Major Gifts for Small Shops

SAGE ADVANCEMENT GROUP
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Why Major Gifts?

- 72% of philanthropic dollars raised in the US are contributed by INDIVIDUALS.
- Major gifts can transform your organization.
- Major donors are typically more invested in your organization.
- Individuals have the most flexibility to increase funding, unlike foundations, corporations, and government grant makers.
## Major Gifts vs. Annual Gifts

<table>
<thead>
<tr>
<th>Major Gifts</th>
<th>Annual Gifts</th>
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<tbody>
<tr>
<td>Typically $10K and up</td>
<td>Typically less than $10K</td>
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<tr>
<td>Relational</td>
<td>Transactional</td>
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<tr>
<td>For all purposes</td>
<td>Budget relieving (usually)</td>
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<td>Highly personalized with multiple “touches” – in-person visits are key!</td>
<td>Not as personalized - direct mail, phone calls, email</td>
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<td>Not usually made yearly</td>
<td>Repeatable each year</td>
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<tr>
<td>Can take 18 mos. – 3 years to close</td>
<td>Twelve month cycle</td>
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Developing the Pipeline

Leadership Annual Giving Donors → Major Donor Prospects

Working closely with leadership Annual Giving donors will feed the major gifts pipeline!

Major donor prospects will “come up” through a strong Annual Giving program and be ready for deeper engagement.
Major Gift Cycle

Identification
Qualification
Cultivation
Solicitation
Gift Closure
Recognition/Stewardship
Major Gifts Program
Year 1

• Start small with 25 top prospects
• Conduct 4 visits per month
• Complete 3-5 moves for each prospect and record all moves in database
• Engage board, volunteers, and donors to assist with identifying, cultivating, soliciting and stewarding top prospects
Staff and Board Roles

**Staff will**
- Identify prospects
- Develop profiles (bios) for top prospects
- Schedule visits
- Develop moves management strategies
- Cultivate, solicit & steward donors
- Record donor activity

**Board will**
- Help identify prospects through list screenings
- Provide introductions to prospects where possible
- Join staff on visits with prospects
- Connect with prospects at events
- Make thank you calls
Who might be a MG prospect?

• Your most generous and/or consistent donors
• Your volunteers, board members, or community leaders
• People who have an interest in the mission of your organization or a connection to your organization in some way
Major Donor Profile

Likely MG prospect

Wealth Indicators
Home purchase, job, hobbies, 2nd home, travel, family

Philanthropy
Board involvement, donations, family foundation

Connections
Social & community networks (church, clubs, etc.)
Identifying MG Prospects

• Periodically screen donor and volunteer lists with staff and board.
• Do a wealth screening on your database.
• Research new donors to determine capacity. Google, Zillow, Wealthengine are great tools.
• Connect with people at special events and listen for clues to capacity.
In order for a prospect to be worth pursuing, you must determine that:

• The prospect has **capacity**
• The prospect has an **interest** in the mission/cause of your organization
• You have **access** to the prospect (someone can introduce you, or you can connect with them in some way)
How to Cultivate a Prospect

• Map out at least 3-5 moves and understand that those moves may change as you get to know the donor.
• Face to face meetings are the single-most important component of cultivation.
• Involve key stakeholders over the course of your moves management strategy – board members, program staff, and peer donors to your organization.
Sample Moves

- In-person meeting with prospect (alone or with board, staff or other stakeholders).
- Personal invitation to a special event.
- Ask them to host an event.
- Serving on an advisory committee, event committee, or board.
- Tour of your operations/office visit.
- Attending an event (lecture, reception, etc.)
- Personalized correspondence – phone call, email, letter, newsletter, etc.
Solicitation Tips

• Make sure the donor is ready for an ask.
• Case for support has already been made.
• Be prepared to address objections and questions.
• Ask for a specific amount for a specific purpose.
• Make plans to follow-up during solicitation meeting.
Closing the Gift

- Nail down gift specifics – amount, timing of payment, pledge payment schedule (if any), recognition.
- Get signed gift agreement letter so you can book the gift.
- If donor makes smaller than expected commitment, thank them and ask if you can come back to them in 6 months to discuss adding to the gift – if appropriate.
Stewardship

• Purpose of stewardship is to show donors how their gift has made an impact, thank them again and keep them engaged so that they will make a future gift.

• Continue keeping in touch, providing updates, and inviting them to attend special events.

• Ask them to join board if appropriate, or another kind of committee, host an event, etc.
Sage Advancement Group
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