



Massachusetts
Nonprofit Network

Ready, Aim, Fire: Building Your Development Plan

2017 MNN Annual Conference

10 Years of Strengthening Massachusetts Nonprofits

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November 1, 2017

Building the Model Development Program

Organizational Commitment to Fund Raising

- Organization Wide Philosophy Toward Fund Raising
- **Formalized Development Plan**

Dedicated Human Resources and Skill Excellence

- Board as a Fund Raising Body
- Leverage Non-Board Volunteers
- CEO as a Fund Raiser
- Dedicated Development Staffing Resources

Diversification and Sustainability

- Diversified Revenue Model
- Sustainable Fund Raising Model
- Building Reserves and Endowment

Comprehensive Development Strategy

- Established Major and Leadership Giving Program
- Formalized Corporate Partnership Program
- Developed Foundation Relations Program
- Excellence in Stewardship and Donor Retention
- Planned and Deferred Gift Program

Track Record of Success

- Demonstrated Revenue Growth

Systems and Integration

- Documented Procedures and Excellence in System Utilization
- Development Integration with Program, MarCom, Governance and Finance Functions

Our DEVELOPMENT PLAN =

Pursue and Receive Foundation Grants +



+



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**Low Retention. High Donor Churn.
High \$ Cost. HIGHER Opportunity Cost.**

**When Day One of
Your New Fiscal Year
Begins, 100%
of Your Money Has
Already Been
Raised???**



Key to Success:

A Formalized Development Plan

- Does your organization have a comprehensive short term and longer term development plan?
- Does the development plan specifically support the achievement of goals articulated with the organization's Strategic Plan?
- Does the Development Committee review progress against the development plan on a quarterly basis?
- Is one staff member dedicated to owning the plan?
- Is the development plan updated annually?

Formalized Development Plan

No formal development plan developed or utilized.	Development strategies pursued but lack of formal plan in writing or integrated throughout development function. Lack of measurable outcomes or defined milestones.	Single year development plan exists. Measurable goals and milestones inconsistent. Buy-in from staff and volunteers limited.	Single year development plan created with buy-in from staff and volunteer leadership and integrated within organization's strategic and operating plans. Measurable outcomes and milestones articulated and held accountable and monitored by Development Committee.	Formal multi-year development plan created with buy-in from staff and volunteer leadership and integrated within organization's strategic and operating plans.
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ORGANIZATION NAME Development Plan

FY 16 – FY18

***RULE #1:
Development Plans need to be
MULTI YEAR!***

Strategic Plan and Fund Raising Goals

Strategic Plan Goals *(to be shared with philanthropic community)*

1. Youth Served: GOAL ONE
2. Enduring Relationships: GOAL TWO
3. Thought Leadership: GOAL THREE
4. Sustainability: GOAL FOUR

RULE #2: Why are you raising the \$\$\$?

RULE #3: Build the Plan Around Your Total Multi-Year \$\$ Goal

Financial Goals: *\$4.5M over the next 3 years*

FY17	FY18	FY19	FY20
\$1M	\$1.3M	\$1.5M	\$1.7M

Development Plan Goals

1. Increase Financial Support from Philanthropic Individuals and Families
2. Increase Donor Retention of \$1K+ Donors from __% to __%
3. Attract Increased Multi-Year Commitments, growing revenue pledged at start of fiscal year from __% to __%
4. Increase <NAME> Event Net Revenue to \$____,____
5. Increase Corporate and Foundation Grants __% to \$____K
6. Fund Strategic Plan and Raise \$____M By Conducting a Comprehensive Campaign
7. Expand Board Leadership by at least ____ New Members/Year to Increase Revenues to a Minimum of \$____K from Board Directed and Leveraged Contributions
8. Add Infrastructure Resources to Support Fund Raising Effort to Raise \$____M Over Next 3 Years

Development Plan Goal #1:

Increase Financial Support from Philanthropic Individuals and Families

Rule #4: #1 Source of Giving Potential = High Net Worth Individuals

Strategies to Achieve Objective

Phase 1

- Build a Formal Major and Leadership Gift Individual and Families Giving Program
- Increase CEO focus on opportunities of 5 and 6 figure gifts
 - Conduct an 'ability vs affinity' prioritization analysis
 - Screen donor roster and prospect pipeline to prioritize
 - Focus on 1 meeting per week in year one and two meetings per week in year 2
- Design formal event strategy to extend beyond <NAME> Event and host 'friend raisers' (house parties, corporate executive convenings) to deepen engagement of HNW population.
 - Host one cultivation event per quarter focused on attracting HNW audience.
 - Develop high focused follow-up plan to convert educated -> interested -> supporters -> advocates
- Establish 'Friends of <ORG NAME>' to deepen base of future leadership supporters.
 - Build 'Friends of ...' Profile and Description (ie 1 mtg/year, personally contribute a leadership gift, be resource to CEO/ advocate on behalf of <ORG NAME>)
 - Recruit stakeholders and champions to serve as Founding members
- Identify, screen and research prospect list of future leadership supporters from <ORG NAME> champions, friends, and mentors.

Phase 1.5

- Better connect leadership donors to <ORG NAME>'s work.
 - Develop 1 – 3 signature engagement opportunities that are meaningful and for which you can easily deliver a great experience.

Phase 2

- Define and launch formal leadership donor giving/membership/recognition program.
 - Brand giving program to <ORG NAME>
 - Determine levels of support
 - Recruit volunteer leadership to chair effort
 - Define benefits of membership
- Create peer based cultivation and solicitation strategy to leverage support.

Phase 2.5

- Launch philanthropic advisors strategy to increase awareness and support realized from advisors' clients.
 - Identify philanthropic advisors and connections to each.

Major and Leadership Giving: Financial Goals (Family Foundations & Individual Giving)

Rule #5: That which gets measured gets done!

		FY15	FY16	FY17	FY18
Total \$ Raised	\$	\$686K	\$800K	\$1.05M	\$1.3M
	#	821/75	700/111	750/156	800/201
\$25,000 +	\$	\$307K	\$360K	\$475K	\$585K
	#	7	10	15	20
\$10,000 - \$24,999	\$	\$127K	\$184K	\$242K	\$300K
	#	10	17	23	29
\$5,000 - \$9,999	\$	\$ 44K	\$ 40K	\$ 53K	\$ 65K
	#	8	8	11	14
\$2,500 - \$4,999	\$	\$ 51K	\$ 48K	\$ 63K	\$ 78K
	#	16	16	22	28
\$1,000 - \$2,499	\$	\$ 64K	\$ 80K	\$105K	\$130K
	#	45	60	85	110

Development Plan Goal #2:

Strengthen Donor Relationships and Increase Donor Retention of \$1K+ Donors from ___% to ___%

Rule #6: Stewardship is Fund Raising's Silver Bullet!

Strategies to Achieve Objective

Phase 1 (FY16)

- Design formal stewardship plan to increase cultivation and donor engagement.
 - Define stewardship plan at high level based on funding source and gift level. (ie personal thank you note or call by CEO vs. 'thank-a-thon' to donors who contribute smaller gifts)
 - Test plan with select funders (ie board members) to ensure activities are meaningful
- Develop donor-specific stewardship plans and prospect-specific cultivation plans for each potential funder that can contribute \$1,000 or more.
- Assign top donors/prospects to select staff and select volunteers to steward the relationship.

Phase 2 (FY17)

- Increase # of donors and prospects who have at least one meeting per year with staff or volunteers.

*(*Includes grants)*

FY15	FY16	FY17	FY18
___%	___%	___%	___%

Development Plan Goal #3:

Attract Increased Multi-Year Commitments

Strategies to Achieve Objective

Phase 1 (FY16)

- Recruit a community of investors who share in <ORG NAME>'s interest and desire to <ACHIEVE GOAL>
 - Determine which past donors/prospects could potentially be asked to consider a m-y gift without compromising a future campaign appeal.
 - Conduct a 'capacity v connection' analysis to help prioritize opportunities.
 - Develop donor-specific cultivation and solicitation plans.

