CAMPBELL & COMPANY

BUILDING A MAJOR GIFT QUALIFICATION PLAN

A HOW-TO GUIDE

As philanthropy becomes an increasingly important revenue source for nonprofits and more frequent campaigns become a consistent element of the environment, organizations face a big challenge: how do you bring in more fundraising revenue while combating donor fatigue?

A strong pipeline fueled by qualification can help you balance these competing priorities.

This guide covers:

- Qualification basics: what a qualification program is and what it does—and does not do
- A framework for qualifying major donors, leveraging analytics, affinity scoring, and other resources to prioritize prospects
- Information on trainings and resources to maximize your qualification efforts
- Strategies for leveraging your existing resources—and identifying new resources—to implement a program and measure your impact

WHAT IS A QUALIFICATION PROGRAM?

Qualification is the active dialogue with a major gift prospect that helps you to better understand a prospect's capacity, linkage, interest, and inclination to support your organization.

This dialogue is most effective when it is a one-on-one conversation, but it can also be conducted through a survey, phone conversation, or interaction at an event.

These less personal conversations may lead to a second qualification interaction to confirm information learned during your touchpoint. Regardless, they can still be a valuable qualification tool for organizations that have limited resources or a large volume of prospects to qualify.

Your qualification conversation should answer the following questions:

CAPACITY — Was I able to confirm initial thoughts about capacity?

Has the prospect made large commitments to other organizations?

Did I learn about their wealth through a conversation about their lifestyle–for instance do they have multiple homes or take elaborate vacations?

LINKAGES — Did I learn who the prospect may know or how they may ultimately connect to the organization?

Does the prospect have connections to board members or executive leadership who can help move the prospect through the relationship management cycle?

INTEREST — Did I learn preliminary information about the prospect's area of interest?

What other organizations does the prospect support? Are they similar to my organization?

How does the prospect think about philanthropy–is it a family decision or individual?

INCLINATION — Will the prospect make a major gift in the near future with proper cultivation?

HOW QUALIFICATION WORKS

Qualification supports an organization's fundraising efforts by identifying prospects in the database who are most likely to make a major gift.

Systematic, intentional effort with goals and metrics

Although qualification can happen through a formal or an informal process, there needs to be systematic and intentional outreach founded in goals and metrics tailored to your organization's needs and your donor base's engagement preferences. Goals will likely include number of contacts and visits, and metrics will likely include giving as well as upgrades to major gift portfolios and outreach.

Quantity is king

Qualification is about volume of outreach. The quantity of outreach is directly related to the number of donors you have in your organization's database and pipeline. A fully developed qualification program should anticipate qualifying about 10-20% of the prospects identified for qualification. This means that you and your team need to be comfortable with rejection, and leadership needs to understand the goals and outcomes.

Disqualification is equally as important as qualification

While only a small number of prospects may be qualified, you will learn many important things from your qualification efforts, including when a prospect may be ready to consider giving more or why they don't consider your organization among their top priorities. You can then develop a strategy, if it makes sense, to more deeply engage the prospect. There are many types of disqualification—it doesn't have to mean forever. Often, it just means for right now.

OUTREACH OUTCOMES

Because the rate of qualification is low, qualification outreach can be challenging to prioritize—both among staff and leadership. For this reason, it's important to consider all the outcomes of these efforts.

- Another opportunity to thank and learn more information
- Qualified as a major gift prospect and assigned to a portfolio
- Disqualified as a major gift prospect for a determined period

While the ultimate goal of this outreach is to assign a prospect to a major gift portfolio for a larger ask, there are many other ways that the prospect can become more deeply connected. Think about opportunities to bring the prospect to a performance, event, or other engagement outlets.

VALUABLE FOR EVERY ORGANIZATION

- Mature organizations with distinct annual, mid-level, and major gift programs
- Developing organizations with an annual giving program

This outreach is flexible and can be successfully implemented no matter how large or how small your organization may be. For a mature organization, there will likely be a team dedicated to qualification outreach. At a developing organization, this may be a small portion of the outreach conducted by an annual giving team member or the lone fundraiser at the organization.

