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## Leadership for Annual Support: A framework for engaging leaders for your annual giving program

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# Leadership for Annual Support:

## A framework for engaging leaders for your annual giving program

All donors are not created equal, and the future of any annual leadership giving program must be shaped by this fact. Since it would be difficult to predict where today's modest donors will emerge on the scale of giving two or three decades from now, you should take great care not to confuse value-added stewardship with elitism. Nonetheless, the architecture for an annual leadership initiative must be distinctive in all its core elements.

**Each solicitation needs to be planned and executed in the context of the individual's overall relationship with the institution.**

When you consider the strength in both numbers of donors and dollars already achieved, your annual leadership giving program may be at a critical crossroads – one which compels a more thoughtful and comprehensive approach to communications and stewardship. The fluid state of the program affords a unique opportunity to explore some important enhancements which may include the following key elements:

- Relationship focus
- Donor strategies
- Volunteer ownership
- Message & delivery
- Operational dashboard
- Stewardship

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### Focus on Relationships

Often, the competing interests in a conventional development office – one based on a transactional approach – rarely take into consideration the donor's/prospect's total relationship to the institution and what, if any, aspirations are held for that individual. Collaborating and/or coordinating a solicitation around a specific program or event such as a class reunion does not, in and of itself, constitute a relationship focus to fundraising.

While it is normally understood that everyone is a prospect for the annual fund and everyone needs to be asked to make an annual gift, the onset of the annual leadership giving program demands a paradigm that places relationship as the primary driving force. This is especially critical when one considers the greater philanthropic potential usually represented by annual leadership donors. Even more importantly, each solicitation needs to be planned and executed in the context of the individual's overall relationship with the institution.

**Since knowledge of each prospect/donor is likely to be inconsistent, a measured approach to developing multi-year strategies may be far more prudent.**

Since there is a natural tendency to migrate toward the transactional approach to fundraising especially for time-sensitive, budget-driven efforts like the annual fund, guiding corporate behavior toward a relational framework requires discipline. Some key considerations for a program predicated on creating and nurturing relationships include:

- Each prospect/donor may have a unique defining moment that shapes his/her experience with the institution
- By adopting a “cradle to grave” mentality, greater attention will be given to the way current students are treated and nurtured
- Every member of the college community serves as a potential touch point in the life-long relationship paradigm
- Moving prospects/donors back and forth between programs/initiatives may be antithetical to established relationships
- Open and engaging dialogue helps to ensure sensitivity to the prospect’s/donor’s interests, needs, and concerns
- Sustainable and repeatable efforts to foster strong relationships far outweighs special efforts that are done exceedingly well, but can only be carried out one time

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### Prospect Strategies

Once again, the pressures to meet annual fundraising goals make it far more expedient to reduce the discussion about a specific prospect/donor to the following fundamental questions:

- How much should the person be asked to give?
- Who will be assigned to make the ask?
- When will the ask take place?

While these important questions require resolution, they do not constitute a prospect/donor strategy, but are merely components of a broader, comprehensive process to managing an overall relationship. And since knowledge of each prospect/donor is likely to be inconsistent, a measured approach to developing multi-year strategies may be far more prudent. It may prove far more practical to organize the strategy development process around some priority level that can be driven by such considerations as milestone reunions, pending capital solicitations, and/or other special initiatives.

The development of the prospect ownership protocol by members of the development senior staff serves as a reasonable foundation for guiding corporate culture in the direction of a relationship model predicated upon the consistent and thoughtful development of prospect and donor strategies. The mere existence, however, of such a document cannot guarantee a fundamental switch in modeling corporate behavior. A commitment to, and periodic measurement of, these core principles are critical to ensuring full implementation and enforcement.

Among the key attributes vital to an annual leadership giving program built upon the rigor of strategy development are:

- Developing a “College Top 250” prominence list that includes biographical sketches, volunteer history, donor interests, giving history, and giving capacity to promote staff awareness about the most important individuals
- Developing a parallel “Annual Fund Top 250” to identify the most significant annual fund donors within the past five years
- Preparing an 18-month schedule for a team approach to prospect strategy based on a predetermined priority ranking of individuals and/or cohorts of prospects/donors
- Preparing a master roster of all volunteer opportunities and organizing according to promotion options
- Conducting regular prospect/donor review sessions to revise strategies and/or monitor progress toward fundraising goals
- Developing infrastructure to ensure the systematic capture and recording of information vital to the crafting of prospect/donor strategies

**Although annual leadership giving volunteers assume a more visible leadership role during milestone class reunions, they tend to retreat upon conclusion of the reunion effort, with little or no public face for the overall initiative on an annual basis.**

#### Volunteer Ownership

If your institution has a cadre of effective and engaged volunteers, there often remains room for more robust volunteer leadership with respect to the annual leadership giving initiative. Although annual leadership giving volunteers assume a more visible leadership role during milestone class reunions, they tend to retreat upon conclusion of the reunion effort, with little or no public face for the overall initiative on an annual basis.

