



Family Business Network

Chapter Leader Fundraising Workshop

January 2023



Introduction

KEY FINDINGS FROM WORK WITH FBN

- **What makes FBN uniquely positioned to fundraise?**
 - FBN has a strong membership across the entire enterprise, many of which are both engaged and have a high net worth.
 - FBN's clear mission, outstanding program delivery, and trusted relationships have built a strong brand worthy of investment.
- **What are the key challenges FBN faces in building a fundraising program?**
 - Building a culture of philanthropy across chapter, board, and membership.
 - Distinguishing the impact of fundraising from the reliance on membership dues.
 - Creation of compelling gift propositions for operations and programmatic support, including impact of philanthropic support

CRITICAL SUCCESS FACTORS FOR HIGH PERFORMING FUNDRAISING PROGRAMS

GG+A has identified a set of success factors from our work with high performing fundraising programs that will serve to organize the firm's findings and recommendations. These success factors include:

- ✓ **A compelling rationale for private gift support**, tied to specific goals that are suited to the institution's core mission, values, resources, and culture
- ✓ **Institutional leaders** who can articulate the organization's vision and are prepared to cultivate long-term relationships, recruit key volunteers, and solicit critical leadership gifts
- ✓ **Professional staff** who are experienced and proactive in building donor relationships at every level of the campaign gift table
- ✓ **Exemplary volunteer leaders** who are ready to take leadership roles as advocates for the organization's ambitions, as donors and as campaign volunteers
- ✓ **An adequate pool of potential donors** sufficient to meet the identified financial targets of the campaign, and systems to identify, qualify, manage, solicit, and steward these prospective donors
- ✓ **A commitment to resource investment** in fundraising programs and infrastructure, strategic communications, and engagement initiatives



Why Give?

Communicating Impact and Philanthropic Priorities

What Motivates the Largest Donors?

- Personal engagement with the institution, with its objectives, and its critical challenges
- Confidence in and relationship with institutional leaders
- Extraordinary stewardship for previous gifts
- Colleagues and friends who share a commitment to the institution
- A compelling Case... to them! (not just to us)
- The likelihood that their gift will have a significant impact
- The ability to play a role in “shaping” their gift to enable an impact that is meaningful for them

Making a positive impact in society is an important goal for the wealthy.

Giving their time and philanthropic support are the top two ways they effect change.

