

Development for Conservation

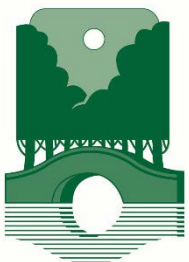
Introduction to Fundraising and Fund Development Planning

Prepared for

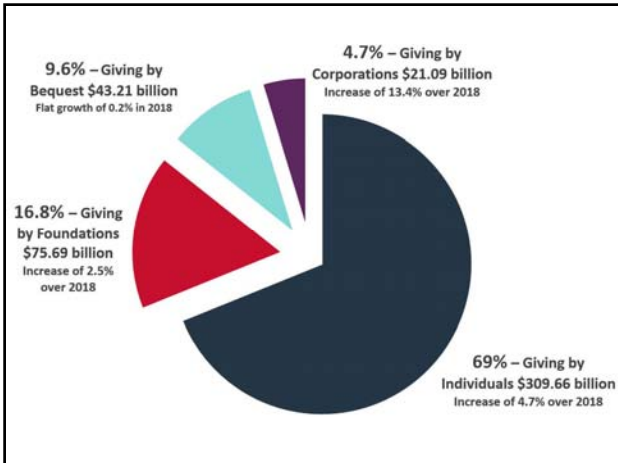
Land Trust Alliance - Midwest

February 2023

David Allen, Development for Conservation



**DEVELOPMENT
FOR
CONSERVATION**



Revelations

Money comes from PEOPLE.




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Paradigm Shift #1

*We don't need donors to think like WE do.
We need to learn to think like THEY do.*




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Thought Experiment

Think back on the largest cash gift you have ever made. Think back on the actual giving decision.

Now imagine giving TWICE that amount (at some theoretical point in the future).



Why might you say yes?

2X

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WHY??

LOVE

BUY

- Nature
- Mission
- Project
- Organization
- Asker



- Exposure
- Goodwill
- Nostalgia
- Dinner
- Social Equity
- Peace and Quiet



Cultivation is about DISCOVERY, not SELLING

Examples

Philanthropic (Love)

- Membership dues
- Appeal gifts
- Giving Tuesday
- Monthly giving
- Gifts of appreciated assets
- Wills & Annuities

Transactional (Buy)

- Discounts
- Galas
- Field Trips
- Musical events
- Walks/Runs/Cycles
- Golf
- Sponsorships



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Lemme 'Splain Something to Ya

I'm in business. I have \$30,000 to give away this year - to give back to my community (and benefit my company's bottom line).

Should I give you my \$30,000? Or should I give 30 community organizations \$1,000 each?

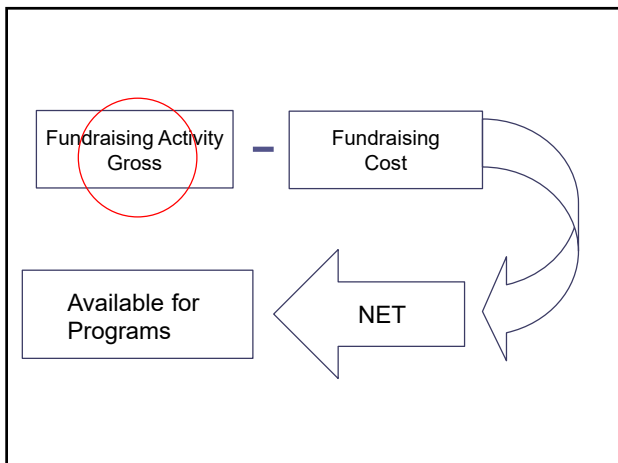


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Start Here



How much do we need to raise?



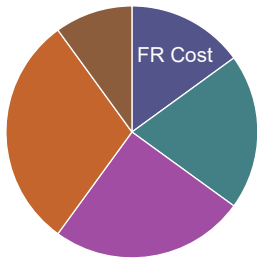
Paradigm Shift #2

Focus on the NET.

