

# THREE APPROACHES TO THE RAISING OF MONEY



***...two of them will kill your program...  
...only one really works***

# THREE APPROACHES TO THE RAISING OF MONEY...



***Only One Works...  
...the Other Two Will Kill Your Program.***

**#1 Technique Driven Philosophy** is based on Awareness Events, Galas, Tournaments, Direct Mail, Newsletters, Phone Campaigns, etc. It's not that we don't use techniques but our philosophy of development can't be driven by technique. Here's the problem...

**THIS APPROACH IS NOT SUSTAINABLE BECAUSE IT'S A NUMBERS GAME AND ONLY WORKS BY BURNING THROUGH 1000s OF PROSPECTS.**

**#2 Institution Driven Philosophy** - We're making a difference...We're a good steward of donor finances...This organization is a safe place to invest...Blah, Blah, Blah. It's not that we don't "make the case" but our development philosophy can't be institution-driven. Here's the problem...

**IT'S ALL ABOUT YOU...IT'S TIRESOME...IT'S WHAT EVERY OTHER NONPROFIT IS SAYING...IT HASN'T WORKED FOR FIFTY YEARS.**

# THE CORRECT APPROACH

## The Donor-Driven Philosophy of Development

**#3 Donor Driven Philosophy** - How can we help the donor accomplish the personal goals to which they've been called? How do we partner, walk side-by-side, co-labor with, invest in, and ensure they become part of our family in a manner that considers their needs first? Donors have desires...it's our responsibility to understand what they are and make them come true. What are their interests? What constructs in their lives cross with the constructs emerging from our organization. It's at this point that there's relationship...that development occurs.

### THE ART OF RELATIONSHIP BUILDING

What tasks must we then adhere to so as to put into place a system that builds meaningful relationships with existing friends and potential supporters?

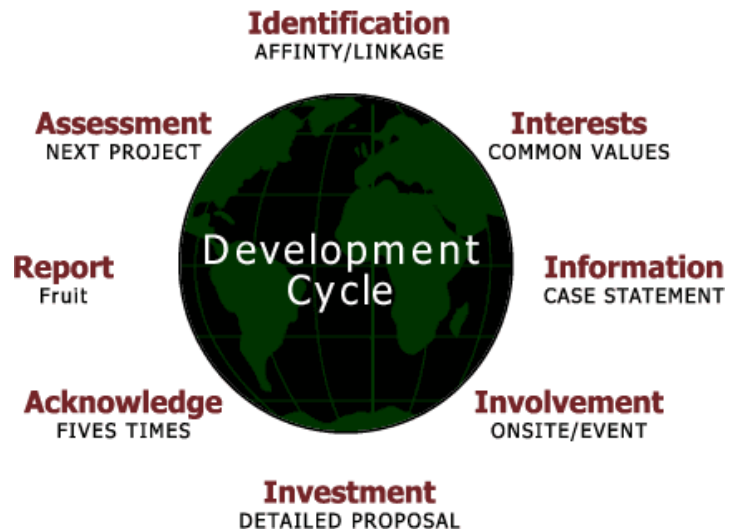
Let's explore the five "I"s of relationship building:

#### IDENTIFICATION:

How do we find major donor prospects?

Here are just a few of the different ways prospects are located.

- a. In-House Mailing Lists
- b. Direct Mail Acquisition
- c. Donor Referrals
- d. Newspaper/Magazines
- e. Receipting Strategies
- f. Honors & Tribute Programs
- g. Staff/Board/Volunteer Mining
- h. Name Gathering
- i. Civic Participation
- j. Special Events
- k. Library Research
- l. Online Research
- m. Rented Lists



#### INTEREST:

Remember the critical question. How can I help this individual accomplish their personal goals? We call it LISTENING YOUR WAY TO THE GIFT. Ask them questions about themselves; learn to enjoy your prospective donor. Know who their children are, know who their grandchildren are. Take a very personal interest in understanding the role they've played in this world, in their community, and in their home. Make a choice to comprehend the nuances of their career and vocation. Just love on'em!

**INFORMATION:**

The opportunity to share the mission of your organization with confidence is a critical moment during the relationship building process. The prospect needs to know that you believe in what you're doing. They need to understand your project, its impact, and its associated dollar amount. This is the moment when you're provided the opportunity to share with them your great dream...your CASE FOR SUPPORT. "Case" is generally shared in what's commonly referred to as a case document. This tool will answer key questions and overview for a prospect your vision to transform the world within which they live.

**INVOLVEMENT:**

It is now appropriate to seek their participation in a more active way. If you're a working for a College, get them on campus. If you're a development director for a children's home have them meet with the kids for dinner one evening. Invite them as the board chair's guest to a special event or private reception. The purpose here is to introduce them to the men, women, or children whose lives you make a difference in each day. It's important to remember that throughout the relationship cycle you must pay careful attention to the INDIVIDUAL PLAN OF CARE (IPOC) you've created to ensure you properly cultivate the prospect. IPOCs are comprised of MULTIPLE POINTS OF CONTACT (MPOC) providing you touch-points with new friends.