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WAYS OF MAKING A POSITIVE IMPACT IN SOCIETY

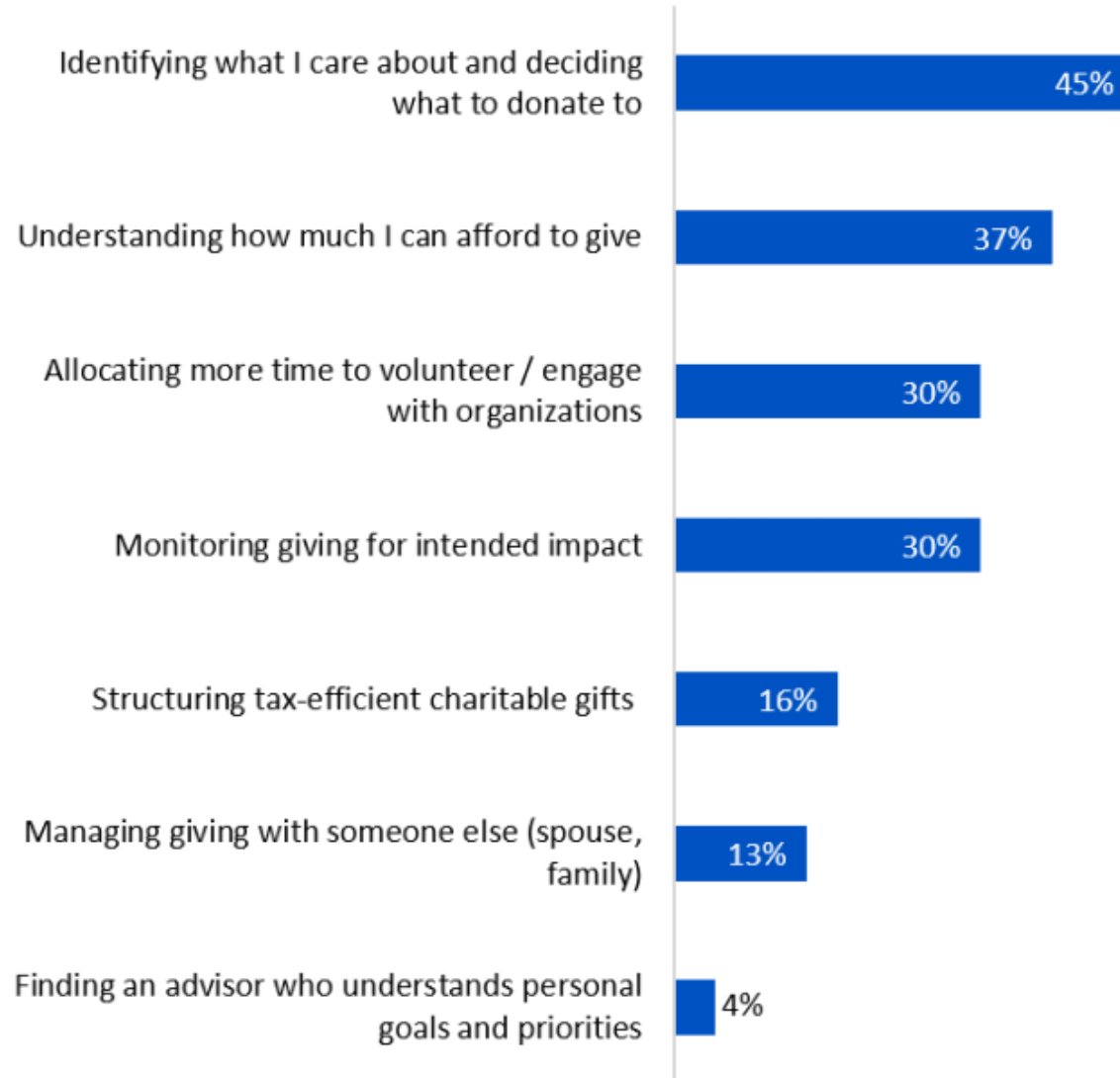
In order by potential for having the greatest impact

- 1 Charitable giving
- 2 Volunteering
- 3 Voting for a political candidate who shares your ideals on topics important to you
- 4 Impact investing
- 5 Political contributions
- 6 Purchasing goods from a company that has a social mission
- 7 Participating in a social-media campaign to raise funds or awareness for a cause

CHALLENGES TO CHARITABLE DECISION-MAKING

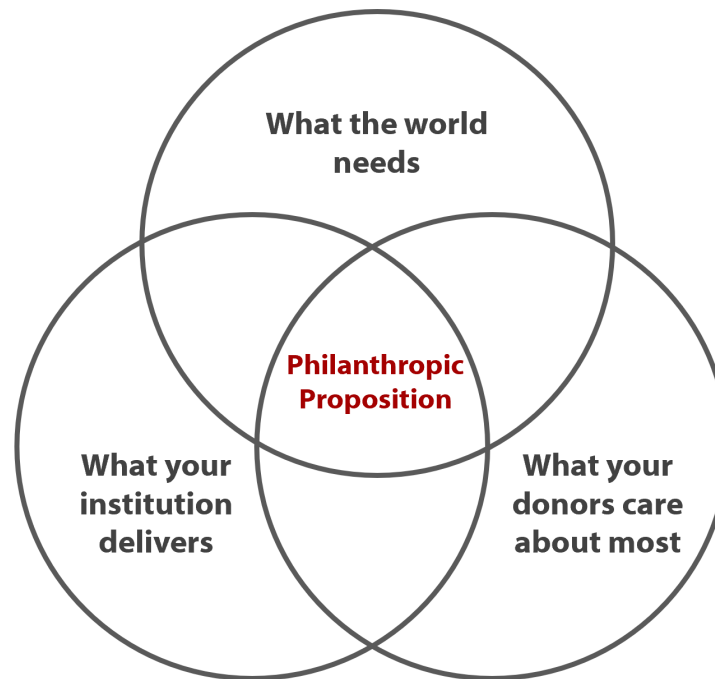
CHALLENGES TO CHARITABLE DECISION-MAKING

PERCENTAGE OF THOSE WHO IDENTIFIED AS CHALLENGING



COMPELLING RATIONALE FOR PRIVATE GIFT SUPPORT

- + Clearly defined, mission-driven goals that need philanthropy to succeed
- + Philanthropic priorities should be tied to an institution's strategic plan
- + Philanthropic priorities help to prioritize the work of the fundraising staff/volunteers and the institution



WHAT ARE PHILANTHROPIC PRIORITIES?

