor initially had in mind, requiring further discussion of alternative possibilities.
- *Timing of the gift.* The schedule for payment of the gift is a matter for discussion and negotiation. For example, a donor may offer a five-year pledge when the solicitor has requested three years.
- *Size of the gift.* As discussed earlier, the amount of the gift can be approached in various ways. If the solicitor requests a specific amount and the donor objects, that is, indicates that it is too much, then the solicitor needs to be prepared with alternatives.
- *Administration of the gift.* Administrative issues, such as the valuation of gifts of certain securities or the applicability of any overhead assessed against gifts by the organization, may require negotiation.
- *Stewardship.* Recognition of the donor, the donor's involvement in the use of the gift, and reporting may be topics that require discussion.

Matheny (2010) emphasizes that responding to objections may require flexibility on the part of the solicitor and the organization. If the prospect is generally favorable to the idea of making the gift but needs additional details in order to decide, objections may need to be addressed through follow-up communications, perhaps including a written proposal, additional information on planned giving, and other materials (Calhoun & Miller, 2004). As Matheny (2010) emphasizes, the priority throughout the process should be on maintaining the positive relationship with the donor.

ANATOMY OF THE SOLICITATION VISIT

Various authors have described in some detail the unfolding of a solicitation visit and the various turning points that occur in the dialogue (e.g., Broce, 1986; Fredericks, 2010; Gattle, 2010). Some (e.g., Fredericks, 2010) provide sample scripts. There is a high degree of consistency in the scenarios suggested; as a composite, the following phases of the solicitation visit are generally identified:

- Greeting and small talk
- Transition to the ask
- The ask
- Pause to hear response

- Listening and responding to concerns and objections
- Conclusion and plan for follow-up, if indicated

Critical points in the visit include the transition from introductory conversation to the business at hand, the ask, and then pausing to hear the donor's response before continuing (Gattle, 2010). Preparation for the visit should establish a clear plan for which member of the solicitation team will undertake the transition and which will make the ask (Fredericks, 2010). If the donor readily agrees to the gift, the solicitors move to a timely conclusion of the meeting. If the response is a flat negative, the solicitors remain gracious, thank the individual for taking the time to meet, and retreat to consider where their planning went awry. In many instances, however, prospects may provide an ambiguous response, perhaps including the expression of objections, a request for more information, or the need to consult with advisors and/or family members. In such instances, the solicitors suggest a specific next step, which may include a written proposal, another meeting, a visit to the organization's facility, or some other activity that will keep the discussion alive and move it toward an eventual conclusion.

FOLLOW UP, NEGOTIATION, AND GIFT AGREEMENTS

Major gifts represent a significant financial commitment by the donor, and it is common that full agreement cannot be reached in a single meeting. There may need to be a period of extended negotiation, involving numerous conversations and meetings, during which the terms of the gift are negotiated. This may be especially true if the donor's desire is to designate the gift for a program or purpose that is not exactly aligned with the organization's plans; for example, think back on Lindahl's case discussed in Chapter 1, in which a donor solicited for a health clinic offered to establish a dental clinic instead. In this scenario, and in others less complex, the organization may need to revisit its own goals and priorities and make decisions before returning for further discussion with the donor. Negotiation of the gift also may be prolonged and involve various financial and legal experts, especially if some component of the overall commitment is a planned gift, something we consider in detail in the next chapter.

Concern with **donor intent** has become heightened in recent years as a result of some high-profile cases in which an organization's use of a gift was challenged (Lewin, 2008). Some of these cases have resulted in negative publicity and even legal action, but all have reinforced the understanding that a major gift is a contractual relationship between the donor and the recipient organization. Carefully documenting the terms of the gift, both with regard to its payment and purposes, is of increasing importance the larger the amount and the more lasting the purpose. For example, a gift intended to create an endowment fund will be administered by people in the future, after the lifetimes of those who were involved in the conversations leading to the gift. Documenting understandings and agreements in writing is not only advisable from a legal perspective but consistent with an organization's moral obligation to remain faithful to the intentions of a donor who has provided a gift it has accepted. These understandings may be documented in a formal contract or in a **memorandum of understanding**, a hypothetical example of which is provided in Box 7.2.

