Simply Irresistible: Demonstrating the Value of Gift Planning to Decision Makers

Dallas Council of Charitable Gift Planners
January 14, 2020

Dallas, TX
Welcome and Our Goals Today!

- Understand potential challenges from the lens of the decision-maker
- Articulate the relevance of gift planning by offering solutions
- Better understand resourcing stressors and issues
- Speak the language of decision makers through data and stories
- Understand and measure program and planner success
- Develop your program narrative and infographic

- Informative, interactive and inspiring!
My Life in graphic detail

1968

54th Anniversary

B.A. 1990
Franklin College

M.B.A. 2001
Indiana U.

CFRE 2012

66.9 miles
5:11:06

39 States
20 Countries
5 Cruises

My Besties

My Work

My Service

Glacier National Park

& Waterton Lakes—2019

NPC
Identifying the Challenges of Demonstrating Value

• Gift planning seems complicated
  • People tend to avoid what makes them uncomfortable
  • What if someone asks a question and I don’t know the answer?
  • It’s so much easier (and less risky) to ask for cash!
So What’s the Problem for the Decision-Maker?

Identifying the Challenges of Demonstrating Value

- Results are needed now
  - Most organizations need operating support today
  - What is this program really yielding now?
  - How do we really value the support we might get down the road?
So What’s the Problem for the Decision-Maker?

Identifying the Challenges of Demonstrating Value

• **Resources are scarce**
  - Do we really need this program?
  - How do I determine how much money to invest in this area?
  - Wouldn’t I be better off focusing on annual and major gifts staff and programs?
So What’s the Problem for the Decision-Maker?

Identifying the Challenges of Demonstrating Value

• Gift planner productivity can be hard to measure
  • What are we getting for all of those lunches Gary Gift Planner is having with our prospects?
  • How do I know we are measuring the right things?
  • Didn’t someone once say “if you can’t measure it then it doesn’t exist?”
So What’s the Problem for the Decision-Maker?

Identifying the Challenges of Demonstrating Value

• Telling the story simply
  • How do I value the things we can’t measure and tell the story to the CEO/Board?
  • How do I succinctly share the benefits of gift planning so that others understand?
  • What if I get something wrong? Who can I call on for help?
Identifying the Challenges of Demonstrating Value

• Program planning and execution
  • What are the outcomes I should expect?
  • How do these outcome expectations compare to those of other fundraising staff?
  • How do I know we have the right people on staff?
## Crafting the Solutions

<table>
<thead>
<tr>
<th>CHALLENGE</th>
<th>SOLUTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gift planning seems complicated</td>
<td>Make the (sometimes) complex seem easy</td>
</tr>
</tbody>
</table>

...
“Out of intense complexities, intense simplicities emerge.”

- Winston Churchill
Describe the benefits of your program in memorable terms

• It’s a smart investment in long-term success
  • An investment now in the organization’s future
  • Often yield the largest, most impactful gifts a donor will make

• It’s one of the few ways to benefit both the organization and the donor
  • Some planned gifts offer a lifetime stream of income
  • Planned gifts are often easier commitments to make

• It is important to relay that some portion of your program must be invested in the future
Reveal donors’ three options

• Everyone can be a philanthropist!
  • Loved ones
  • Government
  • Charitable interests

• Creative gift planning can help donors leave more
  • Loved ones can benefit now and/or later
  • Charitable interests can reap the full benefit of your gifts
Stress that there are experts to help

• There are no questions someone can’t answer
  • Build a network of professional friends to call on
  • Invest in education and be one of the experts there to help

• Donors should have their own team of experts
  • That means two teams of experts to help with complex gifts
  • Important to always have a disclaimer and avoid conflicts of interest

• Honesty is always the best policy when the answer is in question!
### CHALLENGE

<table>
<thead>
<tr>
<th>CHALLENGE</th>
<th>SOLUTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gift planning seems complicated</td>
<td>Make the (sometimes) complex seem easy</td>
</tr>
<tr>
<td>Results are needed now</td>
<td>Show gift planning as part of a balanced fundraising portfolio</td>
</tr>
</tbody>
</table>
“A good hockey player plays where the puck is. A great hockey player plays where the puck is going to be.”