- + Clearly defined, mission-driven goals that need philanthropy to succeed
- + Philanthropic priorities should be tied to an institution's strategic plan
- + Philanthropic priorities help to prioritize the work of the development office and the institution

Examples

- Add \$2 million in endowment in support of digital initiatives by close of FY24
- Garner \$5 million in gifts or pledges to support new program next 3 years
- Raise \$5 million by 2025 to endow scholarships for lower-level members to attend conferences and workshops
- Launch 5 new internships next year to increase diversity in the field through gifts of \$50,000 and above or an endowment goal of \$5 million

Four Key Principles

- + Focus on what your mission achieves
- + Celebrate what differentiates your chapter
- + Balance urgency with strength
- + Be clear (would your great-aunt understand your argument?)

COMMUNICATING PHILANTHROPIC PRIORITIES

+ The following should be addressed for each top priority:

- What is the problem we are trying to solve?
- How is this something we are uniquely positioned to do?
- How does it leverage our existing work, expertise, relationships/partnerships?
- What impact will this initiative have for audiences? For our institution? For the field? For the wider world?
- What are the project's major milestones?
- What are the broad parameters of the project's spending? Is this in phases?
- How much of the project depends on philanthropy? What will it fund?

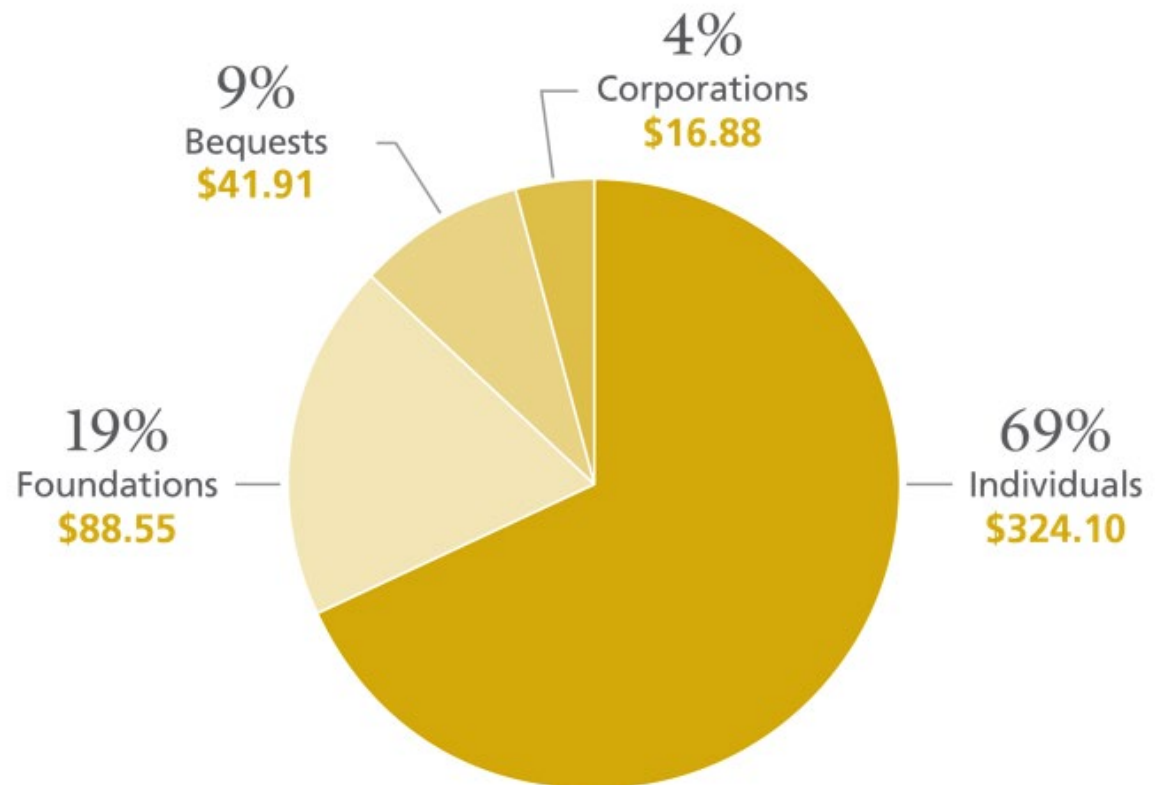
Small Group Discussion (15 minutes)

What is the most impactful reason someone should make a gift to your chapter?