BOX 7.2 Sample Memorandum of Understanding**Memorandum of Understanding Concerning the Jane and John Doe Endowment at the Center for American Understanding**

Jane and John Doe (“the Donors”) have expressed their desire to make a gift to the Center for American Understanding (“the Center”), to establish an endowed fund (“the Fund”), to be administered by the Center in perpetuity. This memorandum describes the terms and conditions of the gift and the mutual understandings of the Donors and the Center. It will be made a part of the Center’s permanent file regarding the Fund, as a guide to those who will administer the Fund in the future.

About the Donors

Jane and John Doe are long-standing friends of the Center, and Mrs. Doe has served as a member of its board of trustees since 2010. Mrs. Doe is the chairman and chief executive officer of Jones International Trading Corporation, engaged in the management of relationships among governments and private firms throughout the Western Hemisphere. Mr. Doe is a retired foreign service officer, whose experience included service in several Latin American nations. Both Jane and John Doe believe that the future of prosperity throughout the hemisphere will require increased understanding among citizens of all nations, and their gift to the Center is intended to advance that goal.

Name and Purpose

The Fund will be known as “The Jane and John Doe Endowment.” Its purpose will be to provide annual income in perpetuity to support activities of the Center described below.

Funding and Investment

The Fund will be established with gifts from Jane and John Doe totaling one million dollars (\$1,000,000). These gifts will be paid with cash or negotiable securities in five equal installments of no less than two hundred thousand dollars (\$200,000) each, payable annually on or before December 31 from 2016 to 2020.

These gifts will comprise the original corpus of the Fund, to be invested and reinvested in perpetuity under policies established by the Center’s board of trustees. The Fund may be comingled with other endowments of the Center for purposes of investment, but a separate accounting of principal and income attributable to the Fund shall be maintained.

Investment earnings of the Fund may be expended for purposes described below. The amount of earnings available for spending in any given year will be determined according to policies established by the Center’s board of trustees.

Uses of Income

Annual earnings of the Fund may be expended at the discretion of the Center’s president to support any of the following activities. 1) Stipends for student interns working at the Center, with preference to be given to young men and women who express an intention to

(Continued)

(Continued)

pursue careers in international business related to the Americas. 2) Costs of bringing guest lecturers to the Center or for sponsoring seminars concerning relationships among nations of the Americas. Such costs supported by the Fund's income may include honoraria, travel and lodging for lecturers or seminar participants, costs of publicizing the lectures or seminars, related social activities, and the printing and distribution of proceedings. 3) Research related to economic cooperation among the nations of the Americas.

Recognition and Reporting

The Center will include the Fund in its listing of endowed funds in every annual report. The names of Jane and John Doe will be included as "Benefactors of the Center" on the donor wall in the president's suite. So long as one of them is living, the Center will provide an annual report to Jane and John Doe concerning the status of the Fund and activities undertaken with its support.

Changed Conditions

If at some future time it becomes impossible for the Fund to serve the purposes for which it was created, the Center's board of trustees shall direct that its principal and income be devoted to alternative purposes of the Center that it deems to be most consistent with the original intentions of the Donors.

Mutual Understanding

We agree that this memorandum accurately reflects our mutual understandings concerning the gift from Jane and John Doe to the Center and the Center's administration of the Fund.

BY THE DONORS:

Jane Doe

Date

John Doe

Date

FOR THE CENTER:

BY:

I. M. Executive, President

Date

Note: This sample was developed by the author. It is hypothetical and illustrative only. It is not intended as a draft to be adopted for any legal purpose. Gift agreements or memoranda of understanding should be drafted and reviewed by legal counsel of the nonprofit organization and the donor.

MAINTAINING CLARITY OF PURPOSE

As mentioned previously, some people may find the vocabulary and methods of major-gifts fundraising to be uncomfortable or even offensive. It may imply the manipulation of people for the purpose of inducing them to part with their money. Surely it is important for fundraisers to avoid using the jargon of their field in the presence of prospective donors, who might experience such a reaction.

But it is also important to maintain clarity about the purpose of major-gifts fundraising. In the end, it is not about obtaining money but about advancing the programs and causes of nonprofit organizations and institutions, which are important and worthy of a professional, well-managed, and effective approach. And it is essential to remember that making a gift is not something onerous but rather an action that brings great satisfaction to those able to apply their wealth to noble ends. In the conclusion to his *Handbook for Educational Fund Raising*, Pray (1981) expressed a similar sentiment in words that continue to be true even decades later. He writes, “[This is] a world in which greed and need and misery are still all too dominant, but [it is also] a world in which some of the more decent of human . . . urges and needs can come together with some hope of making a significant impact on the future.” He adds in a message to fellow fundraising professionals, “To be a part of the line of contact between the institution and the better impulses of humanity outside is a privilege we share with relatively few others” (p. 403).

