From O.K. to OMG!:

How to be an Extraordinary Planned Giving Professional

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Executive Summary

A good planned giving officer can quickly establish a successful program at a nonprofit organization firmly committed to both the strategy and the development professional. However, it takes added effort and a tenacious attitude to be extraordinary. Assess your planned giving program and your own activity to determine if there's room to grow from okay to exceptional, or assure yourself that your efforts are already top-of-the-profession because you have in place the donor interaction, strategic planning and reporting needed to be among the best.

Contents

The Road to Success

Over the past 25 years, I've enjoyed a successful career as a planned giving officer and now as a consultant on planned giving analytics and implementation. I've been fortunate to know and work with other talented planned giving professionals as well. Taking a look back recently, I started to recognize the steps we'd taken to get there. There isn't a club you need to join or a test you need to take. There isn't any specific training regime that will certify you as an outstanding planned giving professional. Rather, the common characteristic that distinguishes this group and makes a planned giving program exceptional is a determined willingness to make prospect outreach and communication your number one activity.

Let's start with a few thoughts on what I mean by *outreach* and *communication*. *Outreach* is prospect-centered and takes into consideration all of the ways we talk with our donors and constituents about the organization we represent and the opportunities that are available to create significant charitable gifts that will mature at some future date. Reaching out for this purpose requires the use of every method possible. The most important, though, is personal interaction. Here's a list of the many ways you can and should reach out, presented in order of importance:

- Personal (face-to-face) interactions between the constituent and an organizational representative, whether paid or volunteer, which includes one-on-one meetings as well as group gatherings
- Peer-to-peer interactions with friends/others also involved with the organization and its planned giving opportunities

Continued on following page

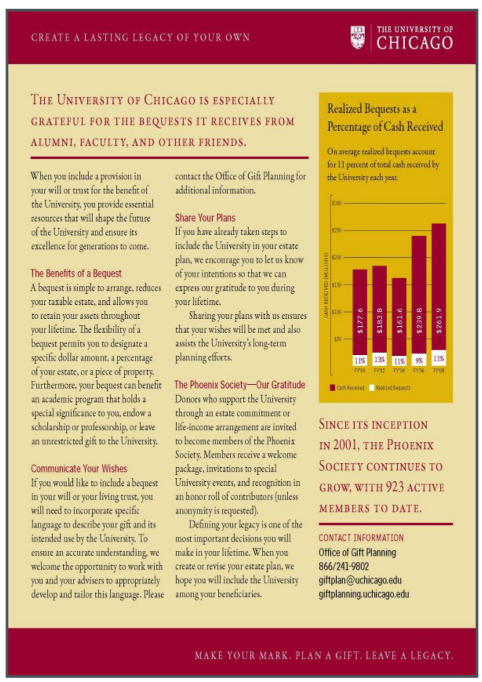
- Telephone conversations for Baby Boom-aged prospects and older; email for Boomers and younger
- Media, both mainstream if your organization uses it, and internal, through the use of your own publications such as magazines, newsletters, and the like
- Mail
- All communication methods that drive constituents to your website
- Social media sites

This list, while extensive, takes advantage of every communication channel available and will reach current and future planned gift donors of all the appropriate ages.

A recent survey on donors in Canada[1] concluded that multi-channel fundraising is not the future; rather, it is today's reality. While percentages of users vary by generation, the contributors to the study cited all of the above channels as appropriate and acceptable by Gen X, Gen Y, Boomers, and Civics[2] alike.

Communication, on the other hand, is both internal and external. If your organization's leaders, your colleagues, and your constituents don't know what you're doing or don't understand the importance of planned gift revenue, you won't be considered successful. You must plan and deliver communications, conversations, reports, and marketing pieces that position the planned giving effort as an integral part of the overall fundraising program.

These communications must be consistent. Externally, they should report the significant value that legacy gifts have made to your organization. This should be reported annually, at a minimum. The University of Chicago uses a one-page document that encompasses fiscal information, stewardship, and an urge to notify. The piece is simple to read, visually appealing, and can be easily updated and disseminated in myriad formats. Internal communications report your personal objectives and progress toward those goals, as well as the program's goals and progress. Personal goals include things like visits and contacts, plans to increase or evolve the components of the program, and your personal activity. Program goals include marketing plans and expected responses, future gift expectancies uncovered, gift annuity contracts signed, and revenue receipts. Both personal and program reporting should include year-to-year as well as three-to-five-to-ten-year average growth comparisons. For a full discussion on reporting programmatic achievements, read William D. Samers' and Steven L. Meyers' paper, "Planned Giving in the Big Picture: Talking About Your Numbers to the People Who Count."[3]


CREATE A LASTING LEGACY OF YOUR OWN

THE UNIVERSITY OF CHICAGO

THE UNIVERSITY OF CHICAGO IS ESPECIALLY GRATEFUL FOR THE BEQUESTS IT RECEIVES FROM ALUMNI, FACULTY, AND OTHER FRIENDS.