Where Do We Start?

Building an individual giving program

Donor Statistics



Courtesy of: 2021, Giving USA: Annual Report on Philanthropy for 2020, Slide 9



Brainstorm and Break *(30 minutes)*

Take 10 minutes of our break to brainstorm 3 to 5 individuals who could support your philanthropic priorities.

“You will learn more in a 20-minute meeting with a prospect than you will from any amount of research. Prospect research will tell you where to spend the 20 minutes.”

*Martin Grenzebach
Chairman, Grenzebach Glier and Associates*

STRATEGIC QUESTIONS FOR QUALIFICATION

- + Asking strategic questions helps you learn about the factors that will motivate the prospect to make a best gift:
 - *What gifts have you made that have given you the most joy?*
 - *How did you get involved with our chapter?*
 - *If you won the lottery and had to give away the winnings, what impact would you want to make?*
 - *What's the most significant advantage [challenge] facing the sector today?*
 - *Why do you think it's important that the organization continue its work?*
 - *What factors drive your philanthropic decisions?*

OUTCOMES OF A FIRST VISIT

- + Decide that the constituent has capacity and inclination to support the chapter
 - Get the prospect to agree to a next step, engagement, or meeting
 - Send a thank-you note
- + Decide the constituent is not a prospect (financially), is not philanthropic, or has little or no interest in supporting you
 - Remove from the pipeline
 - Send a thank-you note

BUILDING ENGAGEMENT: INTENTIONAL CULTIVATION

- + Identifying those who have a connection or interest in your organization and its strategic mission
- + Uncovering (understanding) the prospective donor's values, interests, resources, and motivations
- + Setting the stage for asking for a gift by first establishing a cycle of early giving, on-going stewardship, and sustained involvement
- + Orchestrating engagement aimed at creating both an intellectual and emotional connection to your program, department, or to its people
- + Creating a timeline with concrete steps to ready the prospects for solicitation

USING INVESTMENT LANGUAGE IN CULTIVATION

- + Position philanthropy as an investment in the organization and programs
- + Make explicit that you understand the donor expects results and/or positive outcomes from their philanthropy
- + Turn the prospect and institution into partners with mutual goals
- + Recognize donors want to invest in success (winners support winners)
- + Position your institution as a solution provider to a cause the donor cares about

The ask is the culmination of a prospect's relationship with the institution up to that point in time.

It is the moment at which they are presented with the decision to maintain the current relationship or deepen it with a commitment.

ASKING BEST PRACTICES

- + Always plan face-to-face meetings
- + Teams are almost always more effective
- + Whenever possible, use peers (e.g., social, intellectual, philanthropic, financial) as part of your fundraising team
- + Look for ways to include other parties who are involved in the prospect's philanthropic decision at every level, but follow the donor's lead
- + Usually, it is best to go to the prospect's "turf." Avoid social occasions, public places with no privacy, alcohol, and most meals
- + Prepare briefings and scripts for each meeting; specifically identify the role of every team member
- + Rehearse the ask, including use of materials

