

## Using your Database to Develop Major Donors

Major-gift fundraising is a topic that every nonprofit should explore as an integral part of its fundraising strategy. Whether you define a major gift as \$500.00 or \$5,000,000.00, the concepts are the same.

There has been much written about the strategy for developing major gifts. In this article we focus on identifying major gift prospects, and, in particular, the role of your donor database is tracking this information.

As Kay Sprinkel Grace explains in her book, Beyond Fund Raising, the principal attributes that we need to understand and develop are the three C's: Connection, Concern and Capacity. She writes of the importance of these at all stages of the relationship. For our purposes, we look at how they relate to major gift prospect development. As we explore these attributes, we also consider how to capture and use the data that enables the identification.

**Concern:** We all may have generalized concerns about the state of the world, but most people recognize that we cannot do everything for everybody. Most of us have some areas that speak to our values more deeply than others. Some people focus on their own communities, perhaps emphasizing homelessness or education. Others are more moved by hunger in Africa or global warming. Still others believe that arts or natural places are fundamental to our spiritual well being.

Your donors will for the most part come from the group of people who have a special concern about your mission – people who share your values. I say “for the most part” because some donors will give because a friend asked them to or because they wanted to attend a certain event. While all donations are welcome, major gifts will likely come only from those who have a deeply held concern for your particular focus.

**Connection:** It is crucial to understand what, if any, connection a prospect has to your organization. Have they been a donor in the past? Have they or a member of their family used your services? Have they attended events that you have held? Do they have close friends who are on your board or otherwise closely linked to your organization?

If there is no existing connection, it may be very difficult to establish one. However, this is a required first step. Connections can start small, and with the proper cultivation, can grow and thrive. As you nourish these connections, it is important to understand the nature of the concern that a prospect has for your mission. For example, concern for a hospital may be linked to outreach to the underserved or it may be related to scientific breakthroughs for a particular disease or it may be about the importance of emergency services to the

community. Whatever the concern, it needs to be included explicitly as the connection is built.

**Capacity:** This is the least important of the three C's, for without concern and connection, no amount of capacity is going to motivate a major gift for your organization. However, that does not mean capacity should be ignored. The knowledge you can collect about your prospects' wealth can determine where you should spend your limited time in building the all-important connections. It is also critical for deciding what level of giving you might reasonably expect, assuming all the other important groundwork has been laid.

How can your donor database be used to support the three C's? Here are some ideas:

**Concern:**

The level of a prospect's concern can most easily be understood by direct knowledge. This may come from conversations with the prospect, or it may come second-hand during discussions with your other constituents. You can also learn a great deal from knowing of major gifts to other organizations, especially if you understand the motivation for those gifts.

All of this knowledge must be carefully recorded on the prospect's record. At the very least, you should use the comments or notes section. Generally these fields can be searched when you need to select people with a certain interest, but it will be much easier to find a group of prospects if you are careful to use the same keywords.

Consistent data entry is a challenge. An alternative approach is to attach pre-defined codes to prospects' records. For example, marking people who are especially interested in Autism makes it easy to create an invitation list for a distinguished speaker on that subject. This level of attention paid to each individual's interests is a key element of any major gift strategy.

**Connection:**

Your donor database should include a complete giving history, including information about the motivation and expected use of each gift. Along with all of the details, knowing the size and timing of a donor's largest and most recent gifts is basic to building a strategy.

A prospect may have links to members of your inner circle, such as board members or senior staff. These links can provide good opportunities for you to build the connection, but to take best advantage of them, you'll need to track them in your database.

In addition, you should be recording each contact that you have with a prospect, including the nature of the conversation. Special events attended, special

mailings sent, volunteer hours spent, services provided, in short, every way the prospect has interacted with your organization should be recorded in a central, integrated system. Only by having all of the data together will you be able to build a complete understanding of all of the ways the prospect is connected to you and your mission.

***Capacity:***

Knowing your prospects' giving capacity helps prioritize your work in your major gift program. This information can be gained by talking with your inner circle, by extrapolating from gifts to other organizations, or by direct research through publicly-available wealth data sources. By assigning a giving capacity rating to each major-donor prospect, you can sort out the most promising – of course set in the context of the more important factors of concern and connection.

***Conclusion:***

Your donor database provides a crucial repository for all of the important details related to the three C's: Concern, Connection and Capacity. By recording this information in a central, integrated, and robust system, you set the stage for success in the following ways:

- You have all of the relevant information in one place to assist in developing a individualized strategy for each prospect.
- You can target your strategy for each individual most effectively by taking advantage of this knowledge.
- You can easily provide complete briefing materials to assist staff and volunteers in preparing for cultivation and solicitation calls.
- Institutional memory is assured during staff turnovers.
- From the prospect's perspective, you are building a long-term, consistent relationship, regardless of what staff members happen to be involved in any particular interaction.

Major gifts come from individuals who have great concern for your mission, with whom you have carefully built a value-based connection, and who have the capacity to be generous at the appropriate level. With proper use of your database tools, combined with the other strategies necessary for a major gift campaign, you can reach new heights in your fund raising program.

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