CHAPTER SUMMARY

A major gift may be five to twenty times as much as a donor’s annual gift (Dunlop, 2002), is usually made to meet a special need of the organization, and may be paid from the donor’s income or assets. Many are pledged and are paid in installments over time.

The process for raising major gifts is a particular application of the generic fundraising cycle, including the identification and qualification of prospects, cultivation, solicitation, and stewardship. The cultivation phase is also a cycle that includes distinct stages. Smith (1977) identified the *Five I’s* of identification, interest, information, involvement, and investment. Dunlop (2002) offers a similar model with different terms and additional phases: identification, information, awareness, understanding, caring, involvement, and commitment. Both models are in some respects consistent with theory regarding donor motivations (Schervish & Havens, 2002), but they are also *domino models* in that they imply one step automatically follows the other, which is contradicted by theory (Kelly, 1998). Both have intuitive appeal and seem to be consistent with some donor accounts of their experiences. A critical step in both models is the involvement of the prospective donors in program, that is, in substance, which leads to psychological identification with the organization and its cause (Schervish & Havens, 2002; Seymour, 1966). People involved in an organization also tend to give because of the *rule of consistency* (Cialdini, 2003), which suggests that individuals are motivated to behave in ways consistent with the commitments they have made in the past or that are reflected through their actions.

Relationships with prospective donors are cultivated in a planned and systematic manner. Staff members of the nonprofit are assigned as *relationship managers* or *prospect managers*. They are often *major-gifts officers* (or just *gift officers*). They maintain a *portfolio* of prospective donors and engage in actions intended to move prospects through the *pipeline*, from identification to a major gift, within about eighteen to twenty-four months (Scarpucci & Lange, 2007). The actions are commonly known as *moves* (or *initiatives*), and an organized approach to making them is *moves management*. Initiatives include *foreground initiatives* and *background initiatives* and often are undertaken with *natural partners*, people who know the prospect and can help (Dunlop, 1993, 2002).

Management of major-gifts fundraising may be relatively simple for small organizations, which may just maintain a list of their top twenty-five or so prospects. Larger organizations require more complex systems and policies governing contact with donors and prospects. Prospects are prioritized according to their financial *capacity* and *inclination* to give, with time and attention allocated accordingly in order to achieve maximum long-term support. Other variables, including some related to the donor's life stage, are used by some organizations to establish similar priority rankings (Dupree, n.d.).

Prospect managers' activity is planned and tracked. Assigned prospects may be in different *stages* of the *cultivation cycle*, including discovery, cultivation, solicitation, or stewardship. A typical portfolio includes seventy-five to one hundred fifty prospects, which is possibly the maximum number of relationships an individual can maintain (Dunbar, 2010; Scarpucci & Lange, 2007). In large and especially decentralized organizations, contact with prospects is regulated by formal policies, or *protocols*, that may require prior clearance and *contact reports* (Birkholz, 2008). Gift officer performance is evaluated by various criteria, which should include productive activity rather than just the amount of money raised, in order to assure that their time and effort are consistent with prospect priority rankings and the priorities of the organization (Dupree, n.d.).

Relationships with donors are developed through personal contacts. Since major donors are inclined to give, an *inclination* or *discernment* approach is recommended, rather than a *scolding* or *cajoling model* (Schervish & Havens, 2002). Relationships should be developed at an appropriate pace and with an appropriate tone (Dunlop, 2002; Kelly, 1998). Donor relationships should be with the organization, of which the fundraiser is an agent, and not be viewed as a personal relationship by either party (Temple, 2011).

Personal visits may be for the purpose of discovery, cultivation, solicitation, or stewardship. During cultivation, the fundraiser and the prospective donor mutually consider gift opportunities, and *coorientation theory* may explain the process through which a common perspective is achieved (McLeod & Chaffee, 1973; Newcomb, 1953). Solicitation visits are carefully planned with regard to who should be involved, the location, the amount and purpose of the gift to be requested, the assignment of speaking roles, appropriate endings under various conditions, and responses to anticipated donor concerns, called *objections* (Fredericks, 2010; Matheny, 2010). Most experts think that a solicitation team is most effective, with a combination of the CEO and a volunteer who has already given advanced as an ideal. A solicitation team of at least two people offers advantages, but too many people can be problematic. Most experts recommend that a solicitation occur at the prospect's home or office and that a specific amount be requested. There are differences of opinion regarding the use of written proposals (Fredericks, 2010).

