



Center for Nonprofit
Management

Build Stronger Relationships & Raise More Money with Your Database

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Class Description

CRM/DRM refers to constituent and donor relationship management. A good CRM/DRM system should do just that - help you track, maintain and deepen relationships with your organization's constituents and donors.

Most people know how to use their database to track gifts received, but what about using your database to help you get the gift?

Cultivation is at the heart of good donor fundraising.

We will cover how to do cultivation well and how your CRM/DRM helps you stay on top of cultivation activities by helping you assign and track relationship-building activities.

Today's Agenda

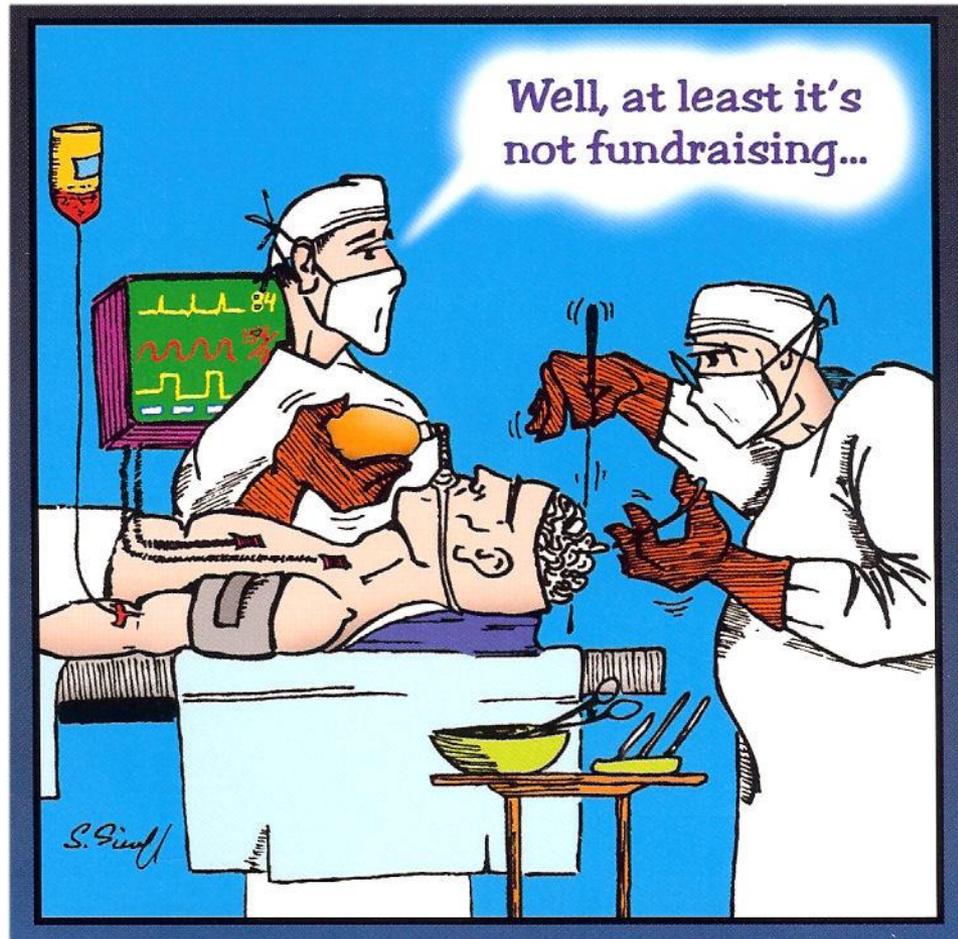
- Welcome
- Introductions
- What is cultivation
- 10 ways to maximize your donor cultivation efforts
- Creating a donor cultivation plan
- Planning for Major Gifts
- Typical Moves with a donor
- Cultivation and your database
- Tips for choosing a new CRM/fundraising system
- Cultivation in action in a CRM/ Fundraising Database
- Questions/Comments

Introduce Yourself

1. Your Name
2. Organization
3. Fundraising/CRM Software Your Organization Currently Uses
4. If you had to choose a theme for your life, what would it be?