- Wayne Gretzky
It is Important to Play to the Future

• Compare the benefits of a program to a personal investment strategy (short, medium and long-term horizons)
  • Diversified institutional/organizational portfolio
  • Benefits of personal savings – what happens when you start saving early? Small steps matter.

• Data will reveal the importance of thinking ahead now
  • Historic transfer of wealth coming
  • You have to be in the game to win the game
Gift Planning as a Balanced Fundraising Portfolio

Robust Programs Help Now

• Gift planning is smart and prudent
  • A sophisticated program ensures the longevity of the organization and helps ride the waves of economic uncertainty
  • Relying only on annual funds is like living paycheck to paycheck

• Those who invested previously experience the benefits now
  • A great source of organizational support and sustainability
  • A smart way to build endowment funds
Great Potential for Blended Gifts

• Long-term investment = long-term interest
  • Opportunity to encourage blended gifts up front or forward payment of future gifts
  • Sometimes complexity affords current-benefit creativity!

• Gift planning encourages great donor stewardship
  • Your best gift prospect is someone who’s already made a gift
  • Legacy societies provide natural opportunities for regular contact
## Crafting the Solutions

<table>
<thead>
<tr>
<th>CHALLENGE</th>
<th>SOLUTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gift planning seems complicated</td>
<td>Make the (sometimes) complex seem easy</td>
</tr>
<tr>
<td>Results are needed now</td>
<td>Show gift planning as part of a balanced fundraising portfolio</td>
</tr>
<tr>
<td>Resources are scarce</td>
<td>Make the case for investments in gift planning</td>
</tr>
</tbody>
</table>
“An investment in knowledge pays the best interest.”

- Benjamin Franklin
Understand Resource Challenges

• Major stressors include the following
  • Budget
  • Lack of vision or strategic plan
  • Competing priorities
  • Gaps in understanding
  • Time to fruition (results or outcomes)
  • Managing up and down
  • Staffing
Understand Resource Challenges

• Often, increasing resources for your program requires decreasing resources for another
  • Can you identify efficiencies or synergies?
  • Is there a creative partnership that can assist in boosting resources for your program?

• Remember, you are one piece of the puzzle and you don’t have all of the information
  • Changes mid-stream
  • Educate, educate, educate
Stand Out From the Crowd

• **Speak your supervisor’s language**
  • Speak and communicate clearly and concisely
  • Executive summaries are great!
  • Think of multiple ways to communicate – charts and graphs are helpful

• **Time is likely your supervisor’s most precious resource**
  • Do everything you can to provide exact data in “push-button” fashion
  • Your data must be accurate – you may only get one chance here!
Highlight the Data and ROI

“In God we trust. All others must bring data.”

- W. Edwards Deming
Highlight the Data and ROI

• Giving USA 2019 (for 2018)
  • $427.71 billion
  • Bequests $39.71 billion (9%)
  • Individuals + bequests + family foundations = 85%

• 2018 Chronicle of Philanthropy Transfer of Wealth Report
  • Nearly $9 trillion expected to pass by 2027
  • $75 trillion in household net worth; 57% in the hands of baby boomers
  • $97 trillion could pass in estates by 2067
Highlight the Data and ROI

- Bequests are great quests
  - Russell James’ research – bequests givers increase giving (75% - 5 years)
  - IRS study – planned gifts average 2.74 times lifetime giving
  - AskRIGHT study: ROI on planned gifts nearly 57:1 (15 times higher than direct mail)
  - Lots of opportunity! Only 34% of planned givers ever notify of intentions
Highlight the Data and ROI

- Russell James to the rescue!
  - Analysis of more than 1 million nonprofit tax returns
  - Noncash gifts predict long-term fundraising growth
  - Applies to nonprofits at all fundraising levels
Highlight the Data and ROI

