

21 actions to improve the major donor experience

Project 09. Major Donors

Angela Cluff, March 2017

The original brief

High net worth individuals are increasingly addressed by charities as a distinctly different group of donors requiring individually tailor-made cultivation and development plans. This project will look at what's cutting edge in major donor development with a view to capturing these lessons and where appropriate suggesting how major donor experiences might be applied to other groups of donors too.

Conclusions

Implicit in the project description is the idea that major donor fundraising is by its very nature donor centric—and therefore can offer learning for other areas of fundraising, especially mass market fundraising.

The first—and possibly challenging—conclusion of this project is that the donor experience, even for major donors, is not universally good. While there are brilliant examples of exceptional experiences, I have also heard many examples of experiences that have left major donors disappointed, disillusioned and, in a few cases, angry.¹ Of course, major donors, like all donors, share both their positive and negative experiences of charities with their friends and peers.

Major donor fundraisers have been willing to talk confidentially about these, although they are generally unwilling to write about them, mainly because they do not want to publically criticise or be seen to criticise their current or past organisations.

However, it is clear that there is a need to improve the *major donor experience* alongside improving all donor experiences.

¹ See <http://veritusgroup.com/chasing-money-in-major-gifts-leads-to-disaster/> for a USA blog on this subject. This may seem extreme, but I have certainly heard examples of the point underlying this blog: stopping a project a donor is committed to

I have identified three fundamentals that underpin exceptional major donor experiences:

1. **Mindset** – major donor-centric organisations are those that have genuinely switched from a mindset of major donors as funders of the organisation’s mission to one of major donors as partners in a shared mission. Poor major donor experiences result when the organisation’s mindset is ‘We need major donors to fund our programme and we’d prefer them to let us get on with our work’. If that is your organisation’s mindset, then major donors may not be right for you.
2. Major donor fundraising is about the relationship between the donor and the organisation—the whole organisation. The nature of being partners in a shared mission means that major donors will have and want to have relationships with staff in many parts of the organisation—from the Board to the CEO and leadership team to programme or project delivery staff to fundraisers and support staff. That is why major donor fundraising requires a whole organisation approach where people are aligned on direction, strategy and priorities. Without this, your major donor experience will be weak.
3. Building a long-term relationship and providing an exceptional donor experience is nigh on impossible if the relationship manager changes very frequently. So to improve the major donor experience, you must solve the problem of high major donor fundraising staff turn-over.

The project conclusions support the premise in the project description that good major donor fundraising can offer suggestions on how to improve the donor experience more generally. A number of the recommendations that follow—such as seeking out the donor’s story, seeing the relationship from the point of view of the donor, making the relationship personal and authentic—will improve the experience of all donors. The challenge for fundraisers is how to apply these principles cost effectively at financial levels below major donors. Major donor fundraisers can and should contribute alongside their individual giving colleagues to answering this ‘how’ question.

Major donors offer transformational opportunities for organisations to make a step change in both their income and impact. Without the three fundamentals above, it is extremely difficult to create an exceptional major donor experience and to turn that opportunity into reality. Major donor fundraising is not difficult, at least in theory, but it is incredibly difficult to do exceptionally well in practice and on a consistent basis. Even organisations that have had success do not always continue to hold on to that success.

The project outline asks what is ‘cutting edge’ in major donor fundraising. Research and interviews for the project suggest there are a number of external trends that are, and will continue to, directly impacting major donor fundraising. These include:

- The changing and uncertain regulatory environment
- The changing nature of (major) donors, including generational differences in attitudes to both wealth and philanthropy
- The emergence of alternative and/or new approaches to philanthropy, including venture philanthropy, impact investing and social enterprise, especially by ‘mega’ donors creating their own philanthropic vehicles
- The role of financial and philanthropic advisers as intermediaries between donors and the causes/organisations they support
- More general trends that impact all fundraising, such as the digital revolution

Each of these is influencing how major donor fundraisers can and need to operate. Understanding and responding to these trends is an important part of the major donor fundraiser’s approach, strategies and toolbox. Most contributors do not regard them—at least yet—as key to ensuring an exceptional donor experience. For this reason, they are not explored within the project.

Rather, the project focuses on the relationship elements that do ensure an exceptional donor experience. The key message here is exceptional major donor experiences result from implementing tried and tested approaches to very high standards. A truly donor-centric approach that builds genuine, authentic relationships consistently over time is what puts organisations at the cutting edge of major donor fundraising.

Summary guidance

The project reached three key conclusions

1. An exceptional donor experience, built on a genuine and authentic relationship between donor and organisation, is at the heart of effective major donor fundraising practice. For this reason, major donor fundraising can offer learning on how to improve the general donor experience. Major donor fundraisers are well placed to help other fundraisers think about how major donor fundraising approaches and techniques can be provided for other donor groups in a cost-effective way.

However, the major donor experience is not universally good, and there is much that can be done to improve it. There are also strong indications that improving the major donor experience could unlock significantly more major donor support to a wide range of causes and organisations.

2. Three fundamentals underpin exceptional major donor experiences:
 - 2.1. An organisational mindset that major donors are partners with the organisation in a shared mission, **not** funders of the organisation's work to be held at arm's length.
 - 2.2. Working with major donors to achieve this shared mission requires a whole organisation approach. In practical terms, this means the donor will have and want relationships with people in many parts of the organisation—the Board, the CEO and leadership team, programme and project delivery staff, in addition to fundraisers and support staff—and these need to be aligned over direction, strategy and priorities.
 - 2.3. The relationship manager (major donor fundraiser) is fundamental to creating an exceptional donor experience and building the long-term relationship between donor and organisation—they choreograph the elements and components.
3. There are a number of external trends—including the changing nature and needs of major donors—currently affecting major donor fundraising practice. While these are an important part of major donor fundraising, most contributors do not regard them as fundamental to an exceptional major donor experience. Rather, an exceptional major donor experience is built from the nature of the relationship between donor and organisation. The cutting edge of major donor fundraising is creating genuine, authentic relationships consistently over time.

The project has identified 21 actions/recommendations to improve the major donor experience. They are listed and summarised below, grouped under 10 principles/themes.

1. **Being really clear about what a major donor to your organisation actually is**

‘Never measure your generosity by what you give, but rather by what you have left.’

Bishop Fulton J. Sheen, Roman Catholic bishop, broadcaster and author

The term ‘major donor’ has a wide range of definitions across different organisations. The project has concluded that this is natural and appropriate. There can be no simple ‘one size fits all’ definition of a major donor.

The most donor-centric definition of a major gift is a gift or contribution that is **personally significant to the donor**. Although this creates practical challenges (my major gift may be below the threshold that an organisation considers a gift to be ‘major’), it does offer a way to shift thinking—to see major donors as those making an extraordinary commitment *for them* to a cause and organisation.

Three recommendations follow:

Recommendation 1.1 - fundraisers should create a culture that notices and responds to major donors as those who make an extraordinary commitment for them.

Recommendation 1.2 - fundraisers should carefully define a major donor, taking into account their organisation’s unique circumstances and by considering: current and potential giving, financial and non-financial support, and whether to include foundation and corporate gifts.

Recommendation 1.3 - if, as is the case in many organisations, the chosen definition includes a wide range of financial levels and other types of support, fundraisers should create tiered approaches to the donor experience that are explicit to other stakeholders in the organisation.

The definition of a major donor is a significant question, which is discussed fully in the main body of the report.

2. Deciding whether major donor fundraising is really right for your organisation

‘To fully explore this income stream our entire organisation needs to understand the degree of commitment required, needs to make the necessary commitment and needs to then deliver on that commitment.’

Sharon Jackson, Consultant

Major donors increasingly want to give more than money. Many want to write cheques, but they also want deep involvement with the causes and organisations they support.

Not every organisation values or wants such involvement. If your organisation is one that does not, there is a real decision to make as to whether this is the right income stream for you.

Get it right and you can grow transformational income. Get it wrong and you miss out—and you may also negatively impact the sector more broadly, as major donors will not receive the donor experience they need to inspire their giving.

Recommendation 2.1 - organisations should make a conscious decision about whether major donor fundraising is right for them and only pursue if they want the involvement major donors want, and they are prepared to meet the needs and interests of their major donors.

3. Seeking out the donor's story

‘When you bring together the donor’s story with the story of the problem he will solve, you’ll create a *new* story. That story will be one of impact and of hope.’

Richard Perry and Jeff Schreifels, The Veritus Group²

Major donors usually have a story about how and why they came—or want—to support a particular cause and organisation. Very often this is not about the need of the organisation, but about the donor’s personal and professional background and passion.

David Harding, founder of Winton Capital Management, gave £5m to the Science Museum in London (the organisation’s largest ever single gift) to create Mathematics: The Winton Gallery that opened in 2016. The *why* of his story? A combination of his business success being built on mathematics and a love of the Science Museum from spending happy hours ‘pressing buttons’ as a child.³

The challenge is that over time donor stories get lost, especially when fundraisers move. If the donor’s story gets lost, it is easy for the donor to feel unappreciated and the relationship to flounder.

So a key to improving the donor experience is valuing and celebrating the donor stories that link donors and organisations—and ensuring they are held in the organisation, even when the major donor fundraiser moves on.