PREPARING FOR A SUCCESSFUL ASK

■ Donor Checklist

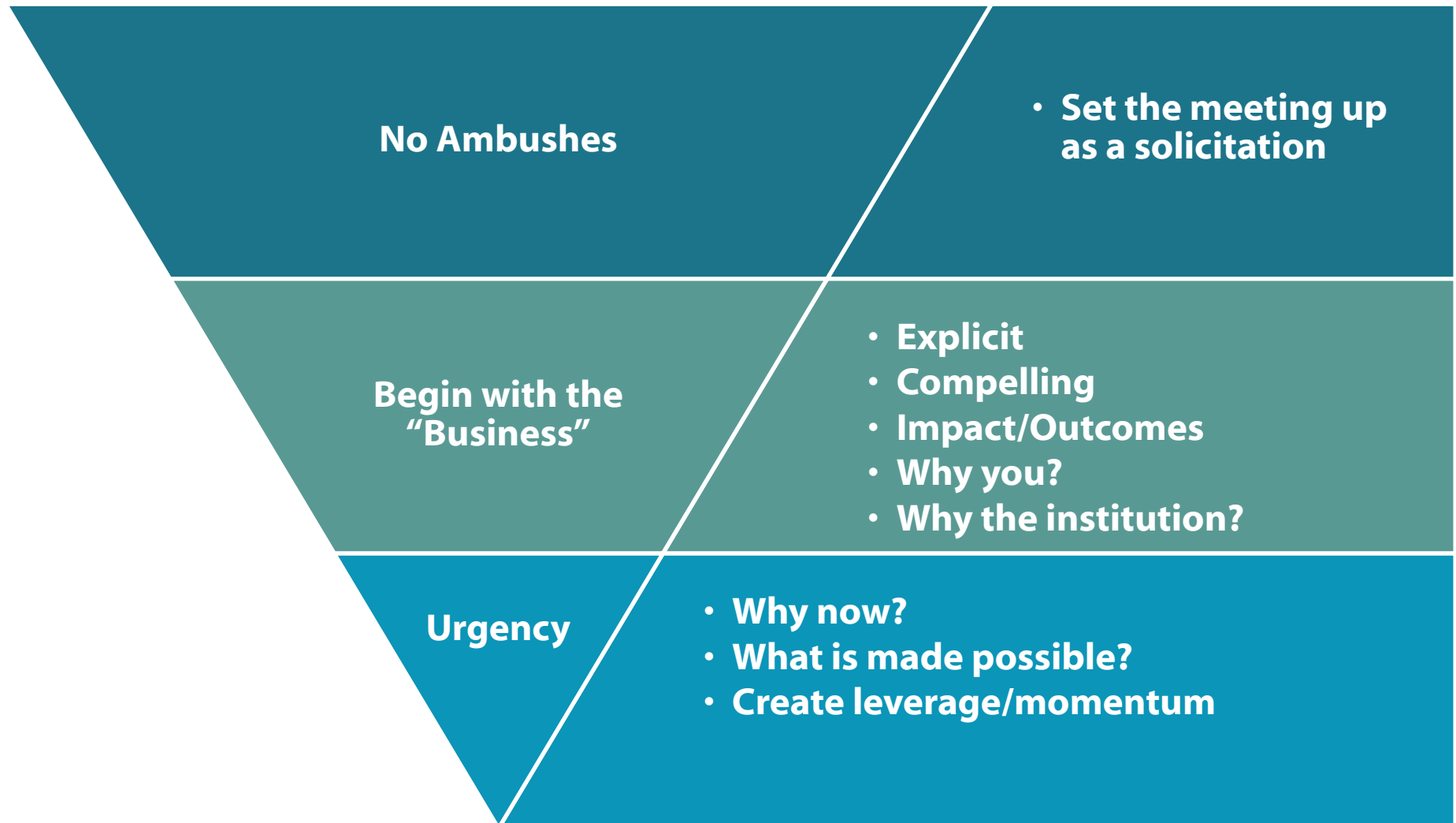
- Do they know the meeting is for solicitation?
- Is meeting venue conducive to them and the conversation?
- If needed, have materials been sent ahead of the meeting?



■ Solicitor Checklist

- Confident you've reached Donor Readiness? (If not, request permission to present a proposal.)
- Are the right people involved?
- Does everyone know the meeting sequence and their role?
- Have you prepared "what if" scenarios?

MAKING THE ASK



ESSENTIAL COMPONENTS FOR THE ASK

- + Acknowledge the prospect's past support of the institution
- + State the case for support
- + Transition from the case to the ask that references the prospect's interest and/or prior support
- + Clearly state a specified amount and purpose in the ask
- + Enumerate the benefits of the gift
- + Embrace silence

Adapted from: The Ask, 2010, Fredericks

MAKING THE ASK

**“Thank you for meeting with us today.
I’m grateful for this opportunity to ask for your
investment in _____.**

**As we have discussed, funding _____
is a high priority for our vision for the institution.
I know you appreciate and share that vision.**

**Would you consider investing \$_____
in accomplishing this goal?”**

CLOSING THE GIFT

- + Summarize the ask
- + Reiterate the impact of the gift
- + Anticipate a request to give this proposal thoughtful consideration, talk it over with family and advisors, and come back with questions, concerns and constraints
- + Thank for the opportunity to solicit
- + Set a clear follow-up time and date to move the ask negotiation forward or to convey next steps in finalizing gift
- + Send a written form of thank you and any follow-up information requested promptly

Adapted from: The Ask, 2010, Fredericks

Small Group Discussion *(15 minutes)*

What are your fears about asking for a gift?