The Science and Art of Fundraising



What is Cultivation

The 2nd stage of the Fundraising Cycle

1. Identification

Congratulations! You've already **identified your top prospective donors.**

2. Cultivation

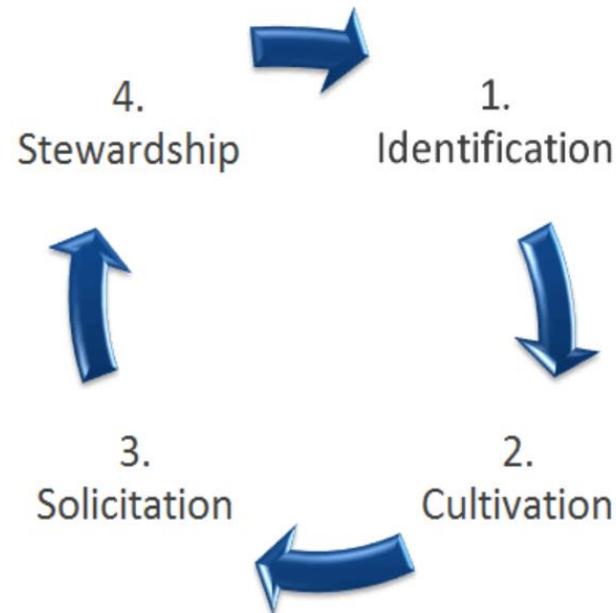
Building relationships with prospects and engaging them with your organization so they feel more inclined to support your cause.

3. Solicitation

The moment of truth: *The Ask.*

4. Stewardship

The follow up process – more than just a simple “thank you.”



What is Cultivation?

- Cultivation is what you do to build the **loyalty** and **commitment** of the donors to the organization.
- Obviously, the more highly a person thinks of your organization, the more they will be willing to do for your organization.
- *A person thinks highly of an organization for one or both of two reasons:*
 - First, as the person **understands the work of your organization and sees it as successful**, important, and well planned, and perceives that you spend money (their money) wisely, they increase their respect and admiration for what you do.
 - Second, as a **person feels appreciated by your organization**, believes that their gift makes a difference, that they are noticed individually and cared about individually, they will also increase their respect and admiration for what you do.
- **Both of these perceptions of your organization build loyalty, but the two combined build the most loyalty.**



Cultivation cont.

- **Cultivation usually begins *after* a gift has been made.**
- While you may read and hear many stories of donors who were “cultivated” for years before they finally gave millions of dollars, these are the fundraising equivalent of fishing tales.
- **Smaller to medium-size organizations in particular do not have people like this whom we can “cultivate.”** They don’t have buildings to name after people, academic positions to endow, or esoteric pieces of medical equipment or research projects to underwrite.
- Although you may want to attract new donors, **your greatest energy should go toward those donors who give most frequently and who give the most.**

How Do You Cultivate Donors

So tell me some of the ways your organization cultivates donors....

The Old Maxim

“It’s easier to raise money from a donor you already have than from a donor you haven’t met yet.”



Supersize Your Efforts

 www.thefundraisingauthority.com

1. **Have a Plan** (more on this later!)

- ✓ Does your non-profit have a written donor cultivation plan with timelines and concrete goals? If not, you should.
- ✓ Your donor cultivation plan may be its own document, or could be a part of your overall fundraising plan.

2. **Find the Right Database** (more on this later!)

- ✓ A good donor database (or CRM) is crucial in successful donor cultivation.
- ✓ Yours should be able to track donor contacts (or “touches”) as well as allow you to set reminders for future action.

Supersize Your Efforts cont.

 www.thefundraisingauthority.com

3. Stay in Touch

- ✓ The best way to make donors feel like a real part of your team is by staying in touch with them on a regular basis.
- ✓ Remember, most communications should not be asks – keep your donors updated and excited about your organization so that when the time comes to make an ask, they are ready to give.

4. Use All Mediums

- ✓ Unless your donor tells you otherwise, stay in touch with him or her through all available mediums: online and off, phone calls, events, emails, printed newsletters, annual appeals, social networking, and more.

Supersize Your Efforts cont.

4. But Don't Overdo It!

- ✓ Most donors dislike being bombarded by the charities they support, so make sure you're not overdoing it with the newsletters and updates.

5. Have a Clearly Defined Path for Each Class of Donor (more on this later!)

- ✓ Your goal in working with donors should be to move them along a clearly defined path of asks, drawing them ever closer to your organization as they make larger and larger gifts.
- ✓ Stratify your donors by likely donation sizes (something as simple as Low, Mid, and High might work) and have a cultivation plan for each level of donor.

