

# The Donor Cultivation System

## About this System

This is a collection of tools and instructions on how to use them that will take you from identifying donors through cultivating them to getting the gift. There are three principal tools in this system:

1. Prospect ratings tools
2. Moves management tools
3. Prospect call sheets

Some of these tools have more than one component. For instance, the moves management tools include a ratings grid for clustering your prospects—identifying those with the greatest potential—and a spreadsheet for tracking moves. These tools work together as part of a system, and the system is an integral part of this site.

## Step One: Identifying Prospects

How do you start from nothing—or at least very little—and grow a major gift program?

- Start with the connections you already have. You may have a board of directors, you have people who are already giving to you annually, and you have your viewers/listeners and members. These are the people who will give you more and who will to others who will make gifts of their own.
- Identify the people who *might* give to you, suspects. These people live in your community, have a moderate amount of wealth, have an interest in public broadcasting, and know someone who knows you. You will be able to generate a very long list of these people, so long that you will soon need to prioritize it to make your work manageable.

Rank these people by a couple different criteria in order to spend your time and energy most effectively. Essentially you need to ask people who are most ready to give to you first. Second, you need to get to better know those who are not quite ready to give to you. And then last, you need to invest the time in developing relationships with people who just don't know you very well.

How do you get those who are close to you to tell you who they know? By asking them. Ask them individually; ask them in groups. “Prime” the list by starting with some obvious names, names you can come up with yourself, prominent people in the community, business people, people who have given to other stations or other non-profits organizations. People seem to have an easier time naming potential donors when they look at a list of possibilities rather than at a blank sheet of paper.

You will need to decide whether to undertake this task one-on-one or in a group, it really depends on the personalities and group dynamics. Some people will only share who they

know and who they think can give privately. Others need a room full of people shouting out names to really begin to get their own thoughts going.

### Prospect Attributes

You're not looking for just anyone, at least not really. While just about any potential donor should go on this list, you really want people who have a couple characteristics.

1. **Wealth.** For someone to give you a major gift, they have to have some wealth.
2. **Interest.** You want people who have an interest in public broadcasting...or whose interest can be developed.
3. **Connection.** Someone may be wealthy *and* have an interest in public broadcasting, *but* have no relationship to you.
4. **Charitable intent.** Evidence of an interest in philanthropy is slightly less important. After all, if you've got the other three characteristics, it's likely that you'll find this fourth. But not always.

### Wealth

Your prospects must be wealthy, but wealth can be hidden. And don't limit yourself to the "obvious" people in your community who everyone knows are rich. This is the only attribute over which you really have no control. You can build interest and make connections, but you cannot make someone wealthy.

How do you tell if someone has wealth? Some of the signs are obvious, some are not:

- Expensive home, vacation home
- High-paying job, lucrative profession
- Owns a business, sold a business
- Professional, doctor, lawyer, etc.
- Drives a luxury car, has a boat, airplane
- Has an expensive hobby like flying or collecting cars
- Is over 60 years old. Older people have had longer to earn and save money, while younger people usually have many commitments, such as children and college loans.
- Travels a lot
- Is retired, even at a young age
- Younger people who do not work and have no apparent means of earning a living, and yet they live well.
- People who have inherited wealth—the sons/daughters and grandsons/granddaughters of other wealthy people.

As discussed elsewhere on this site, there are two kinds of research, informal and formal. For informal research, we have provided two tools. The [prospect rating sheet](#) gives you a tool to work with volunteer groups in assessing the interest and capacity of donors. The

[wealth rating sheet](#) gives you a mix of ways to talk with volunteers about prospect wealth that may be more comfortable for them.

For formal research, the [Internet](#) has a wealth of information on individuals; it's public, accessible, sometimes free, and yet sometimes not entirely accurate. But it's a great place to augment what you already have. Test some of the pay sites to see if you feel you get value for your money. Note that these websites can change rapidly in content, quality, and location.

A good place to start is public real estate records. Tax assessed real estate values are public information everywhere—what the county or state says your home is worth and therefore how much tax you owe. Much of this information is free. Beware though that it can be outdated or under- or over-valued.

Another note of caution: A solid piece of information indicating the wealth of a potential donor should only tell you if the prospect is worth pursuing and put you in the general ballpark for giving levels. It cannot tell you precisely how much to seek. Remember, the information you gather independently will always be incomplete and inconclusive, and how much the prospect will give is largely governed by your cultivation efforts.

## Interest

Your prospects must have an interest in what you do. But interest is not always obvious, and may be evident in different ways. Also, someone with little interest can become more interested in your station—this is a large part of the cultivation process.