Recommendation 3.1 - fundraisers should build a culture where donor stories—the *why* underpinning a donor’s support for an organisation—are actively discovered, curated and celebrated.

Recommendation 3.2 - fundraisers should embed donor relationships into their organisations, building multiple contact points for the donor with relevant key staff across the organisation. This will help ensure that donor stories are not lost when the major donor fundraiser moves on.

Recommendation 3.3 - fundraisers should create effective ‘handover’ processes when relationship managers need to change. Ideally, the departing staff member will introduce the new contact personally. This may not always be practically possible—but implementing **Recommendation 3.2** will help enable creative options when it is not.

² <http://veritusgroup.com/its-about-your-donors-story/>

³ <http://www.cityphilanthropy.org.uk/news/city-philanthropist-david-harding-gives-science-museum-its-biggest-ever-single-donation>

4. Seeing the relationship from the donor's point of view

'I'd run a mile if I thought an organisation was trying to moves manage me!'

Ken Burnett, author of Relationship Fundraising

Most major donor fundraisers use a 'step' process or moves management system—a series of actions over time focused on the objective of securing a gift—to progress a donor relationship.

The challenge is that these models can encourage the fundraiser to focus too narrowly on the gift as the end result.

An alternative—and more donor-focused approach—is to think about the next step in matching the donor's needs, interests and passions to the issues your organisation works on. If major gift fundraisers shift their thinking to making the next move according to what the donor might want and enjoy, the gift will result. The donor experience will be better and the gift may well be larger.

Putting the donor experience at the heart of major donor fundraising is leading some organisations, especially in the USA, to consider rebadging their major donor fundraisers as philanthropy advisers.

Recommendation 4.1 - fundraisers should reframe their major donor fundraising process to see it from the donor's perspective. Here are some examples of how that might look:

- At the involvement stage: at each encounter the charity's understanding of the donors aspirations, interests and passions is growing; and the donor's trust of what can be achieved together is building.
- At the ask stage: the charity makes an offer that matches the donor's vision and excitement for how they can make a difference.
- At the acknowledgement and stewardship stage: the donor feels genuinely and personally thanked for his or her gift and feels an equal stakeholder in the project, on the inside track, even if it is not going according to plan.

5. Making the relationship personal and authentic

‘But the best experiences are normally the special “money can’t buy” ones – for example, my wife was invited to sit and watch a ballet at the Opera House from the wings, which is a very special experience if you’re a supporter and love ballet.’⁴

Lloyd Dorfman CBE, The Dorfman Foundation and founder of Travelex

Major donor fundraising succeeds when relationships are authentic and personal.

A very simple key message, but one that taken seriously can radically improve the donor experience.

Recommendation 5.1 – fundraisers should treat major donors with the courtesy and respect they would a friend, while remembering that they are the face of the organisation’s relationship. As noted in **Recommendation 3.1**, fundraisers are responsible for building multiple contact points with relevant people across the organisation.

Recommendation 5.2 – fundraisers should carefully match staff members to individual donors and prospects. In doing this, they should consider the wide range of factors that will result in the most effective ‘fit’ and the all-important ‘chemistry’ between individuals.

Recommendation 5.3 – fundraisers should find out and respond to the donor’s preferred style and methods of communication. For one donor, a formal evaluation report might be preferred; for another, a visit with an opportunity to talk to project beneficiaries. One donor might prefer immediate news by email; another might prefer a face-to-face visit each quarter.

⁴ <http://philanthropy.coutts.com/en/reports/2016/united-kingdom/case-studies/lloyd-dorfman.html>

6. Building major donors' support over time

'When I started out, there was a generally accepted model for "intelligent giving" which involved a three-year funding cycle: in year 1 you give, let's say, £100,000, year 2 you give £50,000, year 3 you give £25,000, and year 4 you're out. That was supposed to be intelligent, sustainable funding because you're out and the charity's still going. But we now do the precise opposite to that. We'd probably start off with the £25,000 or £50,000 grant and then give more as the partnership develops. For example, we started off giving the Duke of Edinburgh's Award £20,000 but we gradually increased our support over 13 or 14 years and we are now giving £350,000 a year. In fact, we've given them close to £2.5m in total. It's interesting how that's come about and it proves that we aren't using terms like "relationships" and "partnerships" as jargon - we mean it.'

Trevor Pears, Pears Foundation⁵

Major donors rarely give their biggest major gift first. They 'try out' working with an organisation to explore the fit between them and the organisation. So the right donor experience can make a significant contribution to growing a major donor's support over time.

In this way, the donor solicitation process is best thought of as a cycle: delivering on the organisation's promises to the donor is the last step of the first gift, and the first step of the next gift. Put simply, a happy donor is more likely to give again and probably to give more. So the donor experience of gift management, personal acknowledgement, public recognition, and financial and impact reporting are critical to building support over time.

Recommendation 6.1 - fundraisers and organisations should focus on the long-term potential of the donor rather than short-term income.

Recommendation 6.2 - fundraisers should offer a range of public recognition opportunities, but make sure they are not seen as 'one-size-fits-all'. Instead, public recognition should be tailored to what is valued by the donor.

Recommendation 6.3 - fundraisers should ensure the organisation delivers on its promise to donors through regular reporting on how the gift was spent and demonstrating the impact and difference the gift has made.

⁵ <http://philanthropy.coutts.com/en/reports/2015/united-kingdom/case-studies/trevor-pears.html#htmBulFCCXiEWzLr.99>

7. Handling things well when they go wrong

“Most major donors have made money in business and understand that you have to try a lot of things, and that sometimes things work and sometimes they don’t.”... “As a major donor, I want a bit of honesty. If it failed, I just want to know that it failed.”

*Nick Jenkins, founder of Moonpig.com, ‘dragon’ on Dragons’ Den*⁶

Even in the best circumstances, things happen that can lead to donor relationships going wrong. If or when they do, you need to proactively fix them. Just as in other spheres of life, a problem handled well can add to, not damage, the overall donor experience and may ultimately create a stronger advocate for your organisation.

From the research and interviews for this project, the most common reason things go wrong is when there are significant changes to projects or programmes that donors are funding, and organisations fail to communicate with and involve the donor.

Recommendation 7.1 - fundraisers should build the organisational culture that sees donors as project stakeholders who should be consulted and informed if or when things go wrong.

Recommendation 7.2 - organisations should learn from donor relationships that do go wrong to put in place systems and processes to prevent future problems.

⁶ <http://www.thirdsector.co.uk/charities-should-honest-major-donors-want-support/fundraising/article/1216454>

8. Looking and behaving like one organisation

‘They (major donors) appreciate the skill of fundraisers, but would rather interact with leadership and front-line staff.’⁷

Beth Breeze and Theresa Lloyd, authors of Richer Lives: Why rich people give

Major donor fundraising—more than any other type of fundraising—involves the whole organisation looking like and behaving as one organisation.

Major donors will have, and want to have, contacts at many levels and across the organisation. All of those staff members should be aligned behind a common message about the organisation’s ambition, strategy and priorities.

Recommendation 8.1 - fundraisers should build a strong understanding of major donor fundraising among colleagues across the organisation who will be involved in relationship building. As part of this, they will need to comprehensively brief colleagues on their role in each individual relationship.

Recommendation 8.2 - fundraisers and others should make sure they never make a promise to a donor they or the organisation cannot deliver.

⁷ <https://www.theguardian.com/voluntary-sector-network/2013/sep/30/charity-major-donor-fundraising-philanthropy>

9. Retaining your major donor fundraisers

‘Some of the people that come to see me from time to time are what I like to call “professional money-slingers”. They start off very rapidly, giving their case. They don’t allow any time for a colloquy between themselves and the donor. You know, there’s a time when a sale is made and some people don’t know it.’

William Whipple, American philanthropist

Major donor fundraisers are in high demand from organisations large and small, and it is hard to recruit and retain major donor fundraising talent and experience. There are numerous opportunities for frontline major donor fundraisers to move up the career ladder.

That then creates a significant challenge: it is very hard to build long term, personal relationships when major donor fundraiser turnover is high. The most successful organisations are responding to this challenge and so improving the major donor experience.

Recommendation 9.1 – organisations should recruit fundraisers with the right characteristics—those who are passionate about the cause and genuinely curious about what makes people tick.

Recommendation 9.2 – organisations should invest in ‘on-boarding’—immersing new recruits in the organisation to inspire *their* passion in the work and organisation.

Recommendation 9.3 – organisations should explore and apply the retention and reward mechanisms that are becoming common in the higher education section, so that experienced major donor fundraisers can remain in frontline roles *and* experience career progression in terms of status and salary.

⁸ <http://www.advancementresources.org/Blog/From-the-Archives/160/Q-A-William-Whipple-on-the-Joy-of-Giving-the-Role-of-the-Fundraiser.aspx>

10. Learning from success stories

“The biggest gifts are made to charities that are prepared to work alongside donors to craft exciting propositions.”⁹

Matthew Ferguson and Gemma Peters, Directors of Principal Gifts King’s College London & King’s Health Partners

Successful major donor fundraising organisations, including many in the higher education sector and exemplified by the recent King’s College London fundraising campaign,¹⁰ are highly responsive to the opportunities that working together with major donors offer.