• Talk ROI (return on investment)
  • Boards and supervisors love it!
  • Calculate this on a short- and long-term basis for your program and yourself

\[
\text{ROI} = \frac{(\text{Gain from Investment} - \text{Cost of Investment})}{\text{Cost of Investment}}
\]
<table>
<thead>
<tr>
<th>CHALLENGE</th>
<th>SOLUTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gift planning seems complicated</td>
<td>Make the (sometimes) complex seem easy</td>
</tr>
<tr>
<td>Results are needed now</td>
<td>Show gift planning as part of a balanced fundraising portfolio</td>
</tr>
<tr>
<td>Resources are scarce</td>
<td>Make the case for investments in gift planning</td>
</tr>
<tr>
<td>Gift planner productivity can be hard to measure</td>
<td>Relay gift planner performance in quantitative and qualitative ways</td>
</tr>
</tbody>
</table>

Crafting the Solutions
“In all human affairs there are efforts and there are results, and the strength of the effort is the measure of the result.”

- James Allen
Inputs Are Key

• We can’t always influence a donor’s timing or gift
  • Focus on the things you can control
  • Activity is the driver, consistency is the key

• Focus on activities that “move the needle”
  • Understand the difference between “must do” and “nice to do”
  • “Stop, start and continue” lens is a great exercise
Identifying and Understanding Performance Metrics

- Number of calls
- Number & dollar value of proposals
- Value of closed proposals
- New documented deferred gifts/legacy society members
- Value of realized bequests
- Return on investment?
- Cost to raise a dollar?
- Average time to close a gift?
- Shared work (referrals)?
- Program and event management mastery?
- Efficiency?
- Institutional knowledge?
- Mentoring?
- Other?
Your Role as Partner

• Build relationships that benefit you and the organization
  • Opportunities to educate and foster trust
  • Share the credit and be a resource

• Our work is getting more challenging every day
  • Longevity is an issue
  • Pressure to meet unrealistic fundraising goals
  • Too little pay and recognition
  • Frustrating organizational cultures
### CHALLENGE | SOLUTION
--- | ---
Gift planning seems complicated | Make the (sometimes) complex seem easy
Results are needed now | Show gift planning as part of a balanced fundraising portfolio
Resources are scarce | Make the case for investments in gift planning
Gift planner productivity can be hard to measure | Relay gift planner performance in quantitative and qualitative ways
Telling the story simply | Simplify the gift planning story
“Simplicity is the glory of expression.”

- Walt Whitman
Know Your Audience

• What is most memorable?

• There are data people and story people
  • Know what will speak to those you are speaking to!
  • Boards and executives tend to tilt to “business speak” and data
  • Understand how this should influence your cultivation and proposals

• You need both good data and stories at your fingertips
  • Develop and list of both and share proudly and often
  • Harness the power of peer-to-peer influence!
Know Your Audience

- Understanding and articulating personal motivations for your organization’s constituents is key to success
  - Who is interested in what?
  - How does that shape the data and stories you use?
Crafting the Solutions

<table>
<thead>
<tr>
<th>CHALLENGE</th>
<th>SOLUTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gift planning seems complicated</td>
<td>Make the (sometimes) complex seem easy</td>
</tr>
<tr>
<td>Results are needed now</td>
<td>Show gift planning as part of a balanced fundraising portfolio</td>
</tr>
<tr>
<td>Resources are scarce</td>
<td>Make the case for investments in gift planning</td>
</tr>
<tr>
<td>Gift planner productivity can be hard to measure</td>
<td>Relay gift planner performance in quantitative and qualitative ways</td>
</tr>
<tr>
<td>Telling the story simply</td>
<td>Simplify the gift planning story</td>
</tr>
<tr>
<td>Program planning and execution</td>
<td>Develop a strong plan and work the plan</td>
</tr>
</tbody>
</table>
“Failing to prepare is preparing to fail.

- John Wooden
Eisenhower Decision Matrix

“What is important is seldom urgent and what is urgent is seldom important.”

