

## FUNDRAISING

# Think Like a Donor: The Key to Building Confidence in Your Organization and Fundraising Success

*Confidence drives giving! Whether it's an individual donor's confidence in his or her ability to make a gift or confidence in your organization's ability to maximize the gift's impact, confidence is critical to successful donor relationships and a strong fundraising program.*

*By Curt Miner, Senior Consultant*

**W**hat is the best way to build donor confidence? The simplest answer is: Think like a donor! Understand what your donor needs to ensure their confidence in your organization, its programs, and fundraising operation – then manage your fundraising program to build and maintain that confidence.

Particularly for individual donors – though it also applies to corporations and foundations – building confidence is an essential, and often overlooked, component in driving philanthropic support for your organization. Realistically speaking, you have limited potential influence on your donor's confidence in his/her personal ability to make a contribution. For example, you can explore ways to structure a major gift over a period of time and/or using various assets. But for very significant gifts, that decision-making process typically occurs between the donor and his or her family and financial advisors. On the other hand, you can have tremendous impact on your donors' confidence in your organization and its ability to use their gifts wisely, effectively, and responsibly.

### **Creating Confident Individual Donors**

Individuals make up 84% of all philanthropic giving in the United States, according to the most recent data from The Giving Institute. Either through outright gifts, contributions made through family foundations, or planned gifts or bequests, individuals are ultimately the key to your institution's fundraising success.

So how do we help our individual donors gain confidence in our organization? How can we assure them that their money will be used appropriately and invested for optimal social return? It starts with putting yourself in the donor's position and being prepared to answer the sophisticated questions they may have. It also requires managing your fundraising program in a manner that ensures transparency, accountability, and service.

In thinking like a donor, ask yourself what information and demonstrated level of excellence you would need to feel confident in giving to your own organization. Consider these recommendations:

1. **Offer a bold vision and detailed plans** – Donors invest in a bold vision and the ultimate outcomes the organization and its leaders seek to achieve. They also expect detailed, realistic plans on how to achieve that vision. They may never see your strategic plan, per se, but inspiring donors with your vision and reporting your organization's impact on a frequent basis positively affects donor confidence.

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## Think Like a Donor

2. **Do what you say, and prove it!** – At the core of most donors' giving decisions is the assumption that an organization will use the money to advance its mission and programs. Deliver on your mission and programs; measure the impact not only of the programs, but of your donors' investments; and report outcomes. Show your donors in clear and transparent terms that you have done what you said you would do with their support. Proven success builds confidence!

3. **Manage investments responsibly** – Ensure that your organization has policies and procedures that reflect sound investment principles. When discussing major, multi-year or endowment gifts, citing such policies provides an opportunity to increase your donors' confidence in your ability to manage, leverage, and prudently invest their resources – that you will take great care of their gift and those it is intended to help. Additionally, look both inside and outside of your organization for investment and endowment committee members with the proper qualifications to guide investment decisions. A strong committee with the right credentials and track record is a confidence builder!

4. **Be excellent stewards of people** – Take care of those who take care of you! Have a clear, genuine, and comprehensive plan to thank your donors for their support and meaningfully engage them on an ongoing basis. You can never be too thankful for the support your donors provide, so thank them quickly and often. The impact they have, the people's lives they transform, and the stories of your organization's success need to be expressed to your donors as often as possible. When this is kept in mind, a donor's most recent gift will often not be the last ... or the largest!

5. **When it comes to giving, lead by example** – When discussing a potential gift with a donor, there are few criteria that will provide a stronger sense of confidence than knowing that 100% of the governing Board of Directors and staff have given to the organization. Leading by example speaks volumes about the commitment and confidence of those closest to the organization. This key factor will provide a powerful example of confidence and investment for others to follow.

So think like a donor! Be excellent at defining and delivering on the most important criteria that drive donors' decisions. Demonstrate responsibility, transparency, and impact. Give your donors every confidence that your organization is the one they should support – and, quite often, the contributions will follow!

*To learn more about donor relations, as well as our broad range of other nonprofit and philanthropy consulting services, contact The Phoenix Philanthropy Group at 1-877-524-8774, or visit us at [www.phoenixphilanthropy.com](http://www.phoenixphilanthropy.com).*

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