When you include a provision in your will or trust for the benefit of the University, you provide essential resources that will shape the future of the University and ensure its excellence for generations to come.

The Benefits of a Bequest

A bequest is simple to arrange, reduces your taxable estate, and allows you to retain your assets throughout your lifetime. The flexibility of a bequest permits you to designate a specific dollar amount, a percentage of your estate, or a piece of property. Furthermore, your bequest can benefit an academic program that holds a special significance to you, endow a scholarship or professorship, or leave an unrestricted gift to the University.

Communicate Your Wishes

If you would like to include a bequest in your will or your living trust, you will need to incorporate specific language to describe your gift and its intended use by the University. To ensure an accurate understanding, we welcome the opportunity to work with you and your advisers to appropriately develop and tailor this language. Please contact the Office of Gift Planning for additional information.

Share Your Plans

If you have already taken steps to include the University in your estate plan, we encourage you to let us know of your intentions so that we can express our gratitude to you during your lifetime.

Sharing your plans with us ensures that your wishes will be met and also assists the University's long-term planning efforts.

The Phoenix Society—Our Gratitude

Donors who support the University through an estate commitment or life-income arrangement are invited to become members of the Phoenix Society. Members receive a welcome package, invitations to special University events, and recognition in an honor roll of contributors (unless anonymity is requested).

Defining your legacy is one of the most important decisions you will make in your lifetime. When you create or revise your estate plan, we hope you will include the University among your beneficiaries.

Realized Bequests as a Percentage of Cash Received

On average realized bequests account for 11 percent of total cash received by the University each year.

SINCE ITS INCEPTION IN 2001, THE PHOENIX SOCIETY CONTINUES TO GROW, WITH 923 ACTIVE MEMBERS TO DATE.

CONTACT INFORMATION
Office of Gift Planning
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MAKE YOUR MARK. PLAN A GIFT. LEAVE A LEGACY.

Getting to O.K.

Whether you're a seasoned development professional, a "newbie," or fall somewhere in between, the following are three essential elements that should be in place to consider yourself an average planned giving officer. Check off the box if you:

- ❑ Have written goals and objectives for both your personal activity and your program's expected current and future results;
- ❑ Regularly record, assess, and report your personal activity, as well as your program's results;
- ❑ Make the business of planned giving a part of your daily routine

While I've already discussed the first two bullet points, the third may be the most important to fully achieving success. You can't do planned giving every so often – it must be a part of your daily routine. Even if you have only part-time duties in the planned giving realm, you must find time to make those duties part of each day. Let's be honest – habits are hard to establish, but easy to break. So it's important that you are in the habit of conducting planned giving business every day.

An easy way to do this is by calling three people each work day who are somehow related to your planned giving efforts. Remember, it is personal outreach and communication that lead to success. So put a recurring appointment on your daily calendar to spend a minimum of 15 minutes on this activity. Try this approach:

Monday **8:30 – 8:45 a.m.** Call three people who have notified you of bequest expectancies in the past and just say "thank you" again.

Tuesday **11:00 – 11:15 a.m.** Call three board or committee members or volunteers who have notified you of planned gift expectancies of any kind and say, "Was just thinking of you and your generosity and service to this organization and wanted to say thank you again."

Wednesday **1:45 – 2:00 p.m.** Call three people who have recently responded to a marketing mailing or asked for information online to follow up on their inquiry; seek an appointment in person.

Thursday **2:30 – 2:45 p.m.** Call three people who have recently responded to a marketing mailing or asked for information online to follow up on their inquiry; seek an appointment in person.

Friday **3:30 – 3:45 p.m.** Walk to three people's desks in your office who are loyal supporters of the organization, have made a recent gift to the organization, have participated in a recent event with the organization, or have made a planned gift to the organization. Say, "On behalf of everyone here, thank you again for your thoughtful participation, not just as someone who works here, but as someone who really cares about our mission and those whom we serve."

From O.K. to OMG!

With daily outreach comes the reward of building relationships with a multitude of others committed to your mission's success. If you do what I've suggested above, you'll automatically seek ways to be a better professional. You'll begin to exude gratitude for those you come in contact with, and your planned giving personality will blossom. It's a fact that I've witnessed myself and have heard others attest to as well.

Naturally, you'll seek other ways to embrace characteristics that help you grow both personally and professionally. Status quo for your personal objectives and those of your program will not be enough. These seven additional characteristics set apart development professionals who have made the leap from okay to exceptional and who have created planned giving programs with long-reaching pre-eminence.