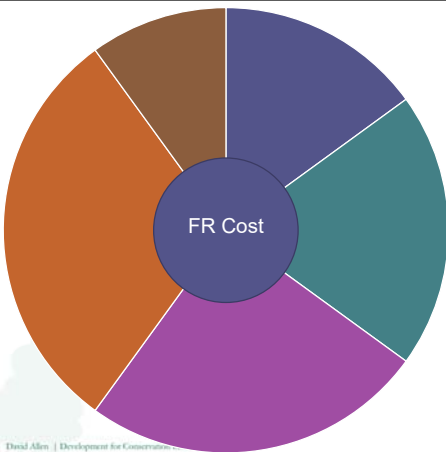
It's not about how much money is raised.
It's about how much money can be put to work on the mission.



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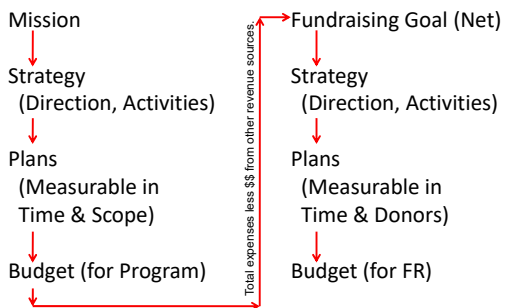


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Strategic Planning



This Really Happened

- McKenzie River Trust (Eugene, OR)
- 2012 - We're raising \$160K now and we want to raise \$450K by 2016
- DA - Here's what you will need to do:
 - Increase giving from Board
 - Double membership
 - More than double those members giving \$1,000
 - Double corporate support



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2017

"OMG, we actually did it!"

2018

- We raised \$500K last year. But there's so much more we need to do.
- How do we raise \$1.2M by 2022?
- DA
 - Increase giving from the Board (again)
 - Double membership to 1,200
 - Double the number of \$1,000 donors (again)



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2023

- We raised \$1.5M last year. But there's so much more we need to do.
- How do we raise \$2.0M by 2027?
- DA
 - Increase giving from the Board (again)
 - Grow membership to 2,000
 - Double the number of \$10,000 donors
 - ... you get the idea



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For Every Year Money

Plan and Measure
Activities for Audiences

(Not the other way around)



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Charitable Giving Segments

- Foundations
- Businesses
- Individuals



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Charitable Giving Segments

- Individuals
 - Board Members
 - Annual Giving Leaders
 - Donors
 - Lapsed Donors
 - Non-Donors



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Make a Planning Spreadsheet

List Board Members at the top
Choose 20 others and move under Board members

This is your Initial Planning Group – to be considered individually



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Strategic Questions

WHAT will you ask for?

WHY will they say YES?
(for each person)

WHO Needs to be involved?

WHAT will they see from us that supports
their reasons for saying YES?

WHEN?



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WHY??

LOVE

BUY

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Cultivation is about DISCOVERY, not SELLING

Make a Planning Spreadsheet

Calendar Months for 2023

Schedule the ask and any cultivation steps you
might plan to take to support a YES answer.

WHO will do the asking?



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What does it look like?

- **February** - Send update on the 2023 restoration plans for the Beckett property; offer a tour of the site
- **April** - Personal invitation to the birding field trip
- **July** - Personal invitation to the Presidents Reception
- **October** - Send current newsletter with personal note on renewal next month
- **November** - Request for renewal at \$1,500
- **December** - Personal Thank you call



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Make a Planning Spreadsheet

- Group (segment) the rest of the donors
 - By 2022 giving amount
 - By 2023 ask amount
 - By affinity (includes event or volunteer participation)
 - By first gift source
 - By longevity



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Formula Asking

- What they gave last year
- The 2023 Ask Amount (Anchor Amount)
- One amount more than the Ask
- Two amounts more than the Ask
- Other

EXAMPLE

__ \$50 __ \$100 __ \$250 __ \$365 __ Other



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Fundraising Activities

- Events
- **Annual Gift (Membership) Campaigns**
 - Recruitment
 - Renewal
 - Donor Circles
- Major Gift Development
- Planned Giving



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Five Fundraising Systems

1. Recruitment (Marketing)
2. Annual Renewal (Membership)
3. Annual Giving Leadership (Giving Circles)
4. Restricted Giving (Specific program, project, or outcome)
5. Planned Giving (Bequests, annuities)