They genuinely see major donors as partners in their mission—which brings us full circle to **Recommendation 2.1**. Only pursue major donors if they are right for your organisation.

⁹ <https://www.theguardian.com/voluntary-sector-network/2016/jun/17/charity-fundraising-ask-for-a-million-pounds>

¹⁰ King’s College London’s *World questions / King’s answers* fundraising campaign closed in spring 2016, having raised more than £600 million—and beating the original £500m target 18 months early.

Approach

As the Commission project outline indicates, high net worth individuals (HNWIs) are increasingly addressed by charities as a distinctly different group of donors requiring individually tailor-made cultivation and development plans.

There is some evidence that despite this approach, organisations are not always successful in delivering on major donors' needs, interests and expectations. In June 2016, Angela Kail, one of the authors of New Philanthropy Capital's (NPC) report *'Giving more and better'*,¹¹ told Civil Society News that 'many major donors feel "badly handled" by fundraisers.'¹²

The report concluded that with a new approach to philanthropy, gifts from HNWIs and ultra HNWIs could increase more than five times—from a current level of around £1.3bn per year to more than £5bn per year. There is a clear implication that improving the *major* donor experience is important to major donors, to individual organisations and to the charitable sector as a whole. This project of the Commission aims to suggest how.

It would seem too that many senior major donor fundraisers would agree that their organisations are not yet donor-centric enough to really reach the potential from major donor fundraising. In interviews and a non-representative survey (see below for more information on this), a key theme was that barriers in organisations need to be removed to ensure they can meet the needs and interests of major donors. The barriers can be summarised as failure to embrace major donors as partners in the organisation's mission. The result? Organisations fail to engage with donors in a genuine dialogue about challenges, changes or even successes of projects and programmes they fund. This is not 'just' a simple communications issue, but rather a deep-seated lack of understanding of the relationship major donors desire.

The project also has wider implications—many fundraisers strongly support the idea that applying major donor fundraising principles and approaches to **all** donors will improve the donor experience. The question then is how to create an authentic, personal relationship and a genuine feeling of involvement at lower gift levels.

¹¹ <http://www.thinknpc.org/publications/giving-more-and-better/>

¹²

http://www.civilsociety.co.uk/fundraising/news/content/22011/major_donors_are_ofen_badly_handled_by_fundraisers_according_to_npc

The starting point for this project has been the voice of major donors. Responding to what major donors need and want is the single most important action to becoming more *major* donor-centric.

I have built on the many, easily available, existing interviews with major donors to listen to and understand what they need and want from their relationships with causes and organisations. A key source of these is the case studies in the Coutts 2015 and 2016 Million Dollar Donors Reports. Specific references to the case studies used are included in Appendix 2.

The project draws conclusions from the following sources:

- Major donor interviews - from a range of sources, particularly the Coutts 2015 and 2016 Million Dollar Donors Reports, as described above.
- Major donor fundraiser interviews to gather best practice, together with published articles and blogs that offer best practise examples.
- A non-representative survey among the Major Gifts Leadership Group (MGLG) - please see Appendix 3 for more information on this.
- Various discussions on best practice, primarily through the MGLG.

Putting the principles and actions into practice:

Improve the (*major*) donor experience by...

1. **Being really clear about what a major donor to your organisation actually is**

When asked ‘how do you define a major donor to your organisation’ many fundraisers answer with a **financial level**, representing the level at which they have chosen to engage in a personal, one-to-one relationship rather than in a mass market, one-to-many relationship.

Many major UK charities set this level at £5,000. Some consider a single gift of £5,000 or more as major; whereas others consider cumulative gifts of £5,000 or more across a year as major. The basic approach is similar: major donors are defined by their current value to the organisation, commonly £5,000.

A second way of defining a major donor is a **donor who has the potential to make a gift that will have a significant impact on the work of the organisation**. This is used in the Code of Fundraising Practice.¹³ It moves beyond current giving to potential giving. For many organisations, a gift that will have a significant impact on the work of the organisation will be much larger than the threshold level for their major donor programme. For small community organisations, a transformational gift might be a few thousands; for large international organisations, a transformational gift might be 7 figures—or more. In the project, the term major donors incorporates this range.

¹³ <https://www.fundraisingregulator.org.uk/wp-content/uploads/2016/06/Code-of-Fundraising-Practice-v1.2-1.pdf>

Often, major donors are thought of as individuals, but as the 2015 Coutts Million Dollar Donors Report for the UK¹⁴ demonstrates, that is not the whole picture. The report [provides a review of 7 figure gifts, and reported 298 gifts of £1m or more worth a total of £1.56b for 2014. The *source* of £1m/+ gifts is shown in the table below:](#)

<u>Source</u>	<u>Value of gifts</u>
<u>Foundations</u>	<u>£790m</u>
<u>Corporates/corporate foundations</u>	<u>£256m</u>
<u>Individuals</u>	<u>£389m</u>

This highlights that foundations are the philanthropic vehicles for both individuals and companies. At the top of the donor pyramid, there is less distinction between individual, corporate and foundation giving. Many of the best practices found in managing major donor relationships are relevant to foundation and some corporate donors. This point is made by a number of authors in blogs and articles.¹⁵

[The point is made strongly by Richard Perry and Jeff Schreifels of The Veritus Group \(a USA major donor consulting agency\) in a blog¹⁶ on the subject. But perhaps the proof is the voice of the donor in a comment by Canadian, Rob Tonus:](#)

‘Having managed a foundation for four years, I can attest to that . . . Charity staff and volunteers who approached me with respect and asked my opinion BEFORE submitting their proposals were more likely to be considered as good partners when projects were being reviewed by the Funding Committee. Those who thanked me whether they got their funding or not were more likely to be looked on favourably when they submitted their next proposal. And those who invited me to their celebration events, even if I couldn’t make it due to distance (I was responsible for providing funding throughout the whole province of Ontario) increased their chances of being looked on favourably when they asked for funding again.’

Rob Tonus¹⁷

¹⁴ <http://philanthropy.coutts.com/en/reports/2015/united-kingdom/findings.html>

¹⁵ As one example see <http://brightspotfundraising.co.uk/treating-trusts-as-major-donors/> for a blog by Rob Woods about how Lucy Sargent and James Holland of Marie Curie Cancer Care increased the trust income from £1m per year to £3.5m per year in four years by applying major donor fundraising techniques to trust and foundation relationships.

¹⁶ See <http://veritusgroup.com/treat-corporations-and-foundations-like-individual-donors/>

¹⁷ See comments at the end of <http://veritusgroup.com/treat-corporations-and-foundations-like-individual-donors/>

A potential third way of defining a major gift is from the perspective of the donor: as a gift that is **personally significant to the donor**. This definition has an advantage in that it shifts thinking: major donors are those who are making an extraordinary commitment, for them, to a cause and organisation. However, it is also challenging practically:

- a personally significant gift of, say, £1,000 does not get recognised by an organisation because its major donor financial level is £5,000.
- the same organisation receives a gift of £10,000. This is treated as a major gift because the organisation's major donor financial level is £5,000. The £10,000 gift is actually a small gift from a wealthy individual who is actually indicating they are not particularly interested in this cause or organisation. So someone who is not a major donor is treated as one.

This dilemma is one reason why all fundraisers should have a 'major donor' mindset: noticing and responding personally to a major gift even if it does not qualify for the organisation's major donor programme will significantly enhance the donor experience.

Lastly, for many organisations a 'major donor' may not be a financial supporter. Rather, they might be an **'influencer': an individual who has or has the potential to have the ability to make a significant impact on the work of the organisation**, perhaps through their contacts or connections or through their knowledge or expertise. For example, many organisations have high profile or celebrity supporters who may not be financial major donors, but who are committed to supporting the organisation by helping attract and engage new supporters. Similarly, many organisations have individuals who support their work by taking advocacy messages to particular audiences because of their connections and/or reach. These individuals are often managed by the organisation as 'major donors' because they make a significant contribution to the mission.

This discussion of the definition of major donors highlights two principles fundamental to the donor experience.

First, defining a ‘major donor’ is messy. Fundraisers need to carefully define what a major donor is in their organisation’s unique circumstances, taking into account:

- *potential* as well as current giving.
- whether to include foundation and/or corporate gifts, because at the *top of the donor pyramid the distinctions are fine*.
- *why* donors give to you, and how important the gifts to your organisation are to the donor.
- *non-financial contributions* that have significant impact, often through an individual’s contacts and connections.

Having done this, it is likely that a major donor programme will include a wide range of financial levels—perhaps from £5,000 to 7 figure gifts and beyond—and also non-financial support. Given this, there is a danger of confusion about the extent to which you can and should provide a completely individual and personal experience. To avoid this and to make sure that you align external donor and internal organisation expectations, you will need to create formal involvement, recognition and stewardship approaches tiered to different levels of financial and non-financial contribution.

The second principle is that organisations will improve the donor experience by applying major donor fundraising principles and techniques—primarily personal, one-to-one relationship management—to donors who give at levels below the major donor level. A key challenge is how to do this—and remain cost-effective. While this question is not addressed specifically in this project, I believe major donor fundraisers have a strategic role to play in answering it alongside their individual giving colleagues. While this sounds simple, too often there is too little real interaction between fundraisers in different disciplines to answer a question like this.