<table>
<thead>
<tr>
<th></th>
<th>URGENT</th>
<th>Not Urgent</th>
</tr>
</thead>
<tbody>
<tr>
<td>IMPORTANT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not Important</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Have a Strong Plan and Work the Plan

• Knowledge is always your friend
  • Know your business, inside and out
  • Know your organizational structure and how your program is resourced
  • Know who makes the budget decisions and the competing priorities
  • Know where the organization is headed in the future (is there a strategic plan?)

• Do you have an annual program plan?

• What about a personal work plan?
  • Do you share it with your supervisor and others?
  • How often do you assess your work and effectiveness?
Track Your Data and Stories

• Measure program and planner success
  • Understand the metrics by which you are measured and share the qualitative components that may not be as obvious
  • Benchmark your program
    • If your program is less mature, borrow data from your friends
    • If your program is more mature, analyze what you have

• Capture your data and stories
  • Storytelling is important and it needs to live with your organization
  • Develop a “what is new” system for donor cultivation
  • Using your advocates
Action and Consistency are Key

• No paralysis by analysis!

• Be a good colleague and make good friends across the organization, especially in the business/finance area

• Talk impact

• Keep your professional skills honed
Make it Easy

• Make the focus of your program education and keep it simple

• Remember that people tend to avoid the things they don’t understand
  • Gift planning may be intimidating to your boss, your donor’s attorney, your board, etc.
  • Provide data in summary, tell stories that illustrate the data and inspire

• Own your program
  • Creativity is golden!
  • Do the heavy lifting
Make it Easy

• Be the expert
  • Don’t forget that data is our friend
  • Utilize other professionals…the “outside expert” can be a variety of people
  • Provide consistent and relevant data
  • Offer a presentation

• People learn and remember differently
  • Know your audience and speak their language
  • Some will respond to stories, some to data
  • There is no silver bullet and timing is everything!
Make it Memorable

• Develop an intentional and effective planned gift marketing plan
  • Make certain it is consistent and relevant
  • Tickle the trickle
  • Brief but memorable

• Make it easy for the donors and others to find and understand what they need
  • What does your website say about your program and its benefits?
  • What about print material and other?
Make it Memorable

• Use outside assistance if your budget allows

• Creativity doesn’t have to cost a lot!
  • Use executive summaries and/or infographics
  • Peers are compelling! Use your advocates to help.
  • Relate your concept to something others likely understand

• Even a passive program is better than no program at all
Make Others Look Good

• Understand they may not understand gift planning
  • If they do understand, they may be all up in your business (it’s okay)
  • If they don’t, they might pretend they do (which is even worse!)

• Be factual, truthful, and know when to deliver the message

• Develop and demonstrate a sense of urgency

• Prepare, rehearse and make others look smart
Make Your Successes Known

• Share the spotlight and give credit to others
  • They will appreciate the acknowledgement
  • They will be more willing to assist again!

• Know and share the impact of gift planning to your organization
  • What is sometimes obvious to you may not be to others

• The advocacy of others speaks volumes
Creating Your Own Gift Planning Infographic

Super University

Realized Planned Gifts
$22,799,654

Current PG Pipeline
$450,923,224

Planned Giving Program Outcomes

2019

189 New Legacy Society Members

25 States
4 Countries

By the Numbers

315 Proposals Closed
78 Blended Gifts
4,142 Donor Visits
6 Newsletters Mailed
717 E-brochures Downloaded
10,688 Active Website Users

Top Reunion Volunteers
John ’64 & Jane ’66 Doe Smith established their 21st CGA!

Value of New PG Commitments
$25,223,879
“We make a living by what we get, but we make a life by what we give.”

- Winston Churchill

*****

Always remember that we work in a noble profession and do good and important work!
Melanie J. Norton, CFRE, MBA
Founder and Philanthropic Consultant
Norton Philanthropic Counsel
Melanie@NortonCounsel.com
PH: (317) 730-6540
www.NortonCounsel.com