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Exercise for Next Week - Part 1

- Make a spreadsheet list of every donor from 2022.
- Create columns for cumulative giving in 2020, 2021, and 2022, and a new column for 2023.
- Assign ask amounts for 2023.
- Sum the 2023 column and multiply by 80%.
- **Will that be enough?**

Exercise for Next Week - Part 2

- Make a spreadsheet list of every donor from 2021 *who did not give in 2022*.
 - Create columns for cumulative giving in 2020, 2021, and 2022, and a new column for 2023.
 - Assign an ask amount for 2023.
 - Sum the 2023 column and multiply by 50%.
- **Will that be enough?**

Exercise for Next Week - Part 3

- Bring all Board members and 20 other prospects to the top of the spreadsheet.
 - 80% of the sum of the Board asks will be a “Board Goal” - how will they be asked?
 - For the other 20, plan for dates, askers, why they will say YES, and cultivation contacts between now and then.
- **Will that be enough?**

A Few Comments About Money

- \$100 is a common withdrawal amount from an ATM
- \$250 is \$20/month - Most people with a heartbeat can *afford* that
- \$1,000 is \$20/week - four trips to Starbucks



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Strategic FR Planning Principles

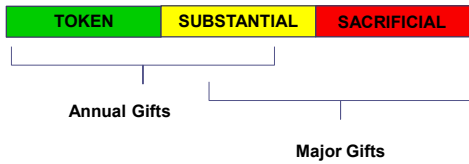
We raise money from people who already give us money.

Marketing programs rarely net positive results. Marketing is an investment.

Strategic fundraising needs to look at least five years out.



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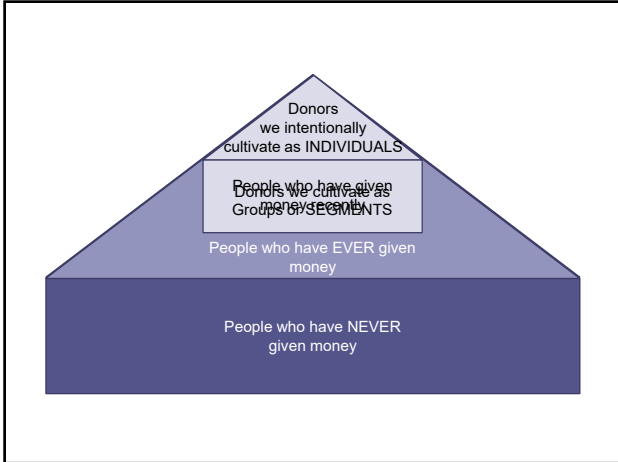


Paradigm Shift #3

“Major” describes the decision, not the person making it.



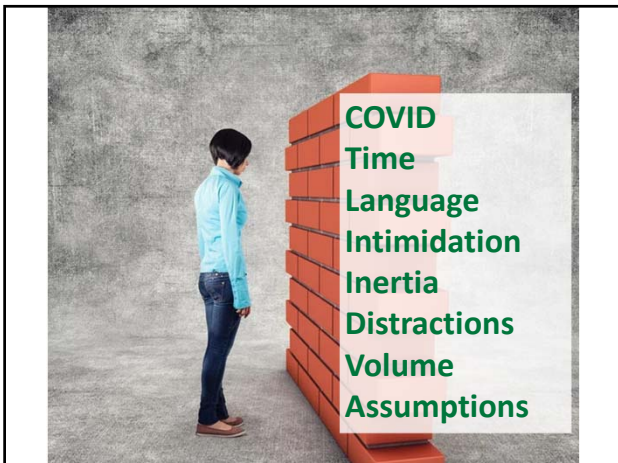
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Major Gift Fundraising

Cultivating, soliciting, and stewarding INDIVIDUAL donors - treating them as individuals - is the primary differentiation between major gift fundraising and all other fundraising.

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“Start small, start now. This is much better than, ‘start big, start later.’ One advantage is that you don’t have to start perfect. You can merely start.”

Seth Godin via The Agitator



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Paradigm Shift #4

We waste too much time imagining why donors will say NO.