2. Deciding whether major donor fundraising is really right for your organisation

Back in 2010, Beth Breeze, in a think piece for NCVO's Funding Commission,¹⁸ argued that by 2020 the relationship between donors and charities should be turned on its head—and that donors ought to be understood as the centre of the charity universe.

In the same piece, Beth quoted Paul Schervish (Boston College): 'The accepted wisdom that charities need donors in order to help them achieve their organisational mission, ought to be replaced by an understanding that donors choose to support charities in order to achieve their personal missions.'

This is profoundly challenging for some organisations. As one fundraiser expressed it (anonymously):

'My organisation wants major donors to fund the work in the organisational plan, ask no questions, give us the money and then leave us alone to get on with it'

Below are three extracts from Case Studies in the 2015 Coutts Million Dollar Donor Report for the UK.¹⁹ Each of these underlines the idea that major donors do not want to simply write cheques. Rather, they see themselves as partners in achieving a shared mission: providing financial resources but also having hands on involvement.

'If we want to be material donors we tend to get quite heavily involved. We're very clear, however, that we do this exclusively at the invitation of the organisation, and on the basis that giving is about 'enabling', not "influencing". This is a key distinction which needs to be well articulated.'

Rory and Elizabeth Brooks, The Rory and Elizabeth Brooks Foundation²⁰

'The Foundation has given more than £1m to quite a few projects. But we don't focus on the money - it's about finding ways to help young people. Philanthropy goes wrong if you only give money... So we have given a lot of "million pound donations", but as I said, none of these are about the money, it's about finding ways to help young people believe that "if they think they can, they can" - the foundation's motto.'

¹⁸ http://socialwelfare.bl.uk/subject-areas/government-issues/social-policy/ncvo/138136donor_centred.pdf

¹⁹ <http://philanthropy.coutts.com/en/reports/2015/united-kingdom/case-studies>

²⁰ <http://philanthropy.coutts.com/en/reports/2015/united-kingdom/case-studies/rory-elizabeth-brooks.html#Q1XhTw89RFntMxcP.99>

Jack Petchey CBE, the Jack Petchey Foundation²¹

‘Whether we give for capital or core costs, I believe there’s a lot beyond the money that we add, in terms of our thought process and engaging with organisations to help them do what they do better. We like to be more than just the money – the money’s obviously very important, but there’s something transactional about a capital grant, particularly if it’s not an organisation we’ve developed a relationship with. It feels more comfortable when we’ve known them for five or more years and there’s a good understanding on both sides.’

Trevor Pears, the Pears Foundation²²

Perhaps the ultimate litmus test of whether major donor fundraising is right for your organisation is whether you want and are able to successfully build a fundraising or development board: a group of individual donors and supporters who commit to raising a specific sum of money, often for a particular purpose, in a given timeframe. Such senior volunteer fundraisers really do see themselves as partners of the organisation and its leadership to deliver a special and often transformational result.

Although some donors and supporters are powerfully motivated to give and then fundraise and encourage others to give, often motivated by a very strong personal connection to the cause; others are more reticent. However, ‘enough’ donors and supporters will fundraise to achieve a goal that they are committed to and passionate about, alongside an organisation they believe will deliver. Many organisations attempt volunteer fundraising through a fundraising or development board. Not all who try succeed. Those that do succeed usually do so because they build a genuine partnership focused on a specific goal.

None of this is to say that the answer to a major donor is always ‘yes’—and it is vital never to say ‘yes’ because it is easy at the time. Organisations can and do say ‘no’ to things that they cannot do or are not in line with mission or strategy. The key is being willing to have the conversation openly and honestly.

In summary, the donor experience can go badly wrong if donor and organisational needs are mismatched. If you don’t want involvement alongside money, then major donor fundraising may be the wrong choice for you. In short only choose major donor fundraising if you are prepared to meet the needs and interests of major donors.

²¹ <http://philanthropy.coutts.com/en/reports/2015/united-kingdom/case-studies/jack-petchey.html#5BZIW6dMw1Ld7kX2.99>

²² <http://philanthropy.coutts.com/en/reports/2015/united-kingdom/case-studies/trevor-pears.html#kV8lZuyuXQb9ZFFH.99>

As Sharon Jackson explains, it can be the right choice for both small and large organisations:

‘To fully explore this income stream our entire organisation needs to understand the degree of commitment required, needs to make the necessary commitment and needs to then deliver on that commitment.’

Sharon Jackson, Consultant

For some organisations, it can be the right choice to partner with major donors on *particular* aspects of the programme, rather than attempt it for the complete range of work. This approach can offer a way for an organisation to ‘grow into’ major donor fundraising.

Here is Sharon’s longer discussion on choosing major donor fundraising:

Fortune favours the bold! Go big or go home if you are serious about generating your funds from High Net Worth Individuals.

Sharon Jackson, Consultant

When it comes to Major Gifts, fundraising is not for the faint of heart. To fully explore this income stream our entire organisation needs to understand the degree of commitment required, needs to make the necessary commitment and needs to then deliver on that commitment. We know that those organisations that are bold are already enjoying the fruits of their bravery (King’s College!²³). And yet Major Gift fundraising remains a poor relative in so many British charities – a bolt-on to the supporter marketing programme or the institutional funding programme. So often our major gifts teams struggle to get buy in and involvement from board members, to get timely information from programmes for proposals and reports, to get key people to meet with their prospects, to get programmes to accommodate donor visits, or to secure the investment they need to grow.

Fears over being donor-led are felt the most sharply in this realm. Few organisations bat an eyelid at devising a programme that caters to the priorities of the Big Lottery but few

²³ King’s College London’s *World questions / King’s answers* fundraising campaign closed in spring 2016, having raised more than £600m. The original target of £500m was reached 18 months ahead of schedule. See <https://alumni.kcl.ac.uk/give-back/world-questions-kings-answers>

feel comfortable accommodating the ambitions of an Ultra High Net Worth Individual - even when the sum on the table is of greater value and with fewer strings attached.

I know of at least two situations where six figure sums have sat on the table, with the promise of regular, seven figure gifts to come, and the charity has walked away because they could not offer the donor their own specific project to fund. Charities in that situation need to acknowledge that they neither need nor deserve a major gifts programme.

Interestingly, some of the smaller charities seem to be where Major Gift excellence can be found - although not exclusively of course.

I transitioned over to the charity sector about 16 years ago. Armed with my marketing experience and under the watchful eye of some seasoned experts (Bill Bruty and Peter Fabian), I made my first foray into fundraising at a small charity called Harvest Help. We didn't have a large database of supporters to mine. We didn't have vast resources available for investment in fundraising - in fact the opposite was true. And yet, over five years we doubled income and supporters, managing to hit £1m (and stay there!) the year I left. Vitally this income increase meant a doubling of the programme, enabling us to expand into a second country and transform the lives of thousands of farming families across Zambia and Malawi. I know the rest of the, by then, much larger team moved onto even greater things after I left.

How did we do it? I still vividly recall day one when we set ourselves on a course for steady but sustained growth. The entire charity's staff (5 people!), led by the Executive Director, sat around the table and mapped out all of our donors and prospects, and their respective networks. We thought hard about which ones held the most potential for Harvest Help in terms of financial support and contacts. We devised plans to cultivate each relationship, with every single team member taking a role.

For each prospect and donor we would consider their interests and their personality type, and think carefully about who in the team might be best placed to build rapport. For example, the CEO would lead on relationships with the highest level prospects and those with a city background (he had his own city connections!). The community fundraiser would lead where there was some kind of church, community group or school connection. We would involve the Finance Manager when we felt that a donor needed reassurances around how funds were accounted for and Programme Managers were regularly taken on tours of the UK to meet with supporters. Many Board Members also played a role - our Treasurer was the Chief Economist at British Airways and would be a real draw at city-based speaker events. Similarly we had development experts who

could help with convincing the more sceptical about the Harvest Help approach. All of this was orchestrated and shepherded by the Fundraising Manager who was responsible for ensuring that all relationships were moved forward - sometimes working behind the scenes to chase reports and proposals, draft emails, prompt on outstanding actions and devise opportunities for engagement - and sometimes leading on her own key relationships and cultivations. The team would come together regularly to discuss progress and challenges with regard to each of the donors and prospects. It was clear that we had a joint responsibility for maximising our donor relationships.

The charity's board at that time could not be considered a fundraising board in the traditional sense - there was no sense of give, get or get off! But they were extremely committed to the charity and were willing to do what was needed to ensure that the organisation could survive and thrive. They visited work, spoke at events, represented the charity amongst their contacts, made introductions where possible and frequently met with donors.

When one particular donor came to us with a proposition that could 'augment' our core programme work, the board and management engaged actively and positively in the discussion. Between us we came up with a water programme that would ensure that some of our communities could benefit from access to safe drinking water as well as a better supply of food and income.

I didn't know it at the time, but I look back and wonder whether this was a text book case of major gift fundraising. I am not saying that we were perfect - there were many lessons along the way. And I know that the sums we were talking about would be inconsequential to many of the charities I have worked with in the last ten years, having since overseen income targets in the tens of millions...

