

INDIVIDUAL MAJOR GIFTS: KEY TO SUCCESSFUL FUNDRAISING

While most among our nation's estimated 1.5 million non-profit organizations will not likely be able to attract mega-gifts like those reported in *The Chronicle*, generosity abounds throughout our nation. Nevertheless, for those non-profits willing to invest required effort and resources, major gifts from individuals at the \$10,000, \$25,000 and \$50,000 gift levels can help secure financial sustainability. If your organization is considering adding or expanding major gift efforts in its overall financial development program, I offer the following perspectives.

Anniversary galas and charity auctions can be fun. Foundation grants are certainly valued. Companies can be encouraged to support local causes. But we need to keep in mind that over 80% of American philanthropy – which exceeded \$390 billion last year – comes from individuals. While E-blasts, websites, and Uncle Sam's mail delivery service can be helpful in securing individual gifts, the key to gaining major gifts from individuals is personal contact; i.e., enthusiastic volunteers and staff engaging in meaningful conversations with identified potential major donors.

I don't know where you live and work, but in the Greater Los Angeles area there are over 40,000 non-profit organizations seeking support. I'm sure in your area philanthropic competition is just as intense. And, to compete successfully for people's time, attention and resources there is just no substitute for "the personal touch"!

I have found that many non-profit organizations shy away from a more personalized approach to gaining major gift support from individuals. It takes time and effort to compete successfully. Here are some facts to consider when looking at the alternatives.

- **Special Events Fundraising:** Great for generating enthusiasm, and typically results in 50% to 75% net proceeds with exhaustive use of volunteers and staff... the time from whom is not often calculated in determining net results.
- **Internet Fundraising:** Good in "spreading the word" with considerable investment in social media management and website development with no reliable data I've seen on the return on investment (ROI).
- **Direct Mail Fundraising:** While foundations can be easily identified and researched, non-profits with limited personal connections or prior grant support are less likely to receive major foundation grants.

- **Individual Major Gift Fundraising:** Generally 50% to 65% gift responses from identified potential major donors following a sometimes extended period of personal contact and cultivation. Costs can range from 5% to 15% of major gifts received based largely on the proportion of volunteer to professional staff time devoted.

So from the perspective of cost/result effectiveness, in my view individual major gift fundraising should be an integral part of any non-profit organization's overall financial development.