Supersize Your Efforts cont.

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7. Start Donor Groups

- ✓ Donor groups work for all levels of donors, and make your supporters feel like part of the team. Start some this year!

8. Tie in Volunteer Opportunities

- ✓ One of the best ways to cultivate donors and connect them to your mission is by giving them opportunities to work alongside your staff in a volunteer capacity.
- ✓ Even if your non-profit doesn't have "natural" volunteer opportunities because of the work you do, there's always a way to get volunteers involved, even if it's only with an envelope stuffing party for your next big event.

Supersize Your Efforts cont.

9. Answer Questions

- ✓ The closer a donor feels to your organization, the more comfortable they are going to feel calling (or e-mailing) your staff with questions and suggestions.
- ✓ If at all possible, have a staff member answer every single question and suggestion from donors, even if it is only to say, “I don’t know the answer, but I’ll look into it for you.”

10. Be Donor-Centered

- ✓ Remember, without your donors, your non-profit wouldn’t exist. Treat your donors like the integral part of your organization that they are, and they will stay loyal to you and your mission.

Tip



Pick three successful nonprofits in Middle Tennessee and Make a contribution so that you can get on their mailing list.

This way, you'll see exactly what other donors are receiving from the competition, and when.

Plan, Plan, Plan

No matter what nonprofit organization you are fundraising for, you should have a plan in place for cultivating current donors in addition to your work with prospects.

Before anyone asks for a single penny, your organization needs to have a plan. In the big leagues, this might be referred to as a "Development Plan" or "Fundraising Plan" but it is really just a well-researched plan of your revenue needs, where the revenue is currently coming from and where you are most likely to go in order to fundraise more money.

A balanced plan will take into account what your organization is already doing (and how well it's working) and what other activities you'd like to do in order to improve fundraising.

Donor Cultivation Plan

For all of your groups first :

Individuals

Board

Volunteers

Non Givers

Givers

Members

Foundations

Corporations



Fundraising Goal Template

Fundraising Initiative	2012 Goal	2012 Actual	2013-2014 Goal	% Increase from 2013	Work Plan
Major Donors	\$ 50,000.00	\$ 49,555.00	\$ 100,000.00	50%	Launch major gift campaign. Write case statement. Develop list of potential donors and how to cultivate, solicit and steward each donor.
Special Events	\$ 60,000.00	\$ 58,965.00	\$ 73,000.00	19%	Identify new sponsors. Develop strategy to upgrade current sponsors with new benefits and perks. Engage the board to commit to sell 10 tickets each.
Grants	\$ 30,000.00	\$ 34,000.00	\$ 50,000.00	32%	Conduct additional grant research to widen the net of potential foundation funders. Build relationships with foundation officers. Work with a grant writer to improve grants.

Sort Your Donor List....

- **Into three categories:**
 - Frequency of giving,
 - Recency of giving, and
 - Size of gift
- Your **highest priority** for cultivation will be people who are in all three categories: those who give large gifts often and who have given recently.
- The **second highest priority** will be people who give large gifts frequently, even if their last gift is not very recent.
- **Third priority** will be people who give large gifts anytime, and last will be people who give frequently.

Fundraising Goal Template

Fundraising Initiative	2012 Goal	2012 Actual	2013-2014 Goal	% Increase from 2013	Work Plan
Major Donors	\$ 50,000.00	\$ 49,555.00	\$ 100,000.00	50%	Launch major gift campaign. Write case statement. Develop list of potential donors and how to cultivate, solicit and steward each donor.
Special Events	\$ 60,000.00	\$ 58,965.00	\$ 73,000.00	19%	Identify new sponsors. Develop strategy to upgrade current sponsors with new benefits and perks. Engage the board to commit to sell 10 tickets each.
Grants	\$ 30,000.00	\$ 34,000.00	\$ 50,000.00	32%	Conduct additional grant research to widen the net of potential foundation funders. Build relationships with foundation officers. Work with a grant writer to improve grants.

Major Gift Program



"WE'RE RAISING MONEY FOR A LOCAL CHARITY. WOULD YOU CARE TO ADD \$10,000 TO YOUR PURCHASE?"

Transformational Philanthropy

Regardless of everything you're hearing or reading these days, major gift fundraising is where **transformational** philanthropy happens.

Not



If you want to accomplish big goals in your organization and impact the world in bold ways as a fundraiser, you need to understand how to cultivate major gifts.