But imagine what a larger charity could achieve if staff at all levels were willing and able to engage in the major gifts programme to this same degree? What mountains could be moved by a board that is fully committed to the major gift programme?

As Major Gift fundraisers, we should perhaps draw our inspiration from some of the donors we work with. People who have made their own fortunes from very humble beginnings. Many people highlight the high representation of immigrants amongst the World's elite, people like Do Won and Jin Sook of Forever 21. After moving to America from Korea in 1981, Do Won had to work as both a janitor and gas station attendant to make ends meet. They opened their first clothing store in 1984. Forever 21 is now an international, 480-store empire which generates \$3billion in sales per year. Or people like Vinod Dham who was born in Pune, India, and arrived in the U.S. in 1975

as an engineering student with just \$8 in his pocket. After graduating, Dham worked for Intel and helped invent Intel's first flash memory chip. He went on to become the CEO of Silicon Spice, which sold for \$1.2 billion in 2002.

Why have these people been successful? Because they had to be bold? Because they had to go all out at achieving their dreams and ambitions? Imagine what our charities could achieve with the same approach to Major Gift fundraising.

3. Seeking out the donor's story

Major donors usually have a story about how and why they came—or want—to support a particular cause and organisation. A vital part of the job of a major donor fundraiser is to hear, respond to and embed these stories into the organisational memory.

The reasons major donors choose charities are not as rationale as we might think. As Beth Breeze says in *How Donors Choose Charities*,²⁴ they are shaped by donors'

- tastes, preferences and passions
- personal and professional backgrounds
- perceptions of charity competence
- desire to have a personal impact.

David Harding, founder of Winton Capital Management, underlines these points when talking about his reasons for supporting the Science Museum in London with a £5m gift (the institution's biggest ever single gift) to create a new mathematics gallery:

‘A belief in the power and beauty of numbers’

‘to inspire a new generation to love maths’²⁵

‘I prefer to give money to people or institutions I like – that is really quite key’²⁶

David Harding, founder Winston Capital Management

In a more general video piece²⁷ about his motivations for giving major gifts for The Sunday Times Magazine in association with the publication of the 2015 Rich List, he also talks about a range of reasons including:

‘It seems like a natural extension of my business’

‘to make my life more interesting’

²⁴ <http://www.cgap.org.uk/uploads/reports/HowDonorsChooseCharities.pdf>

²⁵ <http://www.cityphilanthropy.org.uk/news/city-philanthropist-david-harding-gives-science-museum-its-biggest-ever-single-donation>

²⁶ <http://www.standard.co.uk/lifestyle/london-life/billionaire-philanthropist-david-harding-on-the-anxiety-of-the-superrich-a3334266.html>

²⁷ <http://www.thesundaytimes.co.uk/sto/Magazine/article1544336.ece> [scroll down for the video, subscription required](#)

‘to have the pleasure of mixing with the people whose fields I support’
‘for the dream of actually achieving something’

David Harding, founder Winston Capital Management

Notice that there is little mention of need. Rather, it is about possibility, interest and pleasure.

So a key to improving the donor experience is capturing your major donors’ stories—the *why* behind their passions and interests. For David Harding, the story is a combination of his business success based on ‘simply solving the maths problem and searching for patterns’ and a love of the Science Museum ‘where he spent many happy hours “pressing buttons” in his youth’.²⁸

The challenge is that while donor stories endure, fundraisers in organisations move more quickly. If the donor’s story gets lost when the fundraiser moves on, it is easy for the donor to feel unappreciated.

One anonymous fundraiser told her own story about making a major commitment (for her) to an organisation she supported passionately. She carefully wrote to the organisation, explaining why she was making a large monthly contribution to the charity. Some years later, her commitment came to an end. The charity called and asked her to renew, without any reference to her story. She felt unappreciated—because they had lost her story. They did not get a renewal, although might have done if her story had been important to them.

Of course, not every organisation can be at the heart of every donor’s story. The Whiny Donor is a blogger on 101fundraising²⁹ who is a volunteer and chairs development committees of two organisations in the USA. Here she explains that her potential for giving is not equally available to all organisations:

‘But there’s a hierarchy to my giving, so to some extent, I won’t be moved too far no matter what a nonprofit does. I’m on a couple of local nonprofit boards, so my largest gifts go to them, with the others falling in line behind them.’

*The Whiny Donor*³⁰

A key part of the major donor fundraiser’s role is uncovering and celebrating the donor stories that underpin enduring relationships between donors and organisations, and making sure they are held in the organisation, even when the key contact in the organisation changes.

²⁸ <http://www.cityphilanthropy.org.uk/news/city-philanthropist-david-harding-gives-science-museum-its-biggest-ever-single-donation>

²⁹ <http://101fundraising.org/>

³⁰ <http://101fundraising.org/2016/07/far-want-go/>

Practically, this requires fundraisers to:

1. recognise and value donors' stories.

Good fundraising involves more listening and listening well, than talking. Donors enjoy sharing their stories. Fundraisers must hear and value them—and return to them often. They are a critical part of how to build funding propositions that will inspire and excite.

Fundraisers—and others involved in donor relationship building—many not always know how to prompt the conversations and to ask the open questions that unlock the stories. Training, support and role-plays may all be necessary to help the discovery process. Capturing stories, perhaps for a newsletter or website video, can be a positive process for donors that also helps build wider understanding of donor stories and why they are important.

2. embed donor relationships into the organisation by building multiple contact points with different people in the organisation.

Major donors will have, and want, contacts in many parts of the organisation—especially with those who deliver the projects and activities they are funding. Different members of staff will have different conversations with donors at different times. It is highly likely they will discover new aspects of the donor's story. It is the fundraiser's job to make sure that these are captured, consolidated and celebrated.

3. create effective 'handover' processes for when relationship management moves from one staff member to another.

Staff turnover is of course inevitable (although as discussed in **9.** below, high levels of major donor fundraising staff turnover are a barrier to the major donor experience), so you need to have effective handover processes to smoothly transfer major donor relationships from one staff member to another. Ideally, the existing relationship manager should introduce the new staff member in a face-to-face meeting with the donor. This may of course be practically difficult to achieve, but if you have adopted **2.** above, you will have creative and credible options for how to achieve an effective process.

Whatever happens, avoid the situation where a new major donor fundraiser writes to the donor to introduce themselves!

4. Seeing the relationship from the donor's point of view

Most major donor fundraisers use a 'step' process or moves management system to move from prospect identification to securing a gift and then to stewardship. There are many examples³¹—and many organisations have their own individually tailored version.

The common feature of these processes and models is that they focus on a number of actions over time, moving towards an objective of securing a major gift.

There is an alternative and more donor-focused way of looking at things. Rather than think about the next move towards a gift, think about how to match the donor's needs, interests and passions to the issues your organisation works on.

The end result may well be the same—a large financial contribution to the organisation's work—but the experience for the donor is likely to be very different. If major gift fundraisers genuinely make the next move according to what the donor might want and enjoy, the gift will result. The most successful major donor fundraisers essentially reframe their relationships with donors from being fundraisers to being advisors by adopting this approach.

Seeing the relationship from the point of view of the donor requires a complete mindshift so that every stage of the process is focused on the donor. That means that it is not enough to simply invite everyone to the next event in the charity's calendar. Rather, you need to devise the right next interaction to deepen the donor's relationship (which of course might happen at the next event).

To do this, you will have to listen very hard to what the donor is indicating or suggesting. Often donors and prospects are too polite to be too blunt about what they really think or want, but major donor fundraisers who have exceptional listening skills can pick up on the clues, hints or even requests that lead to the right next step.

The table below summarises the key steps and suggests how the key donor facing steps might be translated into a more donor-focused approach:

³¹ See here for an explanation of one example of a step solicitation process
<http://www.managementcentre.co.uk/downloads/7StepsOfSolicitation.pdf>

Step	Purpose	
	From the organisation's perspective	From the donor's perspective
Identify*	to build a prospect list of the right people who can provide the necessary level of funding for your work	n/a – the donor is not yet engaged with the organisation
Research and qualify*	to assess each potential donor against three key criteria: capacity, propensity, connection	n/a – the donor is not yet engaged with the organisation
Plan	to formally set out how you are going to engage a prospect with a view to gaining their commitment to funding the charity's work	n/a – the donor is not yet engaged with the organisation
Cultivate and involve	to bring the person closer to the cause so they end up committed to your work and want to help	<p>to know that with each encounter with the charity, their understanding of my interests and passions is growing</p> <p>to know that they are listening to what I want to get out of our next meeting together</p> <p>to build trust that the people and the organisation can deliver on what they say we will do together</p>
Ask	<p>to make an explicit request for the individual concerned to consider making a financial contribution:</p> <ul style="list-style-type: none"> - at the right level, for the right area of work - at the right time and by the right person 	to receive an offer that matches my vision and excitement, where I can see the difference I can make happen
Close	to secure the donation	to receive confirmation from the charity of how and when I will have progress reports on the impact my gift is making
Thank and steward	to acknowledge—in ways that are meaningful to the donor—the important contribution they have made to your work and to lay the ground for future gifts and ensure he or she becomes a long-term supporter of the charity	to be genuinely and personally thanked for my gift and to be kept up to date on progress, even if progress means there is a problem

* Note in steps 1 (identify) and 2 (research and qualify) major donor fundraisers need to adhere to regulation and best practice around donor and prospect contact permissions and preferences. In this area, major donors are no different from other donor groups.

