

Executive Fundraising

Institute for Greek Advancement

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Rodney P. Kirsch

**Senior Vice President Emeritus for
Development and Alumni Relations**

The Pennsylvania State University

Past Chair and Board Member

Delta Upsilon International Fraternity

As CEOs, what are your
chief responsibilities?

Chief Responsibilities

- Establish a vision and goals.
- Engage volunteers.
- Lead a staff.
- Develop and deliver programs.
- Communicate priorities.
- Formulate a budget.
- Generate resources.
- Manage risk.
- Walk on water.

The success of your tenure
as CEO ties directly to
successful fundraising.

Goals for Our Time Together

1. Preparing for a successful campaign
2. Understanding donor motivations
3. Managing a major gifts program
4. Leading and fundraising through times of adversity

Preparing for a Successful Campaign

Preparing for a Successful Campaign

- I. Developing a strategic plan which clearly identifies the role of private support in advancing the organization's programs and targets programmatic priorities for fundraising.

Preparing for a Successful Campaign

2. Writing a “case for support” which articulates the strategic opportunities to enhance the organization, provides compelling reasons to support these opportunities, envisions the impact of each, and explains why only philanthropy can realize the vision.

Preparing for a Successful Campaign

3. Vetting the case for support with both internal and external stakeholders and using that feedback to hone the final fundraising priorities.

Preparing for a Successful Campaign

4. Assessing the internal readiness of the organization: additional budgetary resources, competency and size of fundraising staff, infrastructure including technology/research/gift processing/stewardship, capacity of communications, and benchmarking against peers.

Preparing for a Successful Campaign

5. Implementing the necessary changes and enhancements as a result of the internal readiness assessment to include potential reorganization, new hires, outside counsel, outsourced services, etc.

Preparing for a Successful Campaign

6. Designing volunteer structures and recruiting, orienting, and soliciting campaign leadership early in the process.

Preparing for a Successful Campaign

7. Identifying leadership and major gift prospects through wealth screening, in-person field assessment, e-surveys, and past giving information.

Preparing for a Successful Campaign

8. Assessing in-person the level of interest, capacity, and linkage of your top prospects.

Preparing for a Successful Campaign

9. Establishing a “working goal” based on feedback to the case, preliminary projections of major gifts, tangible expressions of support from key volunteers, and the satisfaction of internal readiness requirements.

Preparing for a Successful Campaign

Discussion, Questions, Feedback

Understanding Donor Motivations

Understanding Donor Motivations

Why do individuals make major gifts?

Understanding Donor Motivations

- A single compelling story
- Campaign gift
- Competitiveness with other donors
- Create excellence in a new program
- Demonstrate leadership
- Ego/recognition
- Estate planning
- Event or campaign deadlines
- Excellence of current program
- Exceptional stewardship
- Express gratitude
- Express hope
- Health issues
- Honoring someone
- Organizational leadership
- Leave a family legacy
- Liquidity event in business
- Mission aligns with personal values
- Peer pressure from other donors
- Perceived need of fraternity
- Personal windfall
- Seek association/affirmation with fraternity
- Sense of obligation
- Solve a societal problem
- Taxes

Understanding Donor Motivations

Why do individuals make major gifts?

BECAUSE THEY ARE ASKED!!

Understanding Donor Motivations

How are you differentiating the case for support between that of your chapters and that of your international organization?