How To Define An ANNUAL GIFT

An annual, renewable, repeatable gift

- A logical assessment that this gift could be given again in each of the next few years
- A gift made from cash, below your major gift threshold

Other common definitions

- Gifts below a certain dollar value
- Gifts generated by direct mail or e-mail
- Unrestricted gifts
- Gifts to specific funds

WRITING PRINCIPLES FOR APPEALS

- +Tell a story
- +Don't be afraid of long copy
- +‘I’ and ‘you’
- +Think about what it looks like
- +Read it aloud
- +Focus calls to action on what you want to achieve (click through to landing page/donation or simply to open DM)
- +Make good use of the PS!

Who Will Ask?
*Working with Institutional
Partners*

BUILDING A CULTURE OF PHILANTHROPY

- + A successful fundraising program will involve building a culture of philanthropy across the entire institution.
- + In order to accomplish this, leadership must make clear the important role philanthropy plays in all aspects of the chapter achieving its mission.
- + Leadership must play a key role in building philanthropic priorities and gift opportunities which stem from key goals and mission, and then communicate their impact to volunteers and key partners.
- + This will help foster a commitment to philanthropy across the chapter.

ROLE OF THE BOARD

What Every Board Member Should Do

- + Advocate effectively for the institution's priorities
 - Be able to explain what they are and how they help fit into the institution's strategic vision by answering the question, "what's different if the institution raises this money?"
 - Provide feedback on fundraising communications (written and verbal) and their effectiveness in inspiring donors
- + Support and celebrate philanthropy
 - As appropriate, thank others who have given
 - Allow the institution to acknowledge your gifts publicly

ROLE OF THE BOARD

What Every Board Member Should Do

- + Lead by example
 - Make a commitment at a level that reflects the chapter as a personal philanthropic priority
- + Understand and be able to articulate the role of philanthropy in the chapter's financial health
 - Be able to answer common questions such as, "What role does philanthropy play in the chapter's budget?"
 - Be able to explain why funding priorities can't be paid for by other sources
 - Develop a personal narrative about why the institution is important to them and how this impacted their decision to give
 - *Remember that prospects are interested because they are grateful for the chapter and giving back to support it is a joy!*

ROLE OF THE BOARD

What Every Board Member Should Do

- + Help the institution engage its prospects, which may include:
 - Providing information about prospects that should inform ask strategies
 - Responding positively whenever possible to the institution's requests for help with a prospect
 - Attending fundraising and institutional events whenever possible

What does it mean to start a conversation about philanthropy versus “cheerleading” for the institution?

ROLE OF THE BOARD

What Some Board Members Will Do

- + Help cultivate prospects in a deeper way, which may include:
 - Hosting small cultivation events
 - Encouraging specific key prospects to attend events or accept a meeting request
 - Call donors to thank them for their gifts
- + Serve on institutional fundraising and/or campaign committees

ROLE OF THE BOARD

What a Few Board Members Will Do

+Ask!

- When a Board member is involved in an ask conversation, it will always include the institutional leader or another member of the institution's staff.
- The size and focus of the ask will already be decided, based on:
 - Multiple conversations between the prospect and representatives of the institution about the person's interests, enthusiasm for fundraising priorities and inclination to support the institution
 - Past giving to the institution and known giving to other institutions

SOME GUIDELINES FOR WORKING WITH VOLUNTEERS

- + Discuss these expectations in person whenever possible, and follow up in writing to ensure that they are understood by both parties
- + Make sure that you are aligned with other members of the institution's staff in your expectations of volunteers
- + Do not "undersell" what you really need in order to get a commitment for volunteer leadership: this will be frustrating to you and the volunteer
- + Set clear expectations for time commitments, tasks to be completed by volunteers, personal giving, and other things that may be key to their success
- + Always follow through on what you promise to provide to support the efforts of volunteers
- + Be gracious about feedback, but don't promise to change things you cannot
- + **Don't forget to say please and thank you!**

Small Group Discussion (15 minutes)

Who are one or two institutional partners you could involve in fundraising? How will you ask them to get involved?

Questions and Discussion