**INVESTMENT:**

It is now time to ask your prospect permission to make a proposal regarding their potential financial involvement in the campaign. If you've executed the relationship cycle correctly their answer will be in the affirmative. You may want to make your presentation at their home, office, or quiet restaurant. You'll use your CASE DOCUMENT & GIFT PROSPECTUS to assist the prospect in making their decision.

**ACKNOWLEDGEMENT:**

Gratitude, Gratitude, Gratitude. No matter what a donor tells you about the importance of anonymity or how they don't want any recognition, they'll still be waiting to see how you respond to their generous investment. You must meaningfully respond to their gift with immediacy. You have no higher priority than to reach out at least five times expressing gratitude for their gift.

**REPORT:**

Donors are seeking a high return on their philanthropic investment. Think about how their gift is making an impact at a specific moment for your organization and take the time to call them and communicate the difference their generosity has made. Share a story about what's happening right now as a result of their generosity.

## ASSESS:

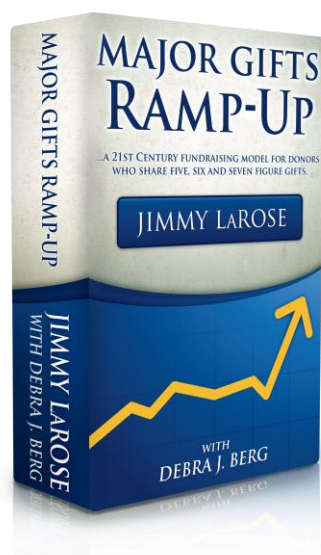
Where do you find yourself within the relationship cycle with your donor? What points of contact must occur to make sure your friendship is maintained? How can you assure them that, "They know who I am and are interested in me, not just my money."? You may also find that now is time to propose the next campaign investment opportunity. It could be as simple as asking them to underwrite a tee-box at your golf tournament or as challenging as securing an estate planning gift. You'll know when the time is right...if you have gained relationship.

## AUTHOR – THREE APPROACHES TO THE RAISING OF MONEY

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James P. LaRose, CFRE, CNC known around the world as "Jimmy LaRose the Fundraiser's Fundraiser," continues to transform nonprofit executives tasked with the raising of money in a tumultuous 21st Century economy. His passion for the nonprofit sector is without bounds and his love for the leaders who serve is unparalleled. His heroes are those men and women of the charitable world who lay down their lives daily for the hurting and the hopeless. He's spent the last twenty years supporting nonprofit sector executives, volunteers, staff and board members across six continents who spend themselves in service to others. Jimmy is fond of sharing with professionals that, "Money chases after ideas, and there will always be generous people who will amply support a great dream backed by a sound plan." Jimmy is the founder of the National Development Institute, Development Systems International and ProPlatforms.com. He is the author of the internationally recognized fundraising series MAJOR GIFTS RAMP-UP and is the designer of the MAJOR GIFTS RAMP-UP CLOUD, a complete back-office for nonprofit executives. Jimmy led the design team that established Certified Nonprofit Consultant (CNC), a credentialing process that supports nonprofit executives committed to sharing their management experience with their peers. He is the co-founder of the CauseCause.com platform, an online social media community network that supports citizens of the world committed to advancing the common good. He is the co-founder of DonorScope.com, a web-based research portal that identifies philanthropists, altruists, and leaders and their capacity to give to causes for which they personally care. Jimmy has been credentialed by the National Development Institute as a Certified Nonprofit Consultant (CNC) and holds the Certified Fund Raising Executive (CFRE) certification.



He is the founding President of the Western Maryland Chapter of the Association of Fundraising Professionals (AFP) and is a graduate of AFP's Faculty Training Academy (FTA) and has been named by the AFP as a "Subject Matter Expert" on the raising of money. Jimmy has also served as a specialist with the U.S. State Department's Speakers Bureau and has traveled the world working with embassies, foreign governments, and leaders to promote philanthropy and civil society in developing countries. He is a graduate of Indiana University's Executive Leadership Program, Indianapolis, IN, the National Planned Giving Institute, Memphis, TN, Tennessee Temple University, Chattanooga, TN and the Word of Life Bible Institute, Schroon Lake, NY. Rev. LaRose was ordained as minister of the gospel by the Ecumenical Church of Christ in 2010 to further support his service to the hurting and the hopeless around the world. Jimmy and his wife Dianne make their home in Columbia, SC and are blessed with three children and three grandchildren.



**ADDITIONAL ONLINE FUNDRAISING RESOURCES:**

[www.JimmyLaRose.com](http://www.JimmyLaRose.com)

[www.ConsultingCertification.org](http://www.ConsultingCertification.org)

[www.DonorScope.com](http://www.DonorScope.com)

[www.PAXglobal.com](http://www.PAXglobal.com)

[www.FundraisingFarmer.com](http://www.FundraisingFarmer.com)

[www.facebook.com/nonprofitdevelopment](http://www.facebook.com/nonprofitdevelopment)

[www.MajorGiftsRampUp.com](http://www.MajorGiftsRampUp.com)

[www.NonprofitConferences.org](http://www.NonprofitConferences.org)

[www.Development.net](http://www.Development.net)

[www.eMediaFundraising.com](http://www.eMediaFundraising.com)

[www.twitter.com/jimmylarose](http://www.twitter.com/jimmylarose)

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