Even more compelling, the special relationships that are either created or reestablished, particularly during a reunion or comprehensive campaign, are often dismantled after those special initiatives, leaving existing connections to be reestablished during the next cycle. While it would be unreasonable to assume that every volunteer can and will remain engaged for an extended period of time, more

efforts can be made to preserve some of the special relationships/friendships that have emerged from an initial assignment.

Below are some ideas to help you enhance volunteer ownership of the annual leadership giving program:

- Identify and recruit a person to serve as chair of the leadership initiative for annual support programs
- Develop a national committee on annual leadership to serve as the primary advocate for annual leadership giving
- Continue prospect assignments outside the aegis of reunion gift campaigns to foster stronger volunteer-donor relationships
- Consider altering the class leadership paradigm to have a team approach to annual giving, which always includes a leadership segment
- Use reunion gift campaign model as a platform to identify and recruit new leadership volunteers
- Increase reliance on non-trustees to develop challenge scenarios to broaden reach and impact

**The crafting and delivery of a suite of special messages/themes can set an important distinction between rank and file donors and those being asked to assume a leadership role in support of the institution.**

#### Message & Delivery

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Commonly, there is debate in development that is centered on the placement of a prospect/donor within the overall solicitation matrix before, during, and after a reunion year. But concerns over the logistics of solicitation management have confused the importance of consistency of the message each year. The status of a leadership donor/prospect should not change if he or she is celebrating a reunion – rather, the reunion should be an additional incentive for renewed or increased annual support. The crafting and delivery of a suite of special messages/themes can set an important distinction between rank and file donors and those being asked to assume a leadership role in support of the institution.

These distinctive elements can vary dramatically depending upon the resources available to design and produce a comprehensive suite of segment-specific materials. The following are just a few of the possible options for a full suite of materials:

- Consider grouping all appropriate gift levels under one umbrella recognition society or the establishment of a new annual leadership society
- Create a graphic identity in order to achieve branding of your annual leadership giving initiative

- Develop an annual cases for support that use a central theme for both lead and acknowledgement communications
- Consider the use of testimonials to deliver the peer perspective on being an annual leader
- Explore use of the two lead series approach that partners president with volunteer chair in developing annual case for support
- Develop mission-sensitive whitepapers that can be used to provide an insider's perspective on critical issues facing the college
- Create a special web presence for current donors that provide both information and access

### Operational Dashboard

As is the case with any annual support program, using data to help drive decisions is especially critical for the segment of the annual fund that produces the largest share of total dollars raised from a relatively small percentage of total donors in a given fiscal year. The evaluation of this data cannot only help guide the effectiveness of solicitation methods, but can also help to determine specific trends with respect to donor renewal and retention.

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Among the key elements that make up the operational dashboard for this leadership effort are:

- A projected versus actual chart that chronicles the dollars and donors at each level of the giving pyramid and the actual progress toward fiscal year goals
- The “top 100” list of the most important (as measured in descending order by size of gift) donors from last fiscal year and the status of their renewal for the current year
- A report detailing retention of \$1,000+ donors over a five year period
- A report that models the average number of years it takes a donor to reach the \$1,000 threshold from the time he/she makes the very first gift to the college
- A tracking model that chronicles effectiveness of reunion giving to raise and sustain level of annual support
- Evaluation of any aspects of target analysis data that deal with high-end giving

## Stewardship

More often than not, the term “stewardship” is applied to the donors of six and seven figure capital gifts. Rarely does one contemplate the way the college can and should effectively steward those providing annual leadership support – especially if that is the highest level of philanthropy they are likely to attain. Dictated largely by the limitation of resources – human and financial – the stewardship of annual donors is typically relegated to one or two standard thank you letters and honorable mention in the register of all contributors. In addition to these, you should consider the following stewardship opportunities for leadership giving:

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- Establish an acknowledgement matrix that maps the sequence and method of a thank you series
- Continue recognition under new branding/special endeavor
- Develop presidential whitepapers that discuss critical issues facing higher education and the institution
- Explore opportunities to invite distinguished alumni to return for guest panels/lectures
- Consider the establishment of a president’s commission to periodically convene a group of annual leaders requiring ongoing cultivation (exclusive of trustees)
- Consider convening a bi-annual academic conference on issues of leadership that bring together faculty, students, alumni, and national figures to discuss critical national and international issues

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### Where to start?

As you consider building an annual leadership giving program, be sure to base the program on the core goals and objectives of your annual fund campaign, and that it complements and supports your institution’s overall advancement program. Consider the impact an enhanced annual leadership giving program will have on a comprehensive campaign, and how program enhancements will support strategic objectives. Annual leadership giving programs should take a unique approach to cultivation and solicitation of donors, but they must support the annual fund strategy, not stray from it.

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