Phase 1.5 or 2 (FY16 Q3, Q4 or FY17)

- Conduct a feasibility study to assess likelihood of success to conduct a formal comprehensive campaign.

Phase 2 (FY17)

- If feasible, launch a formal comprehensive campaign to fund the strategic plan. (Phase 2)
 - Design campaign to include defined case, volunteer leadership, 'pyramid' of support, qualification and prioritization of prospects, recognition, etc.
- If not feasible, focus on appealing for more donors to make multi-year commitments. (Phase 2)

	FY15	FY16	FY17	FY18
Multi-year \$ Raised	\$240K	\$377K	\$510K	\$680K
# of Donors	#	#	#	#
% of \$ Raised in advance of FY Start	24%	29%	34%	40%

Development Plan Goal #4:

Increase <NAME> Event Net Revenue to \$_____

Strategies to Achieve Objective

Phase 1 (FY16)

- Evaluate <NAME> Event to define event potential
 - Prepare data analysis and qualitative analysis to identify top ingredients that lead to revenue success.
 - Build upon revenue drivers and add new features to increase revenue (ie additional honorees, seated tables, strategic attendance plan, etc.)
- Improve formal 'night of' appeal.
- Expand chairs and committee (minimum = 25) to attract more attendees with philanthropic resources.
 - Recruit chair leadership reflective of the attendee you seek.
- As part of Board 'give/get' responsibilities, include commitment of one table for <NAME> event (via 'give' or 'get')

FY16	FY17	FY18	FY19
\$175K	\$225K	\$260K	\$300K

Development Plan Goal #5:

Increase Corporate and Foundation Programmatic Grants __% to \$__K

Strategies to Achieve Objective

Phase 1 (FY16 Q1, Q2)

- Identify local and national institutional prospects who share in <ORG NAME>'s interest in order to scale organization
- Recruit program officer(s) to host introduction meeting(s) to other funders – either 1:1 or by hosting gathering
- Conduct mapping of prospects to funders/volunteers to make 'warm' introductions.

Phase 1.5 (FY16 Q3, Q4)

- Increase CEO time focused on cultivating local and national institutional gifts of \$25K or more.
- Development cultivation plan for each prospect and stewardship plan for each investor.

Phase 2 (FY17)

- Partner with non-profit to feature share subject of interest to both organizations and invite institutional funding community.

FY16	FY17	FY18	FY19
\$____K	\$____K	\$____K	\$____K

Development Plan Goal #6:

Fund Strategic Plan and Raise \$_____M By Conducting a Comprehensive Campaign

Strategies to Achieve Objective

Phase 2 (FY17 Q1, Q2)

- Design campaign framework to articulate case, goals, volunteer leadership needs, prospects, funders needed, cultivation events, recognition, etc.
- Recruit volunteer leadership to spearhead campaign
- Develop cultivation and solicitation plan for each campaign prospect
- Do 'capability' vs 'connection' analysis to define prioritization and sequencing

Phase 2.5 (FY17 Q3, Q4)

- Secure lead investors and early gifts
- Design and implement stewardship plan for each investor

Phase 3 (FY18)

