

Dallas Chapter AFP

Eight Proven Strategies For Keeping Development Efforts on Target

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The Wealth Around Us

- 1 out of every 100 US residents is a millionaire – Capgemini SA & Merrill Lynch & Co.
- The 400 richest Americans are billionaires, not millionaires – Forbes
- Millionaires by state – US Census
 - Texas – 27 per 1,000 households
- \$260+ billion given in 2005 - Giving USA

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The Wealth Around Us

- Study of High Net-Worth Philanthropy – Bank of America & The Center on Philanthropy, October, 2006

- http://newsroom.bankofamerica.com/index.php?s=press_kit&item=63

- http://newsroom.bankofamerica.com/file.php/mr_bankofamerica/spinsite_documents/295/BAC%20Study%20of%20HNW%20Philanthropy%2010-26-06.FINAL.pdf

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Study of High Net-Worth Philanthropy

- Important Motivations for HNWH by %:
 - Meet critical needs – 86.3%
 - Giving back to society – 82.6%
 - Reciprocity – 81.5%
 - Bring about a desired impact – 68.5%

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Study of High Net-Worth Philanthropy

- Percent HNWH Would Give More If:
 - Less \$ spent on admin – 74.8%
 - Able to determine impact of gifts – 58.3%
 - More financially secure – 52.7%
 - Better return on investments – 46.6%
 - Not already financially committed – 40.2%
 - Knew more of organizations – 36.3%

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Study of High Net-Worth Philanthropy

- Percent of HNWH Volunteering by Volunteer Activity:
 - Board of Directors – 61.1%
 - Volunteer with any Nonprofit – 79.7%
 - Volunteer for Fundraising Activity – 61.8%
 - Volunteering to Help Plan an Event – 55.2%

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Study of High Net-Worth Philanthropy

- Percent of HNWH That Consulted Others when Making Giving Decisions by Type of Person Consulted:
 - Fundraisers / Nonprofit Staff – 41.2%
 - Peers or peer networks – 35.9%
 - Accountant – 16.6%
 - Financial / Wealth Advisor – 16.6%

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The Problem?

- We are pulled in many directions:
 - Naturally good generalists
 - Internal departmental exchanges
 - External involvement with prospects & donors
 - Departmental systems & minutia

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Strategy #1

- Have two plans . . . and use them!
 - Strategic plan
 - Funds development plan
 - Donor centered
 - “Think, feel or do”
 - Focus on the relationship
 - Create “SMART” processes
 - Financial goals

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Strategy #1 (cont.)

- Have two plans . . . and use them!
(cont.)
 - Funds development plan (cont.)
 - Focus on where the money is
 - Giving USA
 - Database is a “gold mine”
 - Celebrate milestones
 - Evaluate before planning for the next year

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Strategy #2

- Strategically recruit, educate & engage leadership
 - Make nominations to the Board a year-round activity
 - Build Board & volunteer training into budget
 - Recruit the right leadership to the right structure

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Strategy #2 (cont.)

- Strategically recruit, educate & engage leadership (cont.)
 - Committee Best Practices
 - Board vs. organizational committees
 - Board & non-board members
 - Committees should not replicate staff work
 - Staff can chair a committee!

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Strategy #2 (cont.)

- Strategically recruit, educate & engage leadership (cont.)
 - Development Strategy Team
 - Creates strategy/plan & involves Board & non-board in implementation
 - Honesty - roles & expertise needed
 - Clarity - greater participation

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Strategy #3

- Know what you are offering
 - Create case statements
 - Create contrast – describe the problem
 - Focus on the change – the impact
 - Create gift opportunities

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Strategy #3 (cont.)

- Know what you are offering (cont.)
 - Apply the “Five Fundraising Essentials”
 - Good cause (what will change)
 - A natural constituency (who cares)
 - A time frame or deadline (the urgency)
 - A dollar goal (the cost to create the change)
 - ?

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Strategy #4

- Report on what the donor enabled
 - Establish outcome measures
 - Evaluate against measure & report to donors

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Strategy #5

- Be sure that database is in order!
 - Segment donors & prospects by capacity (giving history if not researched capacity)
 - Document data entry criteria & process
 - Password protected
 - Re-segment at least annually

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Strategy #6

- Systems, Policies Procedures (a.k.a. – how to educate & work smoothly with colleagues outside the development office)
 - Gift processing & posting
 - Gift acknowledgement systems
 - Gift acceptance policies
 - Fundraising policies

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Strategy #6 (cont.)

- Systems, Policies Procedures (cont.)
 - Educational opportunities
 - Working through systems & policies provides educational opportunities
 - Invaluable – everyone is involved in building relationships – whether they realize it or not

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Strategy #7

- Be intentional about planning your professional advancement
 - AFP Dallas & International
 - “There is no question about fundraising that can’t be answered by someone in this room,” Mary Brumbach
 - CFRE Certification

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Strategy #7 (cont.)

- Be intentional about planning your professional advancement
 - AFP - Stanford Nonprofit Management Institute
 - Center for Nonprofit Management
 - BoardSource

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Strategy #7 (cont.)

- Educational resources
 - *Notes for the Reflective Practitioner*, Paul Pribbenow
 - Board Member by BoardSource
 - Stanford Social Innovation Review
 - The Nonprofit Quarterly

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Strategy #8

- Recognize that you make ethical decisions every day!
 - Read & re-read AFP Standards of Practice & Ethical Principles
 - Understand your ethical “framework” for decision making
 - You have one – what is it?

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Strategy #8 (cont.)

- Rotary International’s “Four Way Test”
 - Is it the truth?
 - Is it fair to all concerned?
 - Will it build goodwill & foster friendships?
 - Will it be beneficial to all concerned?

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Strategy #8 (cont.)

- Doing Right in a Shrinking World, How Corporate America Can Balance Ethics & Profit in a Changing Economy
 - Tim Burchill, editor, long-time AFP leader
 - DeThomasis & St. Anthony, authors

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Thank You!

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