Being donor centric should perhaps be an obvious point at the thanking and stewardship steps, but these are both points where fundraisers and organisations come in for criticism, despite many organisations having formal policies:

‘Sometimes once the cheque is written, the donor is never contacted again, or aren’t made to feel appreciated.’

‘fundraisers often don’t contact them after they’ve made a gift and even offer “glib answers” to questions about where their money is going and how it will be used.’

Angela Kail, co-author Giving More and Better, New Philanthropy Capital⁸²

‘It’s really important to me that organisations report on what they have done. I always notice who signs letters. Our ad-hoc giving is done on the basis of how much feedback we get from each of the charities we donate to from the previous year.’

Sir Stelios Haji-Ioannou, founder easyJet⁸³

Angela Kail suggests there is ‘a general lack of skills and knowledge in the fundraising sector when it comes to building relationships with major donors; as well as a general culture of short-termist thinking in the sector.’⁸⁴

Yet we know that effective thanking has the potential to transform relationships. Below is a contribution from Sarah Roberts from her time as Major Donor Fundraiser for Greenpeace Asia Pacific. It is reproduced here in its entirety but was first published as a blog by Reinier Spruit on 101 fundraising.⁸⁵

⁸²http://www.civilsociety.co.uk/fundraising/news/content/22011/major_donors_are_often_badly_handled_by_fundraisers_according_to_npc

⁸³ Read more at <http://philanthropy.coutts.com/en/reports/2015/united-kingdom/case-studies/stelios.html#2LTJQtrZTpfmrqxv.99>

⁸⁴http://www.civilsociety.co.uk/fundraising/news/content/22011/major_donors_are_often_badly_handled_by_fundraisers_according_to_npc

⁸⁵ <http://101fundraising.org/2016/11/cant-thank-enough/>

I can't thank you enough

Sarah Roberts

For years I attempted to connect with a supporter who'd once made a gift of \$10k many years ago. I sent hand written notes on the back of all mailings, invitations to special events, annual reports, emails and appeals with no response. I tried to connect via the phone and via people of influence but we'd lost any personal connection and I was having no luck getting through. However I was persisting and continued to reach out.

One day, completely out of the blue, after 3 years of persistence our supporter responded to a mail appeal with a gift of \$20,000. Immediately I picked up the phone to say thank you. Thank you - the simple art of thank you - is where this all began. I'd read all the articles about the 7 magic thank yous³⁶ but it wasn't until I saw the relationship transform that I realized quite simply how important it is to genuinely, warmly and often thank those people that keep your organization in action. Connecting with and valuing the support of your donors is what major gift fundraising is all about. During the thank you call I invited him to pop into the office to meet with the CEO. I also arranged a thank you call from the CEO and a meeting was arranged.

During this initial meeting I asked the question: 'what was it that inspired you to give this gift after so many years?' and the donor replied 'perhaps you weren't asking well enough'. And then to my horror the conversation went completely off track into a technical conversation about climate change and we delved no further into how we could ask better.

Luckily the International Executive Director was visiting Australia in the coming months and I scheduled another face to face meeting where importantly the IED warmly and genuinely thanked him for his support. Again to my utter horror the IED pulled out my briefing notes and proceeded to read from them. 'It say's here in this briefing you mentioned in your last meeting that your support stalled because perhaps we hadn't asked well enough - would you mind elaborating on how we could ask better?' And to my utter delight he laughed and promptly responded by saying how he thought we were doing a great job and in fact wanted to increase his support. That day in addition to his recent donation he increased his monthly gift to \$2,000 a month.

And we continued to meet and build a deeper understanding of what made us tick - both ways. We met regularly, genuinely discussing the impact of the organization's work and motivations for supporting it. Importantly as an organization the entire team from CEO to

³⁶ <https://michaelrosensays.wordpress.com/2014/03/18/ensuring-repeat-gifts-the-rule-of-7-thank-yous/>

campaigners to the ships volunteers were valuing and recognizing the impact this individual was having on the organisation. During these catch ups we met one day at a coffee shop to discuss an oceans/forests trip I was joining on the Greenpeace ship the Esperanza in Papua New Guinea. Our supporter had recently read a book by Ted Danson on the plight of our oceans and was especially interested in our oceans and ships - on the spot he decided he'd like to make another gift - this time for \$100,000, and in particular, towards completion of our new ship, Rainbow Warrior III.

I should have cottoned onto it then - but these frequent and steady increases were a sign that our supporter was engaged deeply with our work and was perhaps ready to commit to a more impactful and lasting gift. But we just continued to value him, meet with him and deepen the relationship. In addition to sharing frequent updates from Papua New Guinea I spent the afternoon with the crew making a small thank you video using hand painted letters spelling out 'thank you' to our supporter. When I returned we met and we discussed the time onboard the ship and I shared the video and a printed group shot of everyone together. The printed photo was hung next to our supporter's computer in his study and everyday he's reminded of the global reach of his philanthropic gift and what it means to our work.



Within 6 months of the initial thank you call our supporter posed the question ‘How much do you want me to give?’ A day or so later he contacted us and said that the correct question should have been not to us but to himself: ‘How much do I actually need, to be financially secure?’ - followed by - ‘Then I should aim to give until I get down to this level.’ To respond to that question he first had to grapple with and overcome a lifetime of mindset based around increasing his assets so as to maximize security. To deliberately reduce net assets took courage. As a result of this introspection, his gift increased to \$50,000 a month and a few years later he made an additional \$1million donation to the organization.

We’ve definitely thanked him more than 7 times. He is integral to our work and I cannot say thanks enough for what he does to keep us in action.

One last point on thanking. There are numerous ways³⁷ to make thank you letters effective. A personally important one for me is not asking again in the thank you letter. I recently experienced this in the context of an emergency appeal. The natural disaster happened and I gave on day one as the scale of destruction became apparent through news coverage and on Twitter. The next day I received an email thank you and an ask to give again. I know this works—but as a donor, I was left feeling inadequate, as if the organisation thought I had not done enough. I think a thank you and another ask a few days later, perhaps with specific information about how my first gift was helping and the challenge was growing, might have resulted in both a better donor experience and more money to the organisation.

So the key message is simple but sometimes hard to do: at all steps along the way see the relationship from the donor’s point of view.

³⁷ <http://www.cygresearch.com/burksblog/donor-centered-fundraising/donor-centered-thank-you-letters-your-first-step-to-the-next-gift-542/>

5. Making the relationship personal and authentic

Major donor fundraising succeeds when relationships are authentic and personal. Aspects of doing this successfully include:

- carefully matching staff members to donors and prospects. The staff member needs to see themselves as the donor's representative in the organisation.
- responding to the donor's preferred method and style of communication. For example, one donor might like meeting to talk face-to-face while another might prefer email. One donor might want require facts, while another might prefer emotive stories.
- treating the donor as you would a friend, but always remembering that as the fundraiser you are the face of the **organisation's** relationship. It is your job to build the organisational relationship and make sure there are a range of touch points and contacts because one day you will not be there.

Here are some examples of successfully making it personal at different points in the solicitation process:

Make it personal – first approach

‘We cold contacted a prospect, not with a letter from the CEO or chair, but taking into account their background and their wife's background, with a piece of personalised artwork. Lots of charities had been targeting this prospect who was quite well known but ours stood out. As a result, this donor has made a major gift himself and helped us to raise over £1m from his contacts and endeavours.’

Alison Pemberton, Head of Philanthropy, NSPCC

Make it personal – cultivation

‘As an additional thank you we often send little gifts/mementos from stage productions - a script that has been used, a signed poster etc. I once sent a pair of shoe roses worn on stage to the donor of a production, which they adored. I also arranged for the same donor to send a gift to the acting company they were supporting. They were delighted when so many of the actors approached them saying thank you. We often find it is the least expensive or obvious experiences that major donors most appreciate. An event in a rehearsal room with a plastic cup of barely chilled wine talking to a director and actor about their day or an evening spent backstage with stage management will always trump a sophisticated canape affair.’

Anonymous Development Director, national arts organisation

Make it personal – saying thank you

‘When I was Fundraising Director at Greenpeace USA a few years ago, we had a supporter who gave a huge amount of money in memory of her son, who had died tragically. With it, we bought a RIB – one of those orange inflatable boats Greenpeace is famous for. It was sent to join the Greenpeace ship Esperanza, which was on a mission to stop Japanese whalers in the Antarctic Southern Ocean. [And the RIB was named the Billy G.](#)³⁸

As it happened, Celeste Stewart, the manager of our mid-donor programme, got the chance to join the Esperanza’s mission for three months as Assistant Cook. (I know, I know, don’t even ask). Celeste knew Billy G’s mother, knew the whole story. And even knew Billy G’s birthday, which came up while she was on board. She organised the crew into the Billy G for a photo.

One photo, used only once, as a gift to Billy G’s mother to mark his birthday. Wow!³⁹

Matthew Sherrington, Consultant, Inspiring Action

Again, a very simple key message, but one that taken seriously can radically improve the donor experience.