- **Make your own legacy gift if you haven't already done so.**
  You, more than any other person, understand the importance that deferred gifts will play at your nonprofit, and your leadership will speak for itself. By putting your gift in place — not only at the organization where you work, but also at those organizations which you most care about — you will be a donor-peer, not just a solicitor. Complete a planned gift using a vehicle that works for you. Perhaps it's a gift in your will or trust or a specific amount or percentage from a life insurance policy. Think of leaving a small bank account to your charity.
- **Cultivate and solicit both your volunteer leadership and your organizational insiders for their personal planned gifts.**
  A legacy leadership campaign is a fairly simple one, but it must be done well and it must be done right. Think of its structure like that of a capital campaign. Start with lead gifts and move down the giving pyramid. Your gift is in place and you now cultivate and solicit your fellow solicitors, if there will be any. Together you approach your internal leader and ask him or her to make a planned gift as well. From there, your leader and development head solicit your volunteer leadership. A peer staff person solicits other key staff. Success comes from planning, communicating the plan to the intended planned gift prospects, and personal (face-to-face) solicitation – the most important element of all.
- **The most successful component of your program is not marketing, but a strong and very proactive outreach effort.**
  Phone calls, personal visits, voice-to-voice, and face-to-face contact is the norm — not the exception — for your planned giving communications. You understand that people give to people, not to marketing campaigns. Your door is closed, not to keep out co-workers, but to have meaningful and private conversations with legacy donors and prospects. I recommend that you work up to at minimum of one hour each day being devoted to phone time. Your effort here is the foundation of your personal and programmatic success. No other activity replaces it, and nothing should get in your way of completing it. Let's be frank, while editing a newsletter article may seem important, the activity in itself will not secure one appointment for you. On the other hand, daily phone calls will secure many. Your office lights are turned off, not because you like working in the dark, but because you are not in the office. At least one day a week you are sharing time with your growing number of planned gift donors and loyal constituents, whom you are cultivating for

future planned gift commitments. Set a goal of one to five appointments per week, depending on your other duties. Even more than phone calls, face-to-face meetings pay off. Some of your appointments serve as cultivation for future gifts, others are solicitations to make gifts, and others concern stewardship of gifts that have already been completed. If you doubt this formula and need confirmation from an actual donor, check out the brief donor interview on www.nonprofitexpert.com. Read it and then pick up the phone and make a call![4]

- **Meaningful gift acceptance policies are in place and you lead an annual review of them.**
  The policies inform your marketing and communication efforts and keep your outreach, goals, and reporting elements on track as well. If you don't have policies in place, you should plan to correct that. Read my other white paper, *Why You Need Gift Acceptance Policies*, to understand their importance and how to get started.[5]
- **Market and discuss the "right" planned gifts with your prospects and have a written, flexible three-to-five-year marketing plan in place. Your budget must also be adequate to accomplish your marketing goals.**
  While personal outreach should be your motto, marketing planned giving concepts to a larger audience is an essential element, too. However, since not all gifts are created equal, your organization will want to market only those that make sense and forego the urge to be all things to all donors. Start by marketing bequest gifts. Since 90% of all planned gifts are bequests, this makes sense. Bequests are not complicated and sample language can easily be provided to your prospects. These gifts are most often cash, and they average around $50,000 each in the U.S. and around $30,000 each in Canada. Target your most likely prospects with emotional, mission-driven donor stories and testimonials and save the technical components for your personal conversations. Focus on the person-to-person appeal of a really great visual marketing piece and use it over and over again. Resist the urge to write a lengthy donor story that loses the audience's attention and instead, quickly urge the reader to seek more information or answers to questions. Terrific examples can be found at the Partnership for Philanthropic Planning sponsored website www.LeaveALegacy.org.

  With high average gift levels, your concentrated efforts with the right prospects could put into place bequest gifts of more than $1 million in a short period of time. Think of it this way: Working to secure one bequest gift of $50,000 each week creates an expectancy pool of $1 million in only 20 weeks! That said, planned gift marketing results should be reviewed and analyzed over a longer period of time than annual gift or direct response campaigns. A single-year analysis does not respect reality. People make planned gifts at a time convenient and in sync with their personal financial goals and life stages. As much as we'd like it to be different, there is no urgency in planned giving. The organization is not going to cease to exist, nor stop offering certain services because your constituents didn't draw up their wills this year. Patience is tempered with results. Over a longer period of time, the real result of your marketing effort will begin to surface. Going forward, you should plan on reporting three- or five-year rolling results with an occasional programmatic lifetime analysis as well.