If effectively implemented, qualification should be a regular part of your work. It's scalable depending on your resources—both how large your donor database is and the time your team can commit to qualification outreach.

Even for those organizations where there isn't a natural constituency for qualification outreach, you can integrate questions into your routine engagement with prospects. For instance, leveraging volunteers in peer-to-peer outreach or to review lists of potential prospect names may be the primary way your organization initially conducts qualification. Events can also be a valuable way to help identify prospects based on who is attending.

PREPARING YOUR ORGANIZATION

There are four key aspects to consider when starting a qualification program at your organization. We introduce each below and go into greater detail on subsequent pages.

IDENTIFICATION OF PROSPECTS

Identifying the right prospects is the foundation of a successful qualification program.

Who are the best potential major and planned giving prospects for your organization? What information do you have available to you today and how do you use that to pick out those you should start to qualify?

TRAINING

Strategic outreach through a robust suite of materials and trainings ensures consistent qualification and tracking.

What are the essential tools needed, and what are some approaches that work to get everyone on board?

INTERNAL AND EXTERNAL RESOURCES

Qualification programs can be successfully implemented with a coordinated outreach strategy from internal and external resources.

How are you carrying out your program using a combination of staff, volunteers, and/or external partners, along with phone, mail, email, and social media outreach?

MEASUREMENT AND METRICS

A program is only as successful as its ability to measure results against goals and quantify its achievements.

How are you tracking your progress and adjusting to optimize your results?

Remember: Qualification is a long-term strategy that does not yield immediate results. Your role is to help leadership understand why this work is an important part of your overall fundraising program.

IDENTIFYING PROSPECTS

What makes a good major or planned giving prospect? Remember back to capacity, linkage, interest, and inclination—we want to look for clues to each of these based on what we know today.

Capacity analysis or another exercise that prioritizes prospects

You want to pick people who have the capacity to make a larger gift: wealth screening and capacity analysis are helpful, and so is other information you might have about an individual from news you read about or information your volunteers have told you. This could be details about their career or business; it could even be something they told you about taking a trip in their private plane to their second home, for instance.

Modeling scores based on characteristics of existing major gift donors

You can also look at modeling scores that take into consideration the characteristics of your existing major donors and help you prioritize your list that way. When screening prospects for wealth ratings, you can include modeling to help score your prospects. You can also do this yourself with a simple RFM score, which rates your prospects on the Recency, Frequency, and Monetary value of their gifts.

Affinity or engagement score

With affinity or engagement scoring, you consider whether someone has already shown interest in your organization. For example, are they a current volunteer, did they attend a recent event like your gala or a reunion, did they donate, etc.

There are many potential points of engagement with your organization and you can develop a simple scoring system to help evaluate your donors. Some organizations create complex engagement scoring systems and use automatic scoring tools to evaluate the database and assign the scores for them. This can be helpful if you have hundreds of thousands or millions of records and an elaborate scoring system. But even at the most rudimentary level, creating an affinity or engagement score can be helpful in narrowing down the list and tracking changes in engagement over time.

Weekly gift reports

Monitor weekly gift reports to help identify new people to qualify based on a spike in giving. If someone makes an increased gift, they would be a great candidate to qualify for a major gift. A conversation with them not only to thank them for their increased giving, but also to find out what motivated the gift and whether they're interested in deeper engagement with you would be helpful at that moment.

TRAINING

Calling scripts and sample responses

Qualification is all about having a conversation with someone and practicing active listening—this is true whether you have the discussion over the phone or in person. It's helpful to create a script to guide the conversation and anticipate what questions they might have and how you would respond to them.

Sample questions you could ask the donor include:

- Thank you for your recent gift. I'd love to hear what motivated an increase in the amount.
- How did you first become involved with our organization? Are there other ways you would like to be more involved?
- What do you perceive to be the greatest strengths of our organization? Areas for improvement?
- What other nonprofits are you involved with?

Remember to be flexible, allow for the conversation to flow naturally, and be ready to answer common questions about your organization's key programs and priorities. If you're in a campaign, they might ask about how that's going. And if there's been a recent issue that has attracted media attention, you should be prepared for questions about that. At the end, determine what potential follow up might be appropriate.