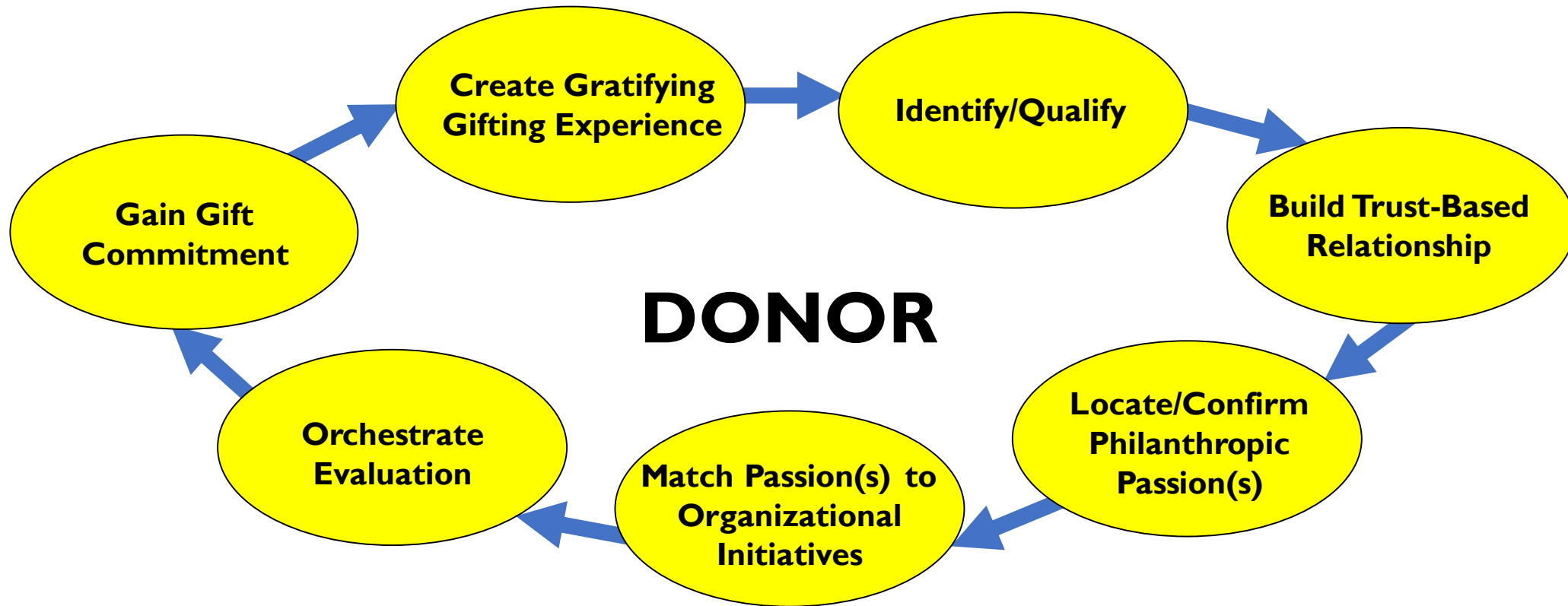
Understanding Donor Motivations

Discussion, Questions, Feedback

Managing a Major Gifts Program

Managing a Major Gifts Program

Process for Facilitating Donor Development



Source: Advancement Resources

Managing a Major Gifts Program

Ways to Think About a Major Gift

- I. As an Inspirational Gift:** larger than expected from the donor; a gift which motivates others to rethink their giving.

Managing a Major Gifts Program

Ways to Think About a Major Gift

- 2. As a Portion of a Donor's Net Worth: 20% or more of a donor's wealth; a gift truly sacrificial in nature.**

Managing a Major Gifts Program

Ways to Think About a Major Gift

- 3. In Relationship to Other Large Gifts: 10% or more of the entire campaign goal, or among the top 1 or 2% of all gifts.**

CAUTION: Size of gift vs. perceived potential of donor can actually suppress expectations.

Managing a Major Gifts Program

Ways to Think About a Major Gift

4. **As the Donor's Final Legacy:** the largest gift an individual ever makes.

Managing a Major Gifts Program

Ways to Think About a Major Gift

- 5. As a Threshold Gift:** the largest gift ever received by your organization.

Managing a Major Gifts Program

Ways to Think About a Major Gift

- 6. As a Transformational Gift:** creates a new programmatic landscape; may even alter the mission of your organization.

Managing a Major Gifts Program

It is often said that soliciting a major gift is simply a matter of having the right volunteer ask the right prospect for the right idea at the right amount at the right time under the right circumstances.

So, so simple!! Right? Well...

Managing a Major Gifts Program

The **PERFECT** solicitation has never happened!

But there have been many **SUCCESSFUL** solicitations!

Managing a Major Gifts Program

Elements of a Successful Solicitation

I. The solicitation team

- Two individuals, not one.
- At least one should know the prospect well.
- Both should be familiar with the request/proposal.
- Staff should provide both with prospect briefing.
- Briefing should delineate specific roles/points to make.
- Absolute clarity on who asks for the gift.
- The solicitors should rehearse ahead of time.
- Solicitors should control environment as much as possible.
- Both solicitors should have already made their own gift.

Managing a Major Gifts Program

Elements of a Successful Solicitation

2. The proposal should:

- Be specific to the prospect, not boilerplate.
- Outline the challenge/opportunity.
- State how organization plans to solve it.
- State how the prospect can help.
- Ask for a specific amount over a specific time period.
- Include relevant financial data from organization.
- Address overall goals, timelines.
- Include how the gift can be made.