- **Use data and statistical analytics to focus your efforts on those most likely to make a planned gift to your organization.**
  Data analysis is a science and requires more than anecdotal record selects to succeed in identifying your best prospects. It's a fact that most people actively engaged in estate planning are younger than we may think. They are also more philanthropically-minded than their parents and grandparents, who waited longer to make their legacy gifts. Rudimentary formulas based on age and loyalty have been replaced by sophisticated analytic modeling products. Target Analytics can be your partner in identifying prospects appropriate to market for various planned gift types and uses client-specific data to do so. Predictive giving behavior models separate great prospects in your database from unlikely prospects, and, more importantly, identify "must see" prospects as well.
- **Finally, you have an established recognition and stewardship program in place that provides the same or similar treatment of donors as your organization's major gift recognition and stewardship programs.**
  Like all other donors, planned gift donors must be tended and thanked on a regular basis. More likely than not, the legacy gift they have established for you will be their largest gift to your organization. Treatment that belies or ignores this fact is unforgiveable. These are major donors. Be certain that you respect them as such and they will reward you with larger current gifts, longer gift-giving cycles, and increased affiliation. Disregard them and they will take their gifts — all of them — to another organization.

Why Planned Giving Fails

Lawrence Henze, J.D., a founder and managing director at Target Analytics, offers his theory on why planned giving programs and professionals fail. First, he says, we tend to target the wrong prospects and look at current giving levels or wealth over loyalty. Second, we send the wrong appeal and focus our legacy gift message on financial and tax implications instead of moving people to action with emotional testimonials and examples. Third, we frequently ask individuals to consider a planned gift too late in a donor's lifecycle. We fail to understand the life stages at which people consider and make legacy gifts and center inappropriate attention on people who have completed their plans already. Finally, the organizational leadership chooses to forego planned gift cultivation and solicitation in favor of major gift solicitation. He calls this the "cash is king" mentality and warns that it must be avoided. Start-and- stop planned giving marketing also sends the wrong signals and confuses prospects, so implement your plan consistently over time. Both current and future gifts are important to the life of the organization, and both are consistent priorities.

Conclusion

Leaders in planned giving agree. Studies and surveys assessing success state it as well: if you want to move from O.K.to OMG!, you must assure that you have in place the donor interaction, strategic planning and reporting that characterizes the best. When you do, extraordinary things will happen!

About the Author

Katherine Swank joined the Target Analytics team in 2007 with more than 25 years of legal and nonprofit management experience. Prior to joining Target Analytics, she was the national director of gift planning at the National Multiple Sclerosis Society, where she provided fundraising consulting services to the Society's chapter leadership and development staff for six years. Katherine has raised over $215 million during her career, with a focus on planned and major giving. As an affiliate faculty member of Regis University's Masters in Global Nonprofit Leadership program in Denver, Katherine teaches classroom and online courses on wealth and philanthropy in America. She is a member of the Arizona State Bar and a past president of the Colorado Planned Giving Roundtable. In 2010, Katherine was inducted into Target Analytics' Hall of Fame, which recognizes team members who epitomize excellence in service and was named as one of the top ten participant-rated speakers at Blackbaud's 2010 Conference for Nonprofits. She earned a BA in counseling and education from the University of Northern Colorado and a Doctor of Jurisprudence from Drake University Law School in Des Moines, Iowa. You can contact Katherine at Katherine.Swank@blackbaud.com.

[1] The Next Generation of Canadian Giving, contributors hjc, Stratmore & Convio, November 2010, www.hjcnewmedia.com/nextgencanadiangiving/

[2] Civics (b. 1945 or earlier); Boomers (b. 1946-1964); Gen X (b. 1965-1980); Gen Y (b. 1981-1991).

[3] "Planned Giving in the Big Picture: Talking About Your Numbers to the People Who Count", by William D. Samers and Steven L. Meyers, Journal of Gift Planning, Volume 8, Number 1, March 2004. Access this article through the Planned Giving Design Center. Complementary membership to PGDC may be required for access.

[4] How One Donor Spends $50,000 Annually with Planned Gifts of Over One Million, www.nonprofitexpert.com/how_one_donor_spends.htm.

[5] Read the white paper at www.blackbaud.com/files/resources/downloads/WhitePaper_WhyYouNeedGiftAcceptancePolicies.pdf

About Blackbaud

Blackbaud is the leading global provider of software and services designed specifically for nonprofit organizations, enabling them to improve operational efficiency, build strong relationships, and raise more money to support their missions. Approximately 24,000 organizations — including The American Red Cross, Cancer Research UK, Earthjustice, International Fund for Animal Welfare, Lincoln Center, The Salvation Army, The Taft School, Tulsa Community Foundation, Ursinus College, the WGBH Educational Foundation, and Yale University — use one or more Blackbaud products and services for fundraising, constituent relationship management, financial management, website management, direct marketing, education administration, ticketing, business intelligence, prospect research, consulting, and analytics. Since 1981, Blackbaud's sole focus and expertise has been partnering with nonprofits and providing them the solutions they need to make a difference in their local communities and worldwide. Headquartered in the United States, Blackbaud also has operations in Australia, Canada, Hong Kong, the Netherlands, and the United Kingdom. For more information, visit www.blackbaud.com.