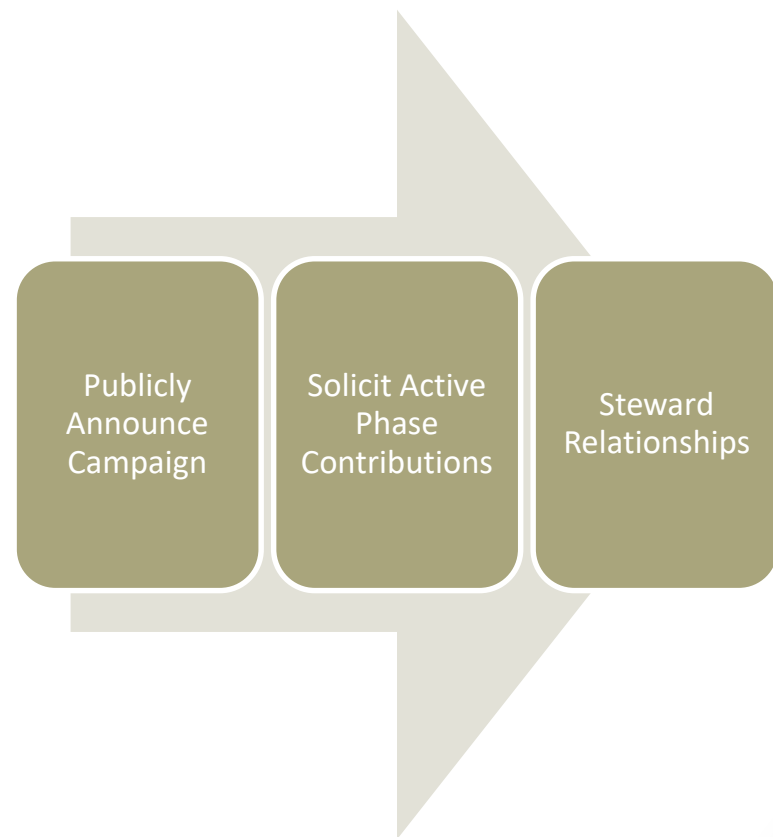
- Update investors twice a year on strategic plan achievement and campaign progress (can also start in FY17 Q3 or 4)

Comprehensive Campaign

Quiet Phase



Active Phase



Development Plan Goal #7:

Increase Revenues to a Minimum of \$_____K from Board Directed and Leveraged Contributions

Rule #7: Development Plans Have to Include Board Expectations!

Strategies to Achieve Objective

Phase 1 (FY16 Q1, Q2)

- Expand membership on the board from the philanthropic community.
 - Perform Board Assessment and Identify Gaps
 - Focus <CEO Name>'s time on board expansion. Add 3 new members in each year of plan.
- Recruit a board member to champion board's increase role in fund raising and serve as a peer motivator and champion
- Formalize management of board fundraising work
 - Meet annually with each board member to define the role in fundraising in order to meet 'give/get'
 - Provide quarterly progress reports to monitor board member performance and progress

Phase 1.5 (FY16 Q3, Q4)

- Deepen the education, support and expectations of new board members to serve as champions and fundraisers on <ORG NAME>'s behalf, increasing peer-to-peer ambassadorship toward relationships and revenue
- Strength membership and deepen engagement of development committee to provide strategic guidance to fund raising effort

	FY15		FY16		FY17		FY18	
Give	4.1%	\$41K	6%	\$ 78K	8%	\$120K	10%	\$170K
Get	9.4%	\$94K	15%	\$195K	20%	\$300K	25%	\$425K

Development Plan Goal #8:

Add Infrastructure Resources to Support Fund Raising Effort to Raise \$___M Over Next __ Years

Add the following staff capacities: **Rule #8: Infrastructure is key: staff and technology!**