Managing a Major Gifts Program

Elements of a Successful Solicitation

3. The conversation should:

- Be just that! A conversation, not a monologue.
- Be predicated by advance call that spells out visit's purpose.
- Ask engaging questions, confirm past experiences.
- LISTEN! The hardest thing. Nervousness leads to talking.
- Outline visit's purpose, summarize proposal briefly.

Managing a Major Gifts Program

Elements of a Successful Solicitation

3. The conversation should:

- After appropriate introductory time, **ASK FOR THE GIFT.**
- **WAIT! REMAIN SILENT.**
- Do not give written proposal to the donor until end.
- If visuals are needed, bring a separate set.
- Thank the individual for past support and time.
- Spell out follow-up steps, timeframe, documentation.

Managing a Major Gifts Program

Elements of a Successful Solicitation

4. Dealing with objections

- Be empathetic, restate the objection.
- Be honest, be brief, be factual.
- Don't let objections lead to an argument.
- Be informed on what is and isn't possible.
- Be firm on request, buy time, suggest another meeting.
- Don't accept a lesser gift on the first visit.
- Be prepared that the first solicitation visit may only be the beginning.

Managing a Major Gifts Program

Elements of a Successful Solicitation

5. Follow up after the solicitation

- Regardless of the outcome, always thank.
- Send written follow-up, reinforce key points.
- Explain “ways to give,” if appropriate.
- Offer expertise of the staff/planned giving.
- Determine if another person should call.
- Invite the prospect to visit the organization.
- Write summary of the visit for office files.

Managing a Major Gifts Program

Fundamentals of a Successful Major Gifts Program

I. Define what constitutes a major gift in your organization.

Managing a Major Gifts Program

Fundamentals of a Successful Major Gifts Program

- 2. Make it a priority and a long-term commitment, or don't do it at all.**

Managing a Major Gifts Program

Fundamentals of a Successful Major Gifts Program

3. Fund and staff the program sufficiently—MGOs, writers, researchers, annual fund.

Managing a Major Gifts Program

Fundamentals of a Successful Major Gifts Program

4. Provide top-flight education and professional development.

Managing a Major Gifts Program

Fundamentals of a Successful Major Gifts Program

5. Establish individual performance metrics and incentives for staff.

Managing a Major Gifts Program

Fundamentals of a Successful Major Gifts Program

6. Establish overall goals for the entire program.

Managing a Major Gifts Program

Fundamentals of a Successful Major Gifts Program

7. Monitor progress on a monthly basis.


Managing a Major Gifts Program

Fundamentals of a Successful Major Gifts Program

8. Have fundamental IT system to track activity.

Managing a Major Gifts Program

Performance Metrics Evolution

	1980  Present			
Number of Visits	X	X	X	X
Dollars Raised (By Unit)	X	X	X	X
Visits with Goal Setting Prospects		X	X	X
Assessment Visits			X	X
Cross-Unit Collaboration			X	X
Differentiation by Job Classification			X	X
Total Solicitations				X
Solicitations Closed				X
Dollars Raised (By Gift Officer)				X

Managing a Major Gifts Program

Major Gift Officer Accountability Grid

Accountability	Director of Development (1)	Director of Major Gifts (1)	Associate Director of Development (1)	Assistant Director of Development (1)
Commitments raised per year (2) from personal solicitations	\$1M-2M+ annually	\$750K-\$1M+ annually	\$500K-750K+ annually	\$250K+ annually
Number of commitments closed (\$100K+) (2)	7+ annually	5+ annually	3+ annually	1+ annually
Major gift proposals submitted (\$100K+) (2,3)	10+ annually	8+ annually	5+ annually	3+ annually
Goal setting prospects solicited	75%	75%	70%	70%
Scheduled visits (3,4,5)	11 monthly	15 monthly	15 monthly	18 monthly
Assessment visits (6) (as percent of annual total)	10%	20%	30%	40%
Cross-unit fundraising collaborations (\$100K+ proposals)	3+ for unit	3+ for unit	3+ for unit	3+ for unit