But even before that – before you can cultivate a major gift, you've got to be able to identify your best major donor prospects. For most organizations, your best major donor prospects are those who are already making major gifts to your organization. They know you, have trust in your organization, and have shown their willingness to make significant investments in your cause.

Lack of Planning

One of the most common failures in the major gift field is the lack of planning for each donor of the organization.



You know how it is.....

You have a vague idea about what you are going to do with this donor or that one.

But you don't write it down.

You don't sequence the plan.

And, basically, it's not strategic.

Major Gifts - How to get started

- You want to create a series of contacts with your wonderful donors that will build on each other.
- You want to try to develop each person's personal tie to your cause – and make your project bigger on their radar screen.
- You will need to ponder your “**moves.**” What are the steps that would bring them closer to you?
- These are huge questions. Every smart fundraiser scratches his or her head alot, thinking “what to do next?”

What's a move?

- A move is a meaningful contact with your prospect.
- Somehow you need to penetrate the consciousness of your prospective donor about your cause. And that's called a "move."
- If you want to prepare someone for a major gift ask, you should have at least one move a month for them.
- **Moves Management** is a widely used system for managing the major gift process. It helps you track your cultivation steps month by month to prep for the ask.
- It's a great way to organize what can be a very unstructured process.



Typical Moves With a Donor

- **Get to know you meeting:**
 - Here's our cause and our opportunity – we'd love to have your help. Who else in the community do you think would be interested?
- **Personal visit after a gift:**
 - Thank you so much – why did you choose to give?
 - I'd love to hear your story.
- **Advice visit:**
 - Can I come pick your brain?
 - Here's our challenge and our plan for meeting the challenge. what do you think?

Typical Moves With a Donor cont.

- **A behind the scenes tour of your work.**
 - The BEST ever cultivation move.
 - Because the personal experience almost always touches the heart of donors.
- **Dinner or meeting with your CEO.**
 - And board members host these dinners in their homes.
- **Special “Insiders Mailing.” (VIP Mailing list)**
 - Create a list of important people, donors, community leaders – and send them an occasional VIP briefing by your CEO. You’d be surprised how many people notice and appreciate the personal attention.

Sample Cultivation Plan

SAMPLE CULTIVATION PLAN

Prospective donor name: _____

Assigned volunteer: _____

<i>Month</i>	<i>Activity</i>	<i>Responsible Party</i>	<i>Status</i>
January	Invite on a tour	DOD or Bd. Mbr.	
February	Send winter newsletter (with personal note)	DOD	
March	Send Gala invite (with personal note)	DOD	
April	Sit with at Gala	ED or Bd. Mbr.	
May	Coffee meeting at their home or office.	ED and Bd. Mbr.	
June	Send materials/or articles – follow up from mtg.		

December	Send Holiday Card	DOD	
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Solicitation (ask) meeting date: _____ Amount to ask for: \$ _____

Notes: _____

Sample Cultivation Plan cont.

Donor	ID #	Interest	Comm Pref	Goal	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec
Smith	362786	Children	Email	\$ 35,000	Visit	Card	Memo	Book	Ask: China	F/u Ask	Invite to Trip	Internal report	Project Rpt	Donor Trip	Ask China	Book/Gift/Thx
Perry	872646	Housing	Face/Face	\$ 110,000	Tel call	Report on India	News Letter	Invite to Event	Tel Call	Birthday	Tel call	Ask: India	Birthday	Tel Call	Yr. End Ask	Book/Gift/Thx
Willman	762508	Hunger	Tel	\$456,000	Birthday	Annual Rpt	Auditor Rpt	Tel call	News clipping		Invite to Trip		Invite Meet Paul	Donor Trip	Tax Planning	Book/Gift/Thx
George	146268	?	Face/Face	\$ 23,000	Tel call	Thanks for Last Gift	Interest Inventor	Book	News clipping	Birthday	Tel call	Anniversary	Book	Tel Call	Yr. End Ask	Book/Gift/Thx

12 month Fundraising Plan

Twelve-Month Fundraising Plan					
JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
• Foundation & Grant Research	• Winter Ball Fundraiser • Foundation & Grant Research	• Publish Annual Report	• First Round of Full Proposals to Foundations	• Foundation Proposal Follow-Up	• Carnival Fundraiser
JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
• Foundation & Grant Research	• Foundation & Grant Research	• Distribute Individual Donor Reports • Second Round of Full Proposals to Foundations	• Foundation Proposal Follow-Up	• Holiday Dinner & Auction	