A better question is why they might say YES.



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A Few Words About Membership

- Membership is a language
- Membership “levels” are best considered ranges (with a threshold amount) rather than fees
- Very few levels should be named, and those that are (Donor Circles) should be strongly branded
- Members should be promised paper information, invitations to engage, and little else



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My Recommended Named Thresholds

- \$1 - 264 Member
- \$365 - 999 Everyday Steward
- \$1,000 - 9,999 _____ Guardian
- \$10,000 - 24,999 _____ Society
- \$25,000 Conservation Angels

(per year)



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A Few Words About Membership

- Asking for a specific amount of money will always result in raising more money
- Follow-up is the most important indicator of strong renewal results
- Thank members right away
- The best time to request monthly giving is immediately after they have renewed



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We all represent organizations that value decision-making based on science.

Fundraising is a science.

Treat it that way.

Here's What We Hear

- Challenge grants really work – you need to find us a challenge grant
- Newsletters are too expensive and they waste paper – ENews works just as well
- I know a great graphic designer who will do our appeal pro bono - she will help us raise more money



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Here's What We Hear

- People join because they get involved
- Direct mail doesn't work anymore - you need a better social media strategy
- Telephone calls just irritate people
- You won't read a four-page letter, therefore no one will read a four-page letter



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THEORIES

2016 Data – 38 organizations

- NEW MEMBERS

\$ 999 – Average Value per donor

\$1,035 – Average Value per Organization

\$ 794 – Median Value per Organization



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What are we learning?

- That organizations dependent on electronic communication for recruitment are not achieving high 5-year-value.
- That having a project you can raise money for matters – it attracts new members, helps with retention, and raises the 5-year-value.



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The Five-Year Black Box



What could YOU do
to interest new donors
in the work of
_____?

3 Things Every Board Member Can Do

1. Recruitment/Renewal -
Host an Engagement Event every year
2. Renewal -
Make Thank-You Phone Calls
3. Major Gifts -
Adopt a small set of Individual Prospects to cultivate



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Hi - My name is _____, and I'm on the Board of _____ Land Trust. Shelly told me the other day that you had recently renewed your membership. I'm calling to thank you personally on behalf of the staff and Board. I'm sorry that I missed you today, but I hope you will call me on my cell if you have any questions. The number is _____. Until then, thank you again.

4 Paradigm Shifts

1. Start by understanding why donors give. Then plan events and activities around those ideas
2. Focus on the NET
3. Major describes the decision, not the person
4. Ask WHY a person will say YES, and plan for that



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DAVID ALLEN

I am a non-profit fundraising consultant. I work with nonprofit boards and staff to help them learn how to be better leaders and advocates. I work almost exclusively with conservation organizations because that is where my heart is.

My background includes 30 years working in membership fundraising, major gift development, communications, and marketing. I worked for about half that time for Nature Conservancy (TNC) chapters in Oregon, Texas, and Wisconsin. In addition to my duties for the individual chapters, I served TNC as an internal fundraising consultant and major gift development trainer.

In 2000, I served as the vice-president of operations for the Wisconsin-based, international conservation organization Sand County Foundation, a position I held through mid-2009.



Gathering Waters Conservancy, a land trust service agency based in Wisconsin, called me in 2004 to ask whether I would be interested in teaching a seminar for Wisconsin land trusts on major donor development. From 2004, then, through 2009, I consulted on a nights and weekends basis with just a few clients each year.

In March of 2009, I launched my consulting business full-time using the name **Development for Conservation.**

Also in 2009, I partnered with Nancy Moore to form **Conservation Consulting Group.** Together we help land trusts by providing needs assessment, strategic planning, and leadership coaching services.

I consider myself a strategic thinker, problem solver, facilitator, educator, and program developer who brings a particular passion for conservation and the environment.

Practice Competencies

Fundraising

- Development Audit
- Strategic Fund Development Planning
- Staff/Board Training and Development
- Major Gift Coaching
- Capital Campaigns: Feasibility, Planning, Management

Organizational Development

- Strategy Development
- Practice & Process Assessment
- Problem Solving Facilitation
- Marketing

David Allen

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