³⁸ Click on this link in the blog and you reach a beautiful donor-focused write up of the story on Greenpeace International’s website <http://www.greenpeace.org/international/en/about/ships/our-inflatables/>

³⁹ This is an extract from a longer blog published on 101fundraising <http://101fundraising.org/2016/02/exceeding-supporter-expectations-with-a-wow/>

6. Building major donors' support over time

Major donors rarely give their biggest major gift first. They 'try out' working with an organisation to see how they fit with the organisation and how the organisation fits with them.

'When I started out, there was a generally accepted model for "intelligent giving" which involved a three-year funding cycle: in year 1 you give, let's say, £100,000, year 2 you give £50,000, year 3 you give £25,000, and year 4 you're out. That was supposed to be intelligent, sustainable funding because you're out and the charity's still going. But we now do the precise opposite to that. We'd probably start off with the £25,000 or £50,000 grant and then give more as the partnership develops. For example, we started off giving the Duke of Edinburgh's Award £20,000 but we gradually increased our support over 13 or 14 years and we are now giving £350,000 a year. In fact, we've given them close to £2.5m in total. It's interesting how that's come about and it proves that we aren't using terms like "relationships" and "partnerships" as jargon - we mean it.'

Trevor Pears, Pears Foundation⁴⁰

As the quote above demonstrates, major gift fundraising does not stop when the gift is secured. The 'aftercare'—the acknowledgement and stewardship that follows the gift—are critical elements of the donor experience.

As we have already seen in 4. above, these processes can have a transformational impact on the *next* gift. For this reason, the most helpful way of thinking about the major donor solicitation process is as a cycle. Delivering on the organisation's promises to the donor is the last step of the first gift—and the first step of the next gift.

As outlined in 4. above, private acknowledgement is hugely effective when tailored and deeply personal.

At major donor levels of giving, many organisations move beyond private acknowledgement to public recognition. This is an area that is hard to get right. Even when asked directly, many donors will insist that it is neither necessary nor important. Yet, for those for whom it is important, we know it can be a major motivator.

In the research and interviews for the project, I heard a number of examples of what can go wrong, including:

- a donor who wished to remain anonymous listed in an annual report.

⁴⁰ <http://philanthropy.coutts.com/en/reports/2015/united-kingdom/case-studies/trevor-pears.html#htmBu1fCcXiEWzLr.99>

- a gift wrongly attributed to couple rather than an individual.
- a donor's name spelled wrongly on a donor recognition board in an organisation's reception area—the error was pointed out by the donor.
- a plaque to mark a donor's funding of a project taken down without agreement.
- an inscription on a donor wall to the donor rather than to his father as he had intended (the gift was in memory of his father).

These, on the face of it, are simple errors that all contributed to a poorer donor experience and could have been avoided with greater attention to detail.

Major donors are motivated by the opportunity to make a significant difference. It therefore follows that stewardship—regular reporting on how a gift has been spent and what difference it has made—is a vital part of the donor experience. Impact reporting

Three actions follow:

1. deliver on the first major gift: regular reporting on how the gift was spent and demonstrating difference and impact, and also providing the donor with an ongoing interesting and enjoyable experience.
2. offer public recognition but ensure that it is completely appropriate to each donor.
3. focus not just on the major gift, but on the long-term potential of the donor.

One rider: understanding that major donors do not give their most major gift first is not the same thing as major donor fundraisers asking for low 'starter' gifts with the idea that they can grow support over time. This situation can arise, for example, when fundraisers seek to meet short-term income targets or there is a threshold level for entry into a donor club or scheme. The challenge is that asking at significantly below a donor's potential may create a donor mindset about your level of ambition that is then very hard to shift. That is poor major donor fundraising, which is neither good for organisations nor good for major donors.

7. Handling things well when they go wrong

Even in the best circumstances, things happen that can lead to donor relationships going wrong. If or when they do, you need to proactively fix them. Just as in other spheres of life, a problem is a litmus test. Handled well, a problem can add to, not damage, the overall donor experience and may create a stronger advocate for your organisation.

Alison Pemberton, Head of Philanthropy at NSPCC, told us about a major donor who complained (justifiably) about a poor experience with their staff contact and withheld a large gift. A telephone call to apologise from the head of department, letters from the CEO and Chair to apologise and emphasise the donor's value to the organisation, as well as great care over project reporting resulted in the donor giving a larger than usual gift the following year. As Alison says, 'Things can change and we shouldn't give up'.

Donors understand that not everything will work and not everything will play out exactly as you planned. You have to talk to them—honestly and openly—about what has gone wrong and why, and what you might do to put it right or learn and move on.

In the research into this project, major donor fundraisers shared a wide range of examples of things going wrong. These have almost all been shared anonymously to avoid criticising organisations, but include:

- significant changes to programmes and projects that donors are funding: donors 'bruised'.
- engaging prospects at the ideas stage of project development but then not managing expectations about how long it would take to set up the project: prospects 'disappointed'.
- poor communication about the closure of a project that a donor had funded: donor 'disillusioned'.

As the quotes below show, however, major donors are often realistic, understand that not every new initiative will succeed and want a honest relationship.

“Most major donors have made money in business and understand that you have to try a lot of things, and that sometimes things work and sometimes they don't.”... “As a major donor, I want a bit of honesty. If it failed, I just want to know that it failed.”

Nick Jenkins, founder of Moonpig.com, 'dragon' on Dragons' Den⁴¹

'The fellowship programme was interesting because we put the money up on the explicit understanding that this was truly a pilot. It was risk philanthropy: there was no bad answer and Tate could easily have said, "it was ineffective, too difficult, we're not going to do that again". And that would have been fine with us, providing that the analysis was diligent and honest.'

Rory Brooks, The Rory and Elizabeth Brooks Foundation⁴²

The key to putting things right when they do go wrong is:

1. an open and honest conversation with the donor.
2. escalating donor concerns within the organisation as appropriate.
3. learning from experience. This means having a culture of being open about what has gone wrong and then sharing how it can be avoided in the future.

⁴¹ <http://www.thirdsector.co.uk/charities-should-honest-major-donors-want-support/fundraising/article/1216454>

⁴² <http://philanthropy.coutts.com/en/reports/2015/united-kingdom/case-studies/rory-elizabeth-brooks.html#MY936QfQGUjvsVHB.99>

8. Looking and behaving like one organisation

Major donor fundraising—more than any other type of fundraising—involves the whole organisation looking and behaving as one organisation. There needs to be a single story about the organisation’s direction, strategy and key priorities that everyone communicates consistently, including the local parts of a national organisation or the national parts of an international organisation.

Everyone has a part to play to in making major donors truly feel like insiders of the organisation including:

- Trustees.
- The CEO and leadership team.
- Programme and service delivery staff—and key here is that they support the organisational story not focus on just their area of interest and expertise.
- Support staff.
- Fundraisers, who, of course, are the linch-pin, orchestrating the whole organisation’s relationship with the donor.

Three actions are key:

1. Build strong internal relationships and colleagues’ understanding of major donor fundraising. Make sure everyone who will interact with major donors understands the importance of this group to your organisation and their role in managing major donor relationships.
2. Comprehensively brief colleagues who meet major donors to ensure they are ‘on message’.
3. Make sure no one promises something to a donor they, or the organisation, cannot deliver.

9. Retaining your major donor fundraisers

One of the constant discussion topics amongst senior major donor fundraisers is how hard it is to recruit and retain major donor fundraising talent and experience. Major donor fundraisers are in high demand from organisations large and small.

For frontline major donor fundraisers, there are numerous opportunities to move up the career ladder, to take on a management role and, of course, to command a higher salary. These opportunities pose challenges for major donors and organisations. The very essence of major donor fundraising is building long term, personal relationships—and that is very hard when major donor turnover is high. Five specific challenges emerge:

- good major donor fundraisers get promoted or move to more senior roles frequently, and then they spend more time managing and less time with major donors, the very thing that led to their promotion or move.
- for smaller organisations, where there might be only one major donor fundraiser, there may be significant gaps in donor relationship management.
- major donors who have a long-term relationship with an organisation might experience a new relationship manager every 12-18 months. One consultant described reviewing major donor programmes and finding multiple communications from new major donor fundraisers to long-term donors. Each communication consisted of a version of ‘hello, I’m your new contact here at x’ with no response from the donor between the communications.
- the donor’s story—the how and why he or she came to support the organisation—may be lost.
- fundraisers seem to donors to be ‘sales people’ who move between causes, rather than passionate advocates of the particular causes that move *them*.

‘Some of the people that come to see me from time to time are what I like to call “professional money-slingers”. They start off very rapidly, giving their case. They don’t allow any time for a colloquy between themselves and the donor. You know, there’s a time when a sale is made and some people don’t know it.’

‘So many of them just start out on their rote. I don’t know whether it’s a prepared statement or whatever it is. It’s kind of like a machine gun presentation. And there’s no colloquy at all. You don’t allow the donor to even get a word in edgewise. Terrible mistake, because when the

donor asks questions, you begin to know that he has an interest. But if he has no chance to do it, that opportunity just passes by. And I've seen it happen.'

William Whipple, American philanthropist⁴³

So what makes a great major donor fundraiser?

'As the fundraiser, your job is to be the expert on what motivates them. Powerful people can be demanding and you need to be flexible, confident and, above all, tenacious to secure their trust.'

