



The Mark Randall Company

Malibu, California [800] 455-5543

MAJOR GIFT FUNDRAISING: Observations and Axioms (for lay leaders and professional staff)

- **People seldom make major gifts** without being asked to do so directly. This observation holds true even for the most committed and those closest to the cause.
- **People make major gifts** for a variety of reasons. But the *most important reason* is the *right person asked*.
- **Despite what is commonly assumed**, tax-deductibility seldom is an important reason for giving. Don't rely on it.
- **Major gift giving primarily** is *leadership-driven* — *not cause-driven*. Relying solely on your cause will generate little more than token giving — which is neither generous nor thoughtful.
- **Never underestimate the *example* of giving** set by the asker. The prospect will weigh what is being asked of him/her with what the solicitor has done.
- **A gift which is perceived by others** as *thoughtful, generous and proportionate* will help elicit a similar level of giving, even among those who are *not* peers.
- **The thoughtful and successful solicitor** asks both *rationally* and *emotionally*.
- **Always rely on personal research.** Aim high, but be realistic. Don't ask for \$50,000 if all they can afford is \$5000 — but don't ask for \$5000 if they could afford \$50,000!
- **Never ask alone!** It is easier to say "no" to one person than to several people.
- **Always ask for a *specific amount*.** Vague requests get vague responses, demeaning both the process and the people involved. Ask directly and specifically with sensitivity and conviction.
- **Your best asker is one who is a *good giver*** and whose place in the community is commensurate with the people he/she sees.
- **Don't rely on publicity to raise money.** People give serious money to *people*, not to billboards, videos, society page articles or needy institutions. Remember, the *messenger*—*NOT the message*—causes people to give!
- **Publicity may help** by creating a positive atmosphere and more receptive constituency—conditions under which serious money can be raised more readily.
- **Caution! Publicity also can hurt**, make you controversial or have no effect at all. With a one in four chance of gaining a benefit, don't rely on it for your success.
- **The most critical ingredient** in a successful campaign is *not* the case — it is *volunteer leadership*.
- **What you do *ahead of time*** is what counts most in organized fundraising. (This is why knowledgeable professionals insist on doing a feasibility study prior to a campaign.)
- **No ethical, reputable professional**, whether consultant or development officer, *ever* works on a commission or percentage basis.

- **To raise serious money**, five essential elements must be present: a *cause*, a *volunteer leader* willing to give and ask others, a *supportive volunteer board or committee*, a *constituency* and *experienced, knowledgeable professionals* who know how to put it all together.
- **The best volunteer leaders** and professionals don't fear pressure. They seek it and use it to full advantage. Without leverage, nothing moves—campaigns break down and fail.
- **Gifts from corporations and foundations** have little or no effect on thoughtful and proportionate giving of individuals. (Smart professionals know *matching* and *challenge grants* are helpful, but cannot replace the multiplier effect of a financially committed volunteer solicitor.)
- **Organized, major-gift fundraising** should proceed from the inside out, starting with the board of directors and your organization's "family" of donors, your constituency, recognizing the further removed from the nucleus of the cause, the smaller the gift and the higher the cost (law of diminishing returns).
- **Eighty percent of the money raised** typically comes from 20% of your donors ("Pareto's law" or "80/20 rule").
- **It takes money to make money.** Costs are determined more by *fundraising methodologies employed* and the *nature of the cause* (how compelling or difficult the case is to explain) than by any other reasons.
- **Organizations relying on special events** and mass mail appeals tend to have higher fundraising costs than those which focus their resources on personal solicitation.
- **Direct mail and special events** are poor substitutes for personal solicitation, due to their high direct and indirect costs (dollars spent and staff/volunteer time used). These activities should *complement* personal solicitation of major gifts, not replace major gift development.
- **Look for a leader with these traits:** *wealth, influence, outreach* into the community power structure or specific constituency (if the cause is a "closed" constituency as opposed to an "open" one), *credibility, respect, business acumen* and *visibility*.
- **In an organized fundraising effort**, you seldom will raise more than 10 times your largest individual gift.
- **How does one become a good solicitor?** First, by being a good giver; then learning how to ask directly and sensitively; finally, by soliciting others, especially in the presence of a good professional who can assist, as well as critique the solicitor's performance later.
- **Announcing a campaign** as it begins is a trademark of amateurs.
- **"Needs" and "goals" are *not* the same!** Goal-setting depends on strategy and circumstances. You can set a *low goal, high goal, no goal* or *realistic goal*. You may set an *internal goal* and *external goal*. Rely on a seasoned professional to help you. Whatever you do, *don't* announce your goal until you are reasonably certain you know success is within reach.
- **If you don't secure a lead gift** of at least 10% of what you want to raise, the odds are you will not be successful.
- **The major reasons campaigns fail** are *weak leaders, inadequate solicitors* and *incompetent professionals*.

*We know your success and satisfaction are essential to ours.
If you want to explore how we can use our knowledge, experience and expertise to help you, call us. There is no obligation.*



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