1) After 12-month tenure in position

2) Dependent on size of unit using current campaign counting standards

3) Include solicitations conducted via mail/email

4) Only ROCs filed within 30 days following the appointment qualify

5) DoDs may disqualify visits if deemed to be without substance

6) Unit year-end average 25% of targeted visits

Managing a Major Gifts Program

Recruiting Major Gift Officers

1. Buyer's market for MGOs.
2. You are competing with top-flight nonprofits.
3. You need to sell sell sell your organization.
4. Develop recruitment collaterals.
5. Enlist others in the recruitment process.
6. Think creatively about benefits.
 - A. Signing bonus
 - B. Relocation allowances
 - C. Concierge service
 - D. Mortgage assistance
 - E. Continuing education

Managing a Major Gifts Program

Discussion, Questions, Feedback

Leading and Fundraising Through Times of Adversity

Leading and Fundraising Through Times of Adversity

Finding the North Star

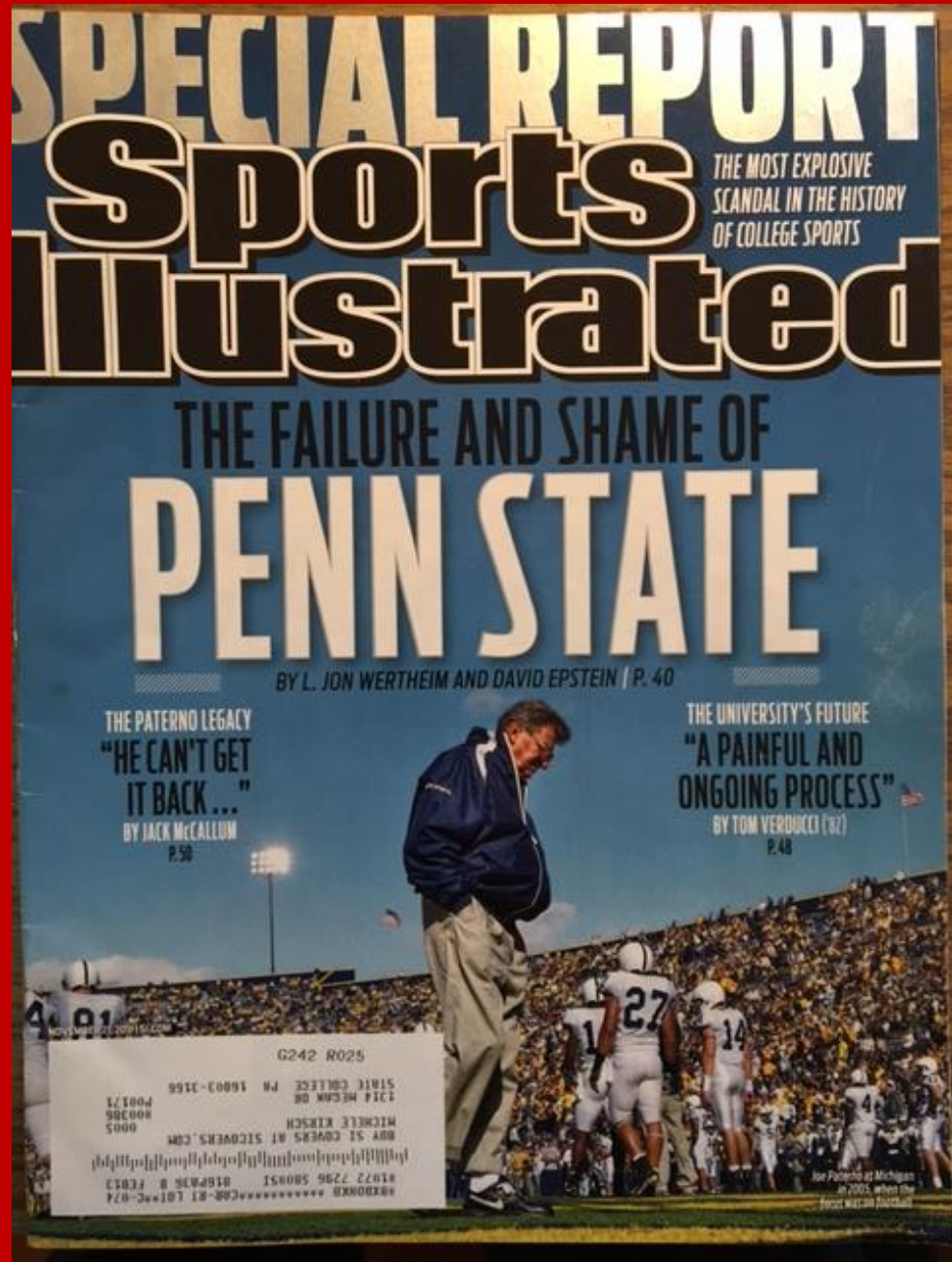
“Through experiences and observation, humans discovered that the North Star lights the way to true north.