Solicitation meetings follow a format that is commonly prescribed, including opening conversation, a transition to the ask, the ask, a period of silence while the prospect responds, responses to objections, and a conclusion that includes a specific plan for follow-up. The follow-up may include additional meetings, negotiation, and the drafting of a formal gift agreement or *memorandum of understanding*.

Some people may find the vocabulary and methods of major-gifts fundraising to be uncomfortable, but it is important to remember the noble purposes for which gifts are solicited and made.

Key Terms and Concepts

Affinity (of prospect)	Inclination model	Portfolio
The ask	(discernment model)	Pre-ask conversation
Background initiative	Life stage (of prospect)	Primes
Cajoling model (scolding model)	Major-gifts officer (gift officer)	Principal gift
Coorientation theory	Memorandum of understanding	Prospect manager
Cultivation visit	Moves	Protocols
Discovery visit	Moves management	Readiness
Domino model	Natural partners	Relationship manager
Donor intent	Objections	Rule of consistency
Five I's	Pipeline (of major-gifts prospects)	Secondaries
Five R's		Special gift
Foreground initiative		Stage
		Stretch gift
		Tracking (of initiatives/moves)
		Trial gift

Case 7.1: Don R. N. Blitzer

SCENARIO

The executive director and director of development of College Opportunity, a nonprofit that assists high school students gain admission to college, plan to visit Don at his office to solicit his gift to a campaign for renovation and expansion of its headquarters building, where most programs are conducted. Given plans for the project, the gift could be paid over five years.

PROSPECT PROFILE

Age: 50

Family: married (wife Donna), two children in college

Business: independent home building contractor

Relationship: Don is a member of the College Opportunity board of directors, serving his first three-year term. He was recruited to the board by its chair, who knew him through a business relationship.

Gift history: The Blitzers have made annual-fund gifts for years, usually ranging from \$1,000 to \$2,500. Since Don was elected to the board of directors two years ago, their annual gift has been \$5,000. The Blitzers, or Don's company, also are listed as annual donors to other organizations, with gifts ranging from \$100 to \$5,000. Donna has been a volunteer at College Opportunity, counseling young people about college admissions.

Assets/capacity: Don is a home builder. The business is a private company, so no information on revenues or profits is available, but most people say that Don has been very successful. The Blitzer home, located across town from the College Opportunity facility, is valued at \$1 million. Don Blitzer is also the owner of a small office building where his company and other commercial tenants are located. The building has an appraised value of \$2 million. The development office rates the Blitzers as capable of a \$500,000 gift, payable over five years.

Previous contacts: The chair of the College Opportunity board knew Don Blitzer through business. He invited Don to join the board. Don was reluctant at first, saying he is overcommitted, but then accepted. He has attended most board meetings but has not participated on a committee. The executive director visited Don and his wife, Donna, at their home a year ago, shortly after Don had joined the board, and discussed the plan for the facility expansion. She did not solicit a gift. Donna did not seem interested and left the room to do other things several times during the meeting. The executive director gained the impression that she was not interested in the discussion and maybe was uncomfortable with it. Don showed considerable interest and mentioned that since he is a builder, he would be willing to provide advice on the project.

Project: College Opportunity is expanding its headquarters facility, which is also the site at which most of its programs are offered. The total project cost is \$10 million, all to be funded through philanthropy. The project will include refurbishing of the existing building and construction of two new wings. The building currently has no name, and the level for a naming gift has been set at \$5 million. Each of the new wings can be named for \$1 million and each of several study rooms for \$500,000 each. Donors of gifts below \$500,000 will be listed on a plaque in the lobby.

Case 7.2: Phillis N. Thropist

SCENARIO

The executive director and a trustee of an art gallery, now known as City Gallery, are planning to visit Phillis at home to solicit her gift to the gallery's campaign.

PROSPECT PROFILE

Age: 70

Family: widowed, no children

Business: Phillis's late husband, Sam, was a corporation executive and a trustee of the gallery. He passed away shortly after retiring at age sixty-five. Phillis is an artist who sells some of her work at regional art shows and fairs.

Relationship: When Sam was a trustee of the gallery, Phillis attended many events with him. She has not attended many events since his death.

Gift history: When Sam was alive, the Thropists regularly gave \$10,000 to the annual fund. Since Sam's death, Phillis has continued to give but at the \$5,000 level.