Sample Fundraising Plan

Goal/Income	Strategy	Timeframe	Who's Responsible	Cost	Net
For Operating \$500,000+	Annual Dinner 500 people, Ballroom	October 2013	Fundraising committee, Development	\$40,000.	\$460,000.
For Operating \$200,000	In Person Asks	Ongoing	Executive Director, Board members Development	negligible	\$200,000.
For Operating \$50,000	Appeal letters and Annual Report	November 2013 send out	Mail house and development	\$2,000.	\$3-7,000
For Operating \$2,000 online donations	e-Newsletter e-mails	July 2013, Sept 2013 Dec 2013	Intern	\$29/m	\$1,000+
For Operating \$5,000	Phone asks and in person asks	May-Oct. 2013	Board members, and staff	free	\$5,000.
For Operating \$9,000- \$15,000	House parties To get new members	July, 13 Sept, 13 Oct, 13	Board and volunteers are responsible.	free	\$10,000.
For Operating \$600,000	Grants from foundations	July-Dec. 2013	Development	20% of Dev. time	\$300,000.

So how do you build stronger relationships and raise more money with your database?

By designing a system
(scalable cultivation opportunities)
that supports/tracks the work of **your**
organization's development efforts
AND

prompts you when its time to do the next activity



Institutional Memory



Institutional Memory

38%

is the average yearly turnover for an organization. Relationship data lives with the people working within your org—protect it.

50%

of organizations use slips of paper, Excel spreadsheets, and personal contact managers (i.e. Outlook) to manage their data.

51%

of organizations manage over 4 repositories of data.

Cultivation & Your Database

Your database should:

- Match/compliment the kind of work you do
- Provide robust query capability, able to query on all fields in the database
- Provide a task list or personalized dashboard to remind all cultivators of their upcoming tasks

Database Fields/Functions Commonly Used in Cultivation

Consider the following database fields and think about how each could help to enhance personal relationships with your donors/prospects.

- **Date of Birth** ----- Action reminder to send birthday wishes
- **Relationship fields**
 - Relationship type, Business, Education, Deceased, birthdate, ability to be reciprocated in relationship's record if they have their own record
- **Actions/Communications with & between constituents** (e.g. mailings, phone calls, visits, etc.)
 - Category or Action Type, Date, Status, Notes

Database Fields/Functions Commonly Used in Cultivation cont.

- **Notes**
 - Date, Note Type, Author, Note Description
- **Volunteer experience**
 - Volunteer Category, Title, Date From & Date To, Comments
- **Events attended**
 - Event Name, Date, RSVP, Dietary Notes
- **Capacity Rating**
 - Source, Date, Category, Description, Notes, Target Ask, Stage, affinity/propensity
- **Solicitors/Cultivators**

Database Fields/Functions Commonly Used in Cultivation cont.

- **Interests (Personal interests such as golf, basketball, etc. or program interests of your organization)**
- **Grant funding**
 - Initial Approach, Subject Focus, Deadline, Date Proposal Sent, Grant ranges
- **Ability to set Reminders & Future Tasks**
- **Dashboard**
- **Customizable fields**

Raise More Money?

So how does having
these fields and functions
in your database
help you to raise more money?



Raise More Money?

These fields/functions are tools that help you:

- Cultivate lifelong relationships with donors,
- Save time and money by streamlining your important daily processes, and
- Diversify your fundraising methods and raise more money.

What if....

Your CRM/Fundraising Database does not have many of these fields/capabilities?

- Custom fields
- A Database Audit
- A New CRM/DRM

Tips for Choosing A New DRM/CRM System

- Make sure you have a constituency strategy BEFORE picking a database!
- Start with what you need, not with "the shiny new database that will solve all our problems"
- Make a detailed requirements list, and clearly pick the "need to-haves" vs. "nice-to-haves"-
- When you ask about costs, consider ALL of the costs of the software...Maintenance Costs, Data Conversion, Training, Assistance with Configuration, Creating Custom Reports, etc.)
- Spend time viewing and testing a demo version of each software.
- Understand that your organizations processes will need to change.

What fields/functions does your current system have?

Questions / Comments

Ready to see Cultivation in action in a CRM/ Fundraising Database?



Thank you!

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