Know the secret of finding the North Star in the northern sky,
and you will know how to find direction **even in the darkest of
nights.”**

Quote from Survival website

Leading and Fundraising Through Times of Adversity University Crises—No Institution is Immune

- Virginia Tech Shooting Leaves 33 Dead
 - Virginia Tech
 - *New York Times*—April 16, 2007
- Clout and College: U. of I. applicants may have gotten special consideration
 - University of Illinois at Urbana-Champaign
 - *Chicago Tribune*—May 29, 2009
- Penn State Scandal: Sandusky Case: Who knew what, when?
 - Penn State
 - *Centre Daily Times*—November 6, 2011
- UNC Report finds 18 years of academic fraud to keep athletes playing
 - University of North Carolina at Chapel Hill
 - *CNN*—October 23, 2014



Leading and Fundraising Through Times of Adversity

Challenges in the Greek World

- Wrongs of Passage: Fraternities, Sororities, Hazing and Binge Drinking, a book by Hank Nuwer, 2001
- “The Dark Power of Fraternities,” an article from *The Atlantic*, March 2014
- “The Hunting Ground: The Inside Story of Sexual Assault on American College Campuses,” a documentary film released 2016

Leading and Fundraising Through Times of Adversity

Saturday, November 5 – Wednesday, November 9, 2011

- Community hero and retired coach charged with multiple accounts of sexual abuse of minors
- Indictment of Athletic Director and of SVP Business on perjury charges
- Removal from office of popular University president
- Dismissal of iconic coach announced live on national television
- 400 plus media on-site

Leading and Fundraising Through Times of Adversity

The Sandusky Crisis: An Unimaginable Storm

- Horrific crime
- Penn State Standard
- Joe Paterno

Leading and Fundraising Through Times of Adversity

Significant Issues and Events

First Nine Months: November 2011–July 2012

- #6 AP story of the year for 2012
- Widely publicized grand jury presentment
- Up to 400 reporters present on campus and in town
- Changes in University governance
- Liability insurance
- Crisis management counsel
- Rating agencies credit watch
- Student protest/vigil
- Multiple separate investigations
- Town hall meetings and response
- 4,000 emails received (2 weeks)
- “Progress” website
- Right to Know legislation
- Addressing child sexual abuse
- Victim’s fund explored
- Death of Paterno
- 86 candidates for Board of Trustees elections, normally 6-10
- THON raises record \$10.7 million
- Freeh report
- Alumni public opinion survey
- NCAA sanctions

Leading and Fundraising Through Times of Adversity

Data Analysis

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“A true alma mater knows her children one by one.”

Leading and Fundraising Through Times of Adversity

Content Analysis: 4,000 Emails in November 2011

- Reaction by level of giving
- “Big mouth, little wallet”
- Every message logged/answered
- Rich contextual material

Total Penn State Giving	Number of Responses	Supportive/ Constructive	Negative
\$25,000 or greater	756	79%	21%
\$10,000 - \$24,999	359	67%	33%
\$5,000 - \$9,999	403	59%	41%
\$1,000 - \$4,999	863	54%	46%
\$1 - \$999	1161	46%	54%
No Giving to Penn State	444	34%	66%