Assets/capacity: Phillis lives in the same house she and Sam occupied while he was alive, in the next town over from the where the gallery is located. It is a modest house, which includes her art studio. It is appraised at \$250,000. We have little additional information about her assets but presume that she continues to receive income from Sam's retirement. Phillis is rated by the development office as a prospect for a \$50,000 gift, payable over five years.

Previous contacts: Phillis's annual gift qualifies her as a member of the gallery's Director's Circle. She came to a few luncheons right after Sam passed away, but she has not been at the gallery lately. The curator of the gallery knows Phillis. She occasionally visits Phillis at her home to discuss art and says that Phillis is especially interested in opportunities for young artists and students pursuing careers in gallery administration. Phillis also has mentioned to the curator how much Sam enjoyed serving on the gallery's board and said she would like to "give something back" someday. The curator thinks that Phillis has "some money" but doesn't know anything more detailed. She says that Phillis should be solicited for a gift to the campaign but thinks the amount requested should not be "too ambitious."

Project: The overall campaign is for \$2 million. Of that amount \$1 million will be for renovation of the gallery. Since it is now known merely as City Gallery, it could be renamed to recognize a \$500,000 gift toward the renovation. In addition, the campaign will raise \$1 million to endow internships for students who work at the gallery, and a fund/internship can be named with a \$50,000 gift.

Case 7.3: Martha and Fred Generous

SCENARIO

The president and a major-gifts officer from Siwash College are planning to visit Martha and Fred together at home to solicit a major gift toward the college's campaign.

PROSPECT PROFILE

Ages: 62, 60

Family: Married, two grown children.

Business: Martha and Fred own and operate a large local building supply company.

Relationship: Martha and Fred graduated from college in another state. But they have developed a relationship with Siwash over the past twenty years. Their daughter is an alumna. They live near the campus and see it as important to the local economy. They have provided part-time jobs to many students from the college. Martha serves on the board of trustees. Fred was active as an annual-fund volunteer when their daughter was a student at the college but has not been active since.

Gift history: Martha and Fred give \$1,000 to the annual fund every year. In the college's last campaign, they gave \$25,000, paid over five years. That was when their daughter was a student. It is known that they recently made \$50,000 gifts to building projects at their church and at a local nonprofit.

Assets/capacity: Martha and Fred's home is appraised at \$350,000, and it is known that Martha has investments inherited from her father, who was a stockbroker. The development office has rated Martha and Fred as prospects for a \$100,000 gift.

Previous contacts: Martha is well aware of the college's campaign. As a member of the board of trustees, she was present in all the planning discussions and voted to approve the campaign. She belongs to the same private club as the chair of the college's board of trustees. On one occasion, she told the chair casually, "I know someone will be coming to see me about the campaign. Fred and I are discussing it now."

Project: The college is in a special capital campaign for a library renovation project. The total cost is \$5 million. \$2 million already has been committed by the chair of the board and another \$1 million from a major bank serving the region.

Case 7.4: Ellen Entrepreneur**SCENARIO**

The chief development officer and a board member of Brilliant Science Center (BSC) are visiting Ellen at her apartment in New York to solicit her gift to the center's campaign.

PROSPECT PROFILE

Age: 40

Family: Ellen is single

Business: Ellen is a technology entrepreneur. She started her own software business shortly after graduating from college and ten years later sold her company. She now is

an investor who spends part of the year in New York and part of the year in California. She is involved in a variety of new start-up companies.

Relationship: Ellen had a postdoctoral research fellowship at the Brilliant Science Center after she finished graduate school but left after her first year to start her company.

Gift history: Ellen has made a few gifts to the annual fund in the \$500 to \$1,000 range but also misses some years. Three years ago, she gave the center a gift of \$100,000, paid in cash, to provide scholarships for young people from urban backgrounds who would attend a new summer program aimed at increasing their interest in science and technology careers. She is on the board of a small nonprofit in New York that works with low-income children to help them go to college.

Assets/capacity: Ellen's apartment in New York is valued at \$2.5 million. Her second home, in California, is valued at \$1.5 million. We know that she received \$20 million from the sale of her company, but we do not know the nature of private investments she now holds. The center's development office has Ellen rated as a prospect for a \$1 million gift.