How do you tell if someone has an interest in public broadcasting? The following are signs:

- A member of your station
- Interest in the arts, give to the arts
- Concern about education at all levels
- Politically active, locally, state-wide, and nationally
- Well educated, read a lot
- Active in their community with a variety of causes

## Connection

How do you get to someone who is both wealthy and interested in your station, how do you open the door? Someone may be wealthy *and* have an interest in public broadcasting, *but* have no relationship to you. (Bill Gates shows up on all sorts of lists, but very few actually have connections to him.) The absence of a connection can be the most critical factor in determining whether or not to pursue a prospect. And, forging a new connection to a prospect can be the most productive step you take towards getting a major gift.

Connections to your station can run through a couple different people. As long as someone is willing to introduce you to someone who will introduce you to a prospective

donor, you've got a connection. You can also forge a connection that does not exist now. This too is what major gift fund raising is about.

How do you tell if you have a connection to someone? This is fairly straight-forward, but not always obvious. You're looking for people who have the following relationships with your volunteers, board, staff, and others mentioned in section one above:

- Neighbors
- Family
- Employees/employers, or clients/service providers
- Friends

And don't limit yourselves to relationships that go only "one degree." If you know someone who knows someone who knows someone...that's a relationship. It just may take a little work solidifying the connection.

### **Charitable Intent**

Obviously, someone who makes charitable gifts in your community has charitable intent. This is more a characteristic to be aware of later in the cultivation process. You may identify someone in your community with interest, wealth, and a link to you. But as you get to know them you realize, with your volunteers, that the person simply does not give...to anyone. The absence of this characteristic needs to be noted, and might lead you to conclude that you should not devote your time to this prospect.

### **What happens when one of these characteristics is missing?**

You really can't do anything about someone who is not wealthy; you can't make him or her rich. But their wealth may not be obvious. Remember, every other cause is pursuing the people who are obviously wealthy. Most non-profits do much better pursuing a larger number of people who are not so obviously wealthy. Don't be quick to eliminate some just because they are not *obviously* wealthy.

If someone has an interest in public broadcasting, but you have no connection to him or her, you have an opportunity to forge a connection. Bill Gates is the usual example of someone who might go on your list. Sure, he's wealthy, he might watch public television or be interested in education, but does he have a connection to your station? If he does, you're in luck. If not, he may not be an appropriate name to put on your list.

The lack of interest in public broadcasting may simply be a matter of lack of evidence. But even if you really can't find any evidence of interest, you might be able to develop interest. A tour of the station, dinner with your chairman of the board, being interviewed for a local news program, giving them a copy of a program they would find interesting, these are all ways to "awaken" an interest public broadcasting.

## Step Two: Donor Cultivation

Moves management is a two-part process that takes you from a large and undifferentiated list of major gift donor prospects to your fund raising goal. The first part is prioritizing your prospects into manageable groups. The second part, the “moves,” is cultivating them and soliciting gifts. The prioritizing part is critical and needs to be revisited every couple of months. Usually you end up identifying more people than you can possibly approach for a major gift. By prioritizing them you (a) reach out to the people who are most ready to give first, (b) cultivate those who require more cultivation, and (c) you can safely delay activity with those who are further down the list. Prioritizing your prospects is a critical step in addressing the overwhelming feeling you frequently get when looking at a very long list of prospects. The second part is the “moves” and the “management” part, and is a step-by-step cultivation process.

### Prioritizing your Prospects

#### Affinity or how well do they like you?

Assign each prospect a ranking of 1, 2, or 3 indicating the strength of their commitment to you.

- 3 They place your institution among the 1 or 2 most important in their life.
- 2 They place you among the 3-5 most important
- 1 They know of you and support you.

#### Life Stage or where are they in their life?

Where are they in their life in terms of ability to make a major gift?

- 3 Their children are grown and self-sufficient, or they have no children. Spouse is healthy or deceased. Wealth is certain; they are ready to dispose of wealth.
- 2 They are at the peak of their career, their inheritance is expected. Children are beginning their own careers, starting their own families. Wealth is not yet certain; they are not yet disposing of their wealth.
- 1 They are young, mid-way through their career, children are still at home.

#### Ranking: The Product of the Two

Multiply these two numbers together to get one of the following combinations, visualized in the [moves management prioritizing grid](#):

- 9 These are your best prospects. They are the most committed, have the greatest disposable wealth, and are most ready to give.
- 6 These come next, either they need to become more committed to you (something you can influence), or they need to get older (nothing you can do here).
- 4 Need both to like you better and to be in a better position to give to you. After addressing your 9s and 6s, turn to this group.

**3** Either they love you but can't give, or they can give but hardly know you. The former is not worth addressing now, but the latter definitely needs to go on your list for long-term cultivation.

**2 & 1** Probably not worth pursuing now, but don't lose sight of them.

### The Strategic Plan

Now you are ready to set up a strategic plan for each donor through what is called moves management. You are going to spend most of your time with your prospects with scores of 9, some time with prospects with scores of 6, and less time—but never no time at all—with those below these levels.