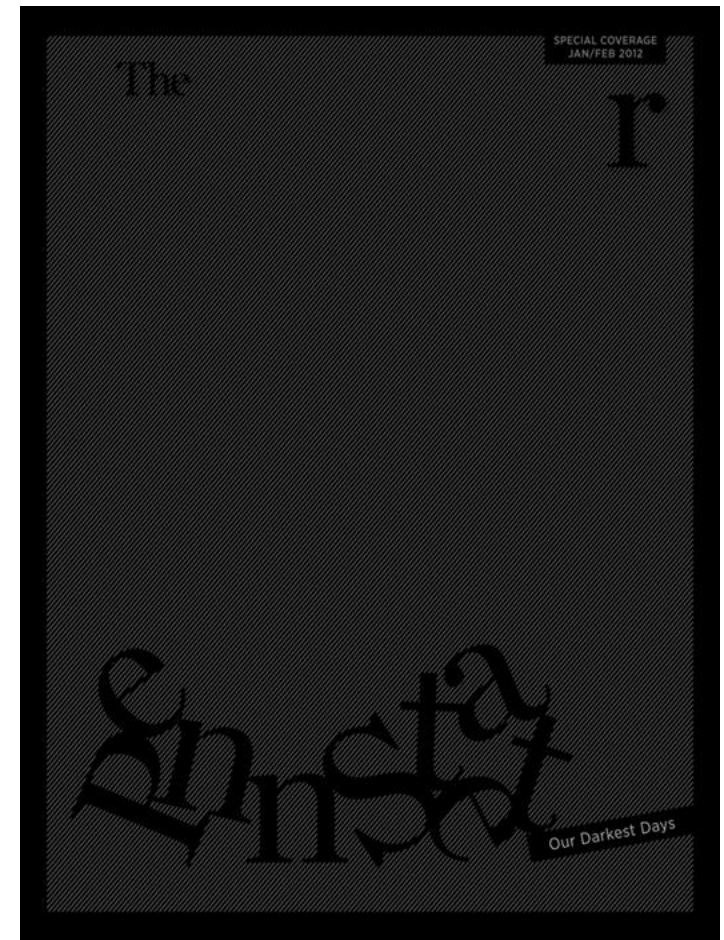
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The Penn Stater Magazine Response: Our Darkest Days

Overall comments (email, letter, phone, Facebook, Twitter etc.)

- Positive: 72%
- Negative: 15%
- Other: 13%

January 2012

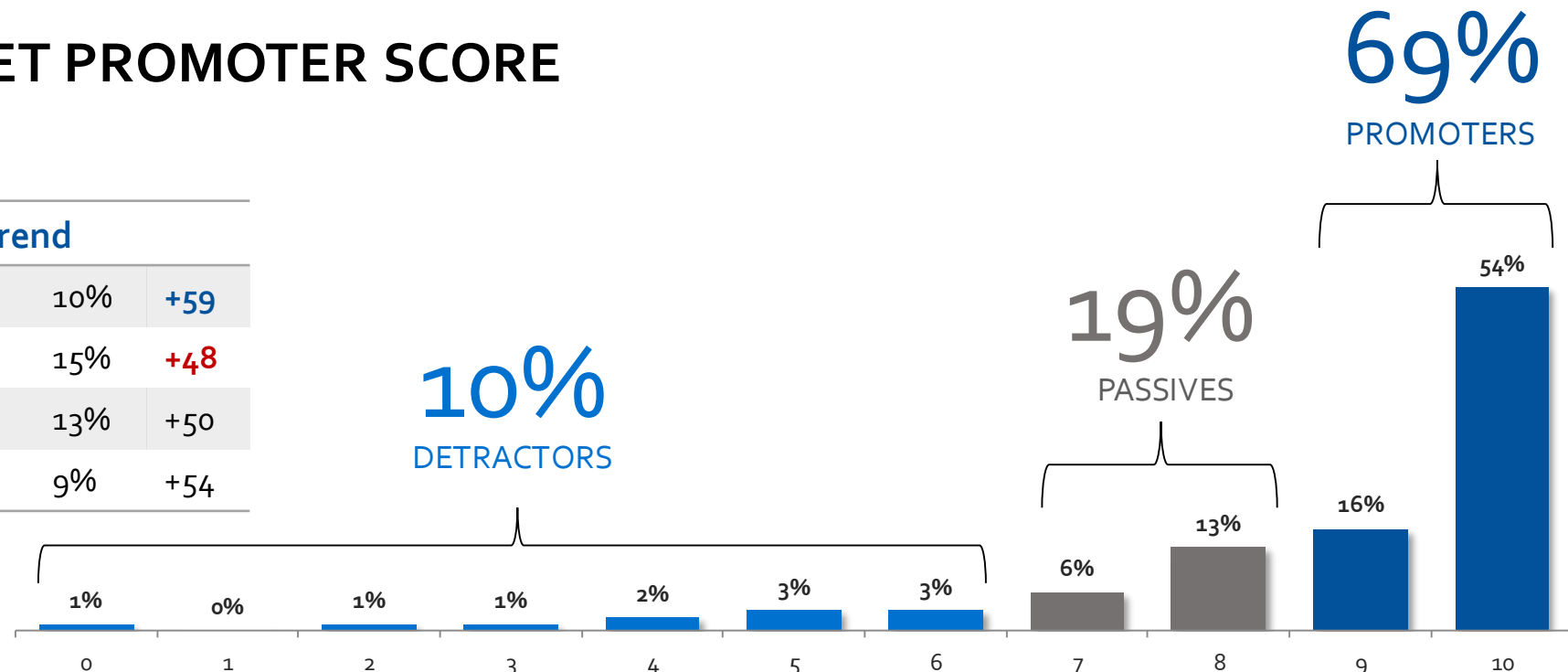


Leading and Fundraising Through Times of Adversity Penn State's Net Promoter Score...