Previous contacts: Ellen stays in touch with some of the full-time researchers at the center, and a few were early investors in her company. Her \$100,000 gift was solicited by one of them, who also was a donor to the special summer program. The center's director visited her once to thank her for her \$100,000 gift and asked her if she would consider joining the center's board. She said she was too busy and declined. The chief development officer has tried to visit Ellen on several previous occasions, but she always has been traveling or unavailable, so he is pleased to have secured this appointment and thinks maybe having a board member involved made the difference.

Project: The center is in a comprehensive campaign for \$50 million, including \$40 million for endowment. This will provide support for ongoing research projects, reducing the center's reliance on annual grants, and will support more postdoctoral fellowships like the one Ellen held. Based on the amount of fellowship stipends that are provided and in light of the center's investment policies, a fellowship can be endowed and named with a gift of \$750,000.

Questions for Discussion

Suppose you are a member of the major-gifts team for the nonprofit described in each of the previous cases and are asked to participate in a discussion to develop a strategy for each solicitation visit. For each case, consider the following questions. (Of course, each profile is quite brief, so your answers will require some speculation and perhaps imagination.)

1. Based on the history described in the profile, do you think the prospect is ready to be solicited? If not, why?
2. Do you think the planned scenario—that is, the time, place, and participants in the meeting—is the right one? Should other people have been involved? Are there obvious natural partners who should be consulted about the best way to proceed? Are there others who should be included in the meeting? Why?

3. What do you think motivates this prospect? What can you discern about this from his or her past giving and overall relationship with the organization? Do the theories of donor motivation discussed in Chapter 3 add to understanding of the donor's motivational type?
4. Assuming the solicitation visit goes forward as described, how should the discussion unfold—which member of the team should start the conversation, which should ask for the gift, which should decide when to close the meeting, and so forth? Why? What might be the pros and cons of various alternatives?
5. Considering what you know about each prospect, how should the solicitors make their case? What arguments might be most effective with each of these prospects? What points should be emphasized? How much emphasis should they give to naming opportunities?
6. What should be the ask amount? Should they ask the prospect for a specific amount? If so, based on the prospect's profile, what should that amount be? Should they ask for the amount suggested in the profile or suggest a larger gift first, then be prepared to negotiate to a lesser amount? Should they begin with a general range and be guided by the prospect's response? What might be the benefits and risks in each of these approaches?
7. Should the solicitors prepare a written proposal in advance of the solicitation meeting? Why or why not?
8. What questions or concerns (objections) might the donor raise, and how should the solicitors be prepared to respond to each?
9. Assume that the prospect does not make a decision during the solicitation visit. How should the solicitors finish the meeting, and what follow-up should they propose?

Suggestions for Further Reading

Books

- Fredericks, L. (2010). *The ask: How to ask for support for your nonprofit cause, creative project, or business venture*. San Francisco: Jossey-Bass.
- Matheny, R. E. (2010). *Major gifts: Solicitation strategies*. Washington, DC: Council for Advancement and Support of Education.
- Walker, J. I. (2006). *Nonprofit essentials: Major gifts*. Hoboken, NJ: Wiley.

Book Chapter

- Dunlop, D. R. (2002). Major gift programs. In Worth, M. J. (Ed.), *New strategies for educational fund raising* (pp. 89–104). Westport, CT: American Council on Education and Praeger. (Note: This work is dated but considered a classic, in which Dunlop defines many of the terms and concepts used in major-gifts fundraising today.)

Articles

- Knowles, P., & Gomes, R. (2009). Building relationships with major-gift donors: A major-gift decision-making, relationship-building model. *Journal of Nonprofit & Public Sector Marketing*, 21(4), 384–406.

Schervish, P. G., & Havens, J. J. (2002, March). The new physics of philanthropy: The supply side vectors of charitable giving: Part II: The spiritual side of the supply side. *CASE International Journal of Educational Advancement*, 2(3), 221–241.

The delicate balance. (Winter, 2014). *Grenzebach-Glier Quarterly Review*, <http://www.grenzebachglier.com/gga-quarterly-review.html>.

Website

Public Broadcasting Major Giving Initiative: <http://majorgivingnow.org>

Notes

1. Dupree recommends that major-gifts officers who exceed 80 points receive an incentive bonus. The subject of incentive compensation for major-gifts officers is controversial. It is discussed further in Chapter 14, which discusses ethical issues.

2. The terms *visits* and *calls* are used interchangeably in the literature to describe a personal meeting with the prospect at the fundraiser's initiative. Of course, a call could be a contact made by phone, but sometimes a visit is also referred to as a "call," as in "calling upon" a person at home or the office.