Before you begin recognize that it can take 18-24 moves to cultivate and solicit a truly major gift. This may involve 7-8 personal meetings. Also to run an effective campaign, you need prospects in every stage of the solicitation cycle. This means you must continually introduce new prospects and move existing prospects to the next level of engagement.

### Some initial questions

Ask these questions about every prospect, to begin the strategic planning around each individual prospect.

- Why are we asking the prospect?
- What are we going to ask the prospect to support?
- How much are we going to ask this prospect to invest?
- Who should ask?
- How will we engage the potential donor over the next 12 months?

### Using The Grid

Now open the [moves management worksheet](#)<sup>1</sup> and enter the names of your key prospects.

- Enter the three priority codes you developed above, *affinity*, *life stage*, and *ranking*, the product these two scores.
- Enter the estimated financial *capacity* of each donor and the *gift sought*.
- Assign each prospect to a *lead staff* and two one or more *volunteers*.
- Enter the prospect's main area of *interest*, which is also where you should focus their gift request.
- Finally, enter a series of monthly actions—moves—you will take with each prospect. Remember that those with a ranking of 9 should get most of the attention, those with a ranking of 6 somewhat less, and so on. Every one of your prospects should get at least some attention so that you keep the pipeline full.

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<sup>1</sup> Microsoft XP users must use the <Ctrl>-<Enter> key combination to open this worksheet

Moves are cultivation activities you identified in the *Design* phase of your program. They include meetings, tours and visits, changes to meet a PBS personality or other VIP, private meetings, and notes you send and calls you make throughout the process.

### **Step Three: Closing the Loop**

As you implement your plan, be sure to keep track of your completed steps. In the example page of the [moves management worksheet](#)<sup>2</sup>, we have highlighted completed tasks in gray. Others put planned tasks in CAPS and completed tasks in lower case. The choice is yours.

As stated elsewhere on this website, be a prolific record keeper, completing a [prospect call sheet](#) after every visit. Staff members are (usually) diligent about completing a call sheet, and they can handle this duty when a volunteer is involved in making the call. Getting volunteers, when they operate alone, to complete a call sheet can be more difficult. One idea to promote use of a call sheet is to establish a telephone number with a recording device to allow volunteers to “phone in” a simplified call sheet. Give volunteers a laminated call sheet, the third page in the [prospect call sheets](#), and ask them to phone in after each meeting. The major gift officer responsible for that prospect records and files the information.

### **The solicitation**

A rule of thumb is that only one in every four people you cultivate properly for a major gift will actually give you a major gift. This means you need to be cultivating many gifts to reach your goal, and that most often you will get a negative answer to your solicitation. That’s OK; a “no” can mean a lot of different things (more on that later).

A proper solicitation is when the prospect is asked by the right person at the right time for the right gift.

*The right person.* Who has developed the strongest relationship with your prospect? Ideally it will be a peer, a fellow business owner, fellow board member, someone who has already made a major gift him or herself. It’s a bit like dominoes—get the first gift or gifts from your leaders, and you have the people who are your best solicitors.

*The right time.* The right time is neither too soon nor too late. You will need to determine this time by how the relationship is developing. Have you informed the prospect well enough about your station? Have you heard their objections and hesitations and have you answered them—spoken and not spoken? Is this the right time in the life of the prospect? Times of change are generally not that good—divorce, marriage, retirement—although the “backside” of such a change may prove to be a very good time, for instance, following retirement, if the person is wealthy. The timing error most frequently made is to wait too long. Err on the side of asking too soon.

*The right gift.* Are you asking the prospect to give to the purpose for which they have passion and interest? Most station leaders would like a gift that comes completely

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unrestricted, but most donors want you to use their gift in a particular manner. Are you asking them to support the program or project that most engages them? Children's programming, a specific program, the endowment, support for a specific producer or writer, etc.

### *Objections*

And if the answer is "no", listen closely and figure out why. Listen and attempt to understand why the donor is not making a commitment now. Here are the typical objections, and the common remedies....

- Not me. Then who?
- Not now. When? In a couple months? What has to happen?
- Not you. Another cause?
- Too much. Our vision is great, so our goals are ambitious.
- Other, something specific to your station. Correct misperceptions, where appropriate. Acknowledge the objection without agreeing. Do not argue.

### *In Closing*

This system is meant to help you build on the cultivation activities and volunteer resources you developed during the *Design* phase to move toward asking for major gifts. Additional tools are on this website, such as the article by Kent Dove that provides a more complete view of the solicitation process. As you get your own efforts underway you will want to call on other resources. Reach out to other stations, and collaborate. Attend the PBS Development conference, a fund raising workshop, or a seminar. Read one of the books recommended in our *Bibliography*. Bring in a consultant. But know that everything else you learn will simply build upon the basic elements outlined on this site. Good luck and enjoy your work.