...has rebounded and surpassed its 2009 baseline.

+59 NET PROMOTER SCORE

NPS Trend			
Dec. 2014	69%	10%	+59
Dec. 2012	63%	15%	+48
May 2012	63%	13%	+50
2009	63%	9%	+54



On a scale of 0-10 – where 0 is not at all likely and 10 is extremely likely – how likely would you be to recommend Penn State to a prospective undergraduate of your own interests and background?

Leading and Fundraising Through Times of Adversity

Leadership Lessons Across Crises

1. Be aware of your personal and staff well-being.
2. Ride for the brand and keep riding.
3. Stability is a premium in turbulent times.
4. You can't communicate too early or often enough.
5. Share both good and bad news.
6. Focus on core mission and messages.

Leading and Fundraising Through Times of Adversity

Leadership Lessons Across Crises

7. Answer every inquiry, complaint, and suggestion.
8. Regularly refresh talking points for stakeholders.
9. Be wary of consultant fatigue.
10. Realize long tail and many tentacles of a crisis.
11. Be factual, balanced, and credible in alumni publications.
12. Tap into your institution's deep reservoir of resiliency.

Leading and Fundraising Through Times of Adversity

Leadership Lessons Across Crises

13. Have both an emergency management and crisis management plan.

14. Bridge corporate and higher education culture.

15. Expect to become a model for reform.

16. However dark the sky, find a silver lining.

17. There, but for the grace of God...

18. Find your North Star.

Leading and Fundraising Through Times of Adversity

Key Principles in Crisis Management

- 1. Understand key threats and vulnerabilities:** Be aware of the known legal and regulatory landscape and anticipate the fraternity's most likely risk areas.
- 2. Plan for tomorrow:** Be prepared with the appropriate tools and resources. Remember that an emerging crisis can happen at any time.
- 3. Manage issues, not crises:** Manage issues before they become crises and remember that any issue can grow into a crisis.

From the Penn State Crisis Management Plan Manual

Leading and Fundraising Through Times of Adversity

Key Principles in Crisis Management

- 4. Position leadership front and center:** Build trust by associating a face with the fraternity name.
- 5. Addressing the mandate:** Continuously reassess how the issue and response strategy relate to the organization's role, authority, and responsibilities.
- 6. Talk to stakeholders directly:** Address key audiences through direct communication. Media is not a universal channel.

From the Penn State Crisis Management Plan Manual

Leading and Fundraising Through Times of Adversity

Key Principles in Crisis Management

- 7. What you say must reflect what you do:** Actions must be consistent with words.
- 8. Respond rapidly:** The first 24 hours of a crisis or situation are critical. Waiting to assess or respond to an issue opens the door for others to define it for you incorrectly.
- 9. Be open and honest:** It is important to give key stakeholders accurate, honest, and timely information about what is happening and what to expect to build credibility and prevent speculation.

From the Penn State Crisis Management Plan Manual

Leading and Fundraising Through Times of Adversity

Key Principles in Crisis Management

- 10. Demonstrate concern and convey integrity:** Showing concern in a crisis situation does not imply accepting liability. The absence of concern and empathy can cause a perception of arrogance.
- 11. Speak with one voice:** Align key messages and response activities of fraternity management and board. Consistency builds credibility.

From the Penn State Crisis Management Plan Manual

Leading and Fundraising Through Times of Adversity

Discussion, Questions, Feedback

Jim Owen's
The Code of the
West

Jim Owen's The Code of the West

1. Live each day with courage.
2. Take pride in your work.
3. Always finish what you start.
4. Do what has to be done.
5. Be tough, but fair.

Jim Owen's The Code of the West

6. When you make a promise, keep it.
7. Ride for the brand.
8. Talk less and say more.
9. Remember that some things aren't for sale.
10. Know where to draw the line.