Tracking guidelines for database entry

As much as it's important to have the qualification conversation, it's equally important to document the interaction in the database. Here at Campbell & Company, we subscribe to the adage that "if it's not in the database, it didn't happen." Be sure you have clear procedures so everyone knows where this information is stored and so you can pull reports that help you monitor progress.

Organization of statistics and information to share with leadership

We also recommend you think about how to present the results of your qualification work to leadership. It's important to keep them informed of your progress and the outcomes of this outreach. Presenting the information in a consistent format and on a regular basis will help them understand development and support the allocation of resources.

Regular training and/or role playing

Because you don't really know the prospects you're trying to qualify all that well, these conversations may not come naturally to team members doing the outreach. It's important to provide training to make sure everyone understands the process and knows their role. An important part of the training could include role playing in which you hone your opening, work through how you might answer tough questions, or practice how to manage the conversation flow.

LEVERAGING RESOURCES

Dedicated qualification staff

If you have the budget and prospect pool, you can hire dedicated qualification staff whose sole responsibility and focus is qualification. This can be appropriate for larger shops that have a naturally renewing constituency, providing a steady stream of prospects (such as a hospital with grateful patients). They can tackle qualification in a high throughput manner, focus on using the phone for outreach, and qualify as many as 5,000 prospects in a single year. Individuals with a sales background are often very well suited for this type of work.

Existing annual giving and major gifts staff

For smaller shops, we recommend you look to your existing annual giving and major gifts staff since these team members are already in a forward-facing fundraising role. They might need a little structure around their qualification work to ensure it happens consistently and to help you grow your major gift portfolios over time.

Non-frontline fundraising staff

Small shops may be able to capitalize on younger, hungrier development associates and coordinators to facilitate this work. They might require a bit more training, but it's a great way to help them grow into a forward-facing fundraising role. For those in education settings, you could also leverage existing student callers and integrate qualification into your annual fund work when thank you calls are made.

Volunteers

Another option is to leverage volunteers. Many of you may already ask your board members to make thank you calls to donors for recent gifts, and we encourage you to ask them to include a few more questions that will help you qualify these donors. Help your board members and other volunteers understand what a great opportunity it is for them to learn who might be a good major gift prospect.

Consulting partners

Campbell & Company routinely conducts qualification calls for clients. We identify the prospects and send them a letter from the head of the organization ahead of the call. Our consultants then make several phone call attempts. Qualified prospects are passed on to staff, ensuring that limited staff time is dedicated to cultivating the best prospects.

Professional resources, calling programs

Other companies specialize in large-scale calling programs and can reach a higher volume of prospects. If you were interested in growing your planned giving program, for example, you could hire a company to make calls to all your donors who have made gifts for 20+ consecutive years and qualify them for planned giving.

Pro Tip: Consider how you can leverage LinkedIn connections, social media interactions, surveys, and other outreach methods in the qualification process.

MEASUREMENT AND METRICS

The impact of your qualification program relies squarely on measurement and metrics. As qualification ramps up, developing measurements and metrics ensures that the qualification program remains valuable as prospects are qualified and disqualified. Because this work does not typically result in an immediate major gift, you can't rely on major gift donations alone to measure your program's success.

STAFF OUTREACH	Use standard annual or major gift metrics, including number of calls and visits
PROGRAM IMPACT	Focus on prospects disqualified and assigned rather than dollars raised
ONGOING ADJUSTMENTS	Respond to organizational changes, events, and other engagement opportunities
ANNUAL IMPROVEMENTS	Consider small tweaks to strengthen program outreach and results

Look at indicators such as: how many outreach attempts does it take to make contact? What is the typical qualification rate? What seems to be the most effective method of outreach for your donors?

You should refine your program annually based on what you learn. Once qualification begins, the pool of prospects to qualify decreases, so understanding how to maximize your efforts is critical. As you launch your program, you will learn things along the way that are specific to your organization and donors.

REMEMBER, QUALIFICATION TAKES TIME, RESOURCES, AND—ABOVE ALL—DEDICATION.

For more guidance and to learn how Campbell & Company can help you grow and refine your qualification program, please contact:

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