Matthew Ferguson and Gemma Peters, Directors of Principal Gifts King's College London & King's Health Partners⁴⁴

'There's one attribute above all that fundraisers must cultivate, and that is being a good listener. It's not difficult, in theory. Just keep your mouth shut and your ears open.'

Richard Brown, president of RB Consulting⁴⁵

Key characteristics of a major gift fundraiser are

- passionate about the cause, not a sales person for any cause.
- a listener who is genuinely curious about what makes people tick.
- persistent without being annoying.

Or as Jhumar Johnson⁴⁶ puts it (and particularly note the second sentence):

Major donor fundraisers require confidence, creativity, charisma and passion to negotiate with and influence individuals to dig deep and invest in (often intangible) long-term interventions.

They need those same qualities to help their organisations prepare to share space with a philanthropist.

Jhumar Johnson, executive coach, mentor and trainer

⁴³ <http://www.advancementresources.org/Blog/From-the-Archives/160/Q-A-William-Whipple-on-the-Joy-of-Giving-the-Role-of-the-Fundraiser.aspx>

⁴⁴ <https://www.theguardian.com/voluntary-sector-network/2016/jun/17/charity-fundraising-ask-for-a-million-pounds>

⁴⁵ <http://www.thenonprofitimes.com/news-articles/shut-up-and-listen/>

⁴⁶ <http://www.charitychoice.co.uk/the-fundraiser/how-can-you-develop-better-major-donor-fundraisers/352>

There are a wide range of actions and approaches that organisations are taking to ensure they recruit and retain the right major donor fundraisers, including:

1. recruiting people with the right characteristics, not necessarily with major donor fundraising experience.
2. investing in ‘on-boarding’, immersing new recruits into the organisation to inspire **their** passion and to ensure they know the detail of the organisation’s work.
3. applying retention and reward models that are common in higher education and in the USA so experienced major donor fundraising staff can remain in frontline donor facing roles, rather than pursue management career development options.

As Rob Woods⁴⁷ puts it:

‘Two things to ensure golden results:

- a) Help your fundraisers get the knowledge, skills and above all confidence – why wouldn’t you get them decent training? If you think you have no budget, cut corners off an event budget (for example). Or don’t do major gifts at all.
- b) Create a culture in your organisation that helps them succeed.’

Rob Woods, Bright Spot Fundraising

⁴⁷ <http://www.charitychoice.co.uk/the-fundraiser/how-can-you-develop-better-major-donor-fundraisers/352>

10. Learning from success stories

The *2015 Coutts Million Dollar Donor Report for the UK* shows that £1m/+ gifts are not evenly distributed across sectors: 86 gifts worth £565m went to foundations and 68 gifts worth \$485m went to higher education. The implication of this is that higher education institutions successfully meet the needs of major donors. What do they offer and what can we learn?

King's College London's *World questions / King's answers* fundraising campaign closed in spring 2016, having raised more than £600m—beating the original £500m target 18 months early. In an interview,⁴⁸ Gemma Peters, Executive Director of Fundraising and Supporter Development at King's, identifies three key success factors:

- a shift from 'old style' education campaigns to build the institution to a campaign about King's solutions to important world problems.
- an inspirational campaign leader—John Major—who was not an alumnus, and so provided external validation of the campaign rationale.
- a focus on the campaign story—people whose lives have been transformed—and not the money.

These points underline key ways in which major donors choose their causes. They focus on inspiring—sometimes leap of faith—solutions about how their support can make a transformational difference to an issue. They focus on impact and difference. They respond to causes according to their passion, interest and excitement, not necessarily through a rationale assessment of need. They follow their instinct and their trust in organisations and the people at the top of those organisations.

Successful major donor fundraising organisations understand and work with major donors who think, feel and act in this way. They are pragmatic and responsive, able to assess opportunities, implement plans flexibly and be responsive to external passions and interests. They are unlikely to have a completely fixed forward plan, but are capable of responding to the possibilities that major donors offer, working with them to jointly make progress towards the mission:

'The biggest gifts are made to charities that are prepared to work alongside donors to craft exciting propositions.'⁴⁹

⁴⁸ <https://alumni.kcl.ac.uk/news-features/an-interview-with-gemma-peters>

⁴⁹ <https://www.theguardian.com/voluntary-sector-network/2016/jun/17/charity-fundraising-ask-for-a-million-pounds>

Matthew Ferguson and Gemma Peters, Directors of Principal Gifts King's College London & King's Health Partners

In many respects, this brings us full circle to the question of choice—successful major donor fundraising organisations are those that genuinely see major donors as partners in their mission.

Links across the Commission projects

There are, of course, links between the major donors project and all of the other projects of the Commission.

The table below shows the projects where the links are strongest:

Project number and name	Rationale for overlap
07 Companies	Fundraising from companies is likely to involve partnerships that include shared values and mutual benefits, but key decision makers in companies are often HNWI—s—and, as such, they may need to be treated in a similar way to major donors
08 Trusts and foundations	Fundraising from trusts and foundations often operate in ways substantially different from individual donors, but many trusts and foundations are actually the giving vehicles for HNWI—s—so many of the approaches that are relevant for major donors are relevant for trusts and foundations
14 Getting the right people as fundraisers	Recruiting and retaining the right people are essential to fundraising success. This is especially acute in major donor fundraising, because the very essence of major donor fundraising is building personal, one-to-one relationships with major donors/potential major donors
23 The difference between small charities and large charities	Although small, local charities can seem to be entirely different from well-known and large national or international causes, major donors are an income stream potentially equally applicable to both. The defining point is not size but whether the organisation—small or large—chooses to approach major donors and is committed to then delivering on the needs and interests of major donors
25 Resources on donor-centred fundraising	This project has reviewed the available resources on donor-centred fundraising and suggested a range of key resources for major donors in the appendices. The project has drawn on these where appropriate

Appendices 1 and 2: case studies and sources

Advancement Resources Blog <http://www.cygresearch.com/burksblog/>

CharityChoice <http://www.charitychoice.co.uk/>

Beth Breeze NCVO Funding Commission think piece http://socialwelfare.bl.uk/subject-areas/government-issues/social-policy/ncvo/138136donor_centred.pdf

Beth Breeze How donors choose charities
<http://www.cgap.org.uk/uploads/reports/HowDonorsChooseCharities.pdf>

Burk's Blog <http://www.cygresearch.com/burksblog/>

Coutts 2015 Million Dollar Donors Report
<http://philanthropy.coutts.com/en/reports/2015/united-kingdom/findings.html>

Coutts 2016 Million Dollar Donors Report
<http://philanthropy.coutts.com/en/reports/2016/united-kingdom/findings.html>

Fundraising Regulator, Code of Fundraising Practice
<https://www.fundraisingregulator.org.uk/wp-content/uploads/2016/06/Code-of-Fundraising-Practice-v1.2-1.pdf>

King's Alumni Community <http://www.thirdsector.co.uk/>

New Philanthropy Capital, Giving more and better <http://www.thinknpc.org/publications/giving-more-and-better/>

Rob Woods/Bright Spot Fundraising Blog <http://brightspotfundraising.co.uk/blog/>

Sunday Times and Sunday Times Rich List 2016
<http://www.thesundaytimes.co.uk/sto/Magazine/article1544336.ece>

The Guardian Voluntary Sector Network <https://www.theguardian.com/voluntary-sector-network>

The Management Centre knowledge base <http://www.managementcentre.co.uk/knowledge-base>

The Non Profit Times <http://www.thenonproffitimes.com/>

Third Sector <http://www.thirdsector.co.uk/>

Veritus Group, Passionate Giving Blog <http://veritusgroup.com/passionate-giving-blog/>

101fundraising crowd blog on fundraising <http://101fundraising.org/>

Appendix 3: methodology

As explained in the ‘Approach’ section, the project draws conclusions from the following sources:

- Major donor interviews – we have drawn on a range of sources of these, particularly including the case studies from the *Coutts 2015 and 2016 Million Dollar Donors Report*. References are included in Appendix 2.
- Major donor fundraiser interviews to gather best practice, together with published articles and blogs that offer best practice examples.
- A non-representative survey among the MGLG. The survey did not achieve a high response rate so we have used the information in a qualitative rather than quantitative way. It is also interesting to note that most major donor fundraisers are only prepared to be quoted anonymously. In part, it seems because they wish to avoid publicly criticising their organisation’s approach and response to major donors.
- Various discussions on best practice, primarily through the MGLG.

The MGLG is an informal networking group set up by Helen Pert and Angela Cluff to encourage senior discussion on major donor fundraising. The group now consists of more than 70 major donor practitioners. The group usually meets three times per year and attracts 20–25 members to each meeting. Over the last 2–3 years the group has considered key topics, including:

- What it takes for organisations to really succeed with major donors
- How to offer major donors authentic, personal relationships
- Recruitment and retention of major donor fundraisers

This project has drawn on the work of the MGLG.

The project report was written by Angela Cluff and has also drawn on the expertise of a range of senior major donor fundraisers. Special thanks goes to:

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- Bernard Ross, Director, The Management Centre
- Caroline Totterdill, Director of Philanthropy & Partnerships, British Heart Foundation