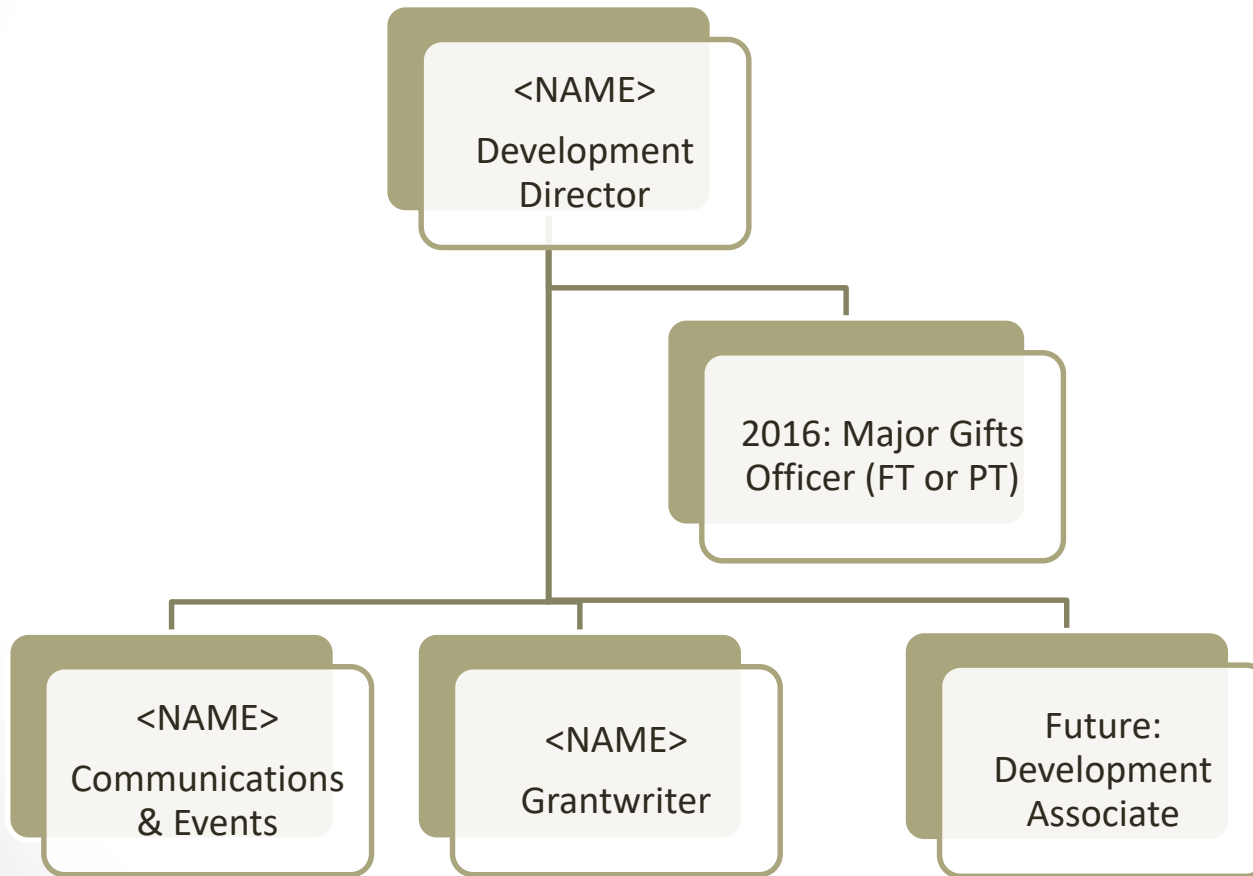
Phase 1 (FY16): Staffing

- Add Major Gifts Officer (full-time or part-time)

Phase 2 (FY17):

- Add Development Associate (in order to deepen focus on larger individual/family gifts with added resource and by better leveraging <CEO Name>'s leverage relationship management system to manage progress
- Confirm gift acceptance policies, documentation of processes and internal coordination between finance and development.

Future Staffing Structure



What's Missing?

- Planned and deferred giving
- Annual Appeals
- Formal Special Event Strategy: \$\$ and/or Pipeline Building
 - Other Signature Events
- Social Media Appeals
- Workplace Giving Strategies
- Other

Summary: Development Plans

- **RULE #1: *Development Plans need to be MULTI YEAR!***
- **RULE #2: *Why are you raising the \$\$\$?***
- **RULE #3: *Build the Plan Around Your Total Multi-Year \$\$ Goal***
- **RULE #4: *#1 Source of Giving Potential = High Net Worth Individuals***
- **RULE #5: *That which gets measured gets done!***
- **RULE #6: *Stewardship is Fund Raising's Silver Bullet!***
- **RULE #7: *Development Plans Have to Include Board Expectations!***
- **RULE #8: *Infrastructure is key: staff and technology!***

Questions Discussion

The New Kensington Group

Helping education and nonprofit leaders grow their organizations

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APPENDIX

Prioritizing Donors



Prioritizing Donors

