

Building Relationships with Donors through Deep Listening

Mid Valley Development Professionals

Tom Wilson

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Advancement Planning • Fundraising • Communications • Executive Search

Tom Wilson

Trusted Advisor & Coach

- 1) Classical musician, conductor, teacher, jazz sax
- 2) 30 years of encouraging donors & nonprofits

3) Weblog –  **MajorGiftsGuru**.com

4) Certified trainer Peter F. Drucker
The 5 Most Important Questions

5) My mission

“transforming people through philanthropy to improve our community”



Winning Gifts

Make Your Donors Feel Like Winners

Wiley & Sons, 2008



I. A Winning Gift for Your Donor

- 1) People Centered Fundraising
- 2) Donor Values
- 3) Listen

II. Winning Gifts for Your Organization

- 4) Make Your Case
- 5) The Win Win Ask
- 6) Thanks, Recognition, & Stewardship

Keys to today's session

- 1) Building relationships is key to successful major gift fundraising
- 2) Collective listening can get you started toward understanding your donors
- 3) Deep listening helps build relationships enabling you to
 - Secure a higher gift at the best time from the right person



The Six I's of Philanthropic Fundraising



Six I's Step #3

Interests & Needs (Listen)

Listen for a donor's **interests** and values

How can a donation to your organization meet the donor's **needs**?

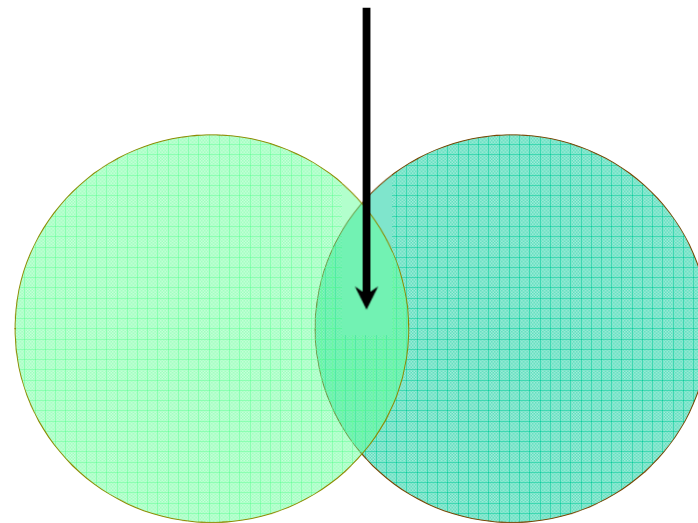
- To give back to their community
- To help others
- To be recognized
- To leave a legacy

The key to *Winning Gifts* is the ability to listen deeply

The Six I's of Philanthropic Fundraising



Match peoples' interests with institutional needs



Peoples' interests

Institutional needs



Start with peoples' needs

Use a marketing approach

“You must discover and communicate something of unique value to your customers.”

“It all comes down to customers.”

“Focus on what you will do for your customer.”

Schewe & Hiam

The Portable MBA in Marketing

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Seek First To Understand,
Then To Be Understood

Stephen R. Covey Habit #5

Empathetic Listening

Diagnose before you prescribe

Being influence-able
is the key to influencing others





First listen to yourself

Sphere of Silence

Set aside an hour a day of quiet reflection

- Sit quietly, silence is critical
- Pace, work out, or take a long walk

What went well yesterday?

- What could you have improved?

What's important today?

This week?

Listen & learn

not

tell & sell



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Listening by reading

The Chronicle of Philanthropy

AFP Magazine & E-News

The New York Times & The Wall Street Journal

Books & Blogs



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Billionaire values

“A very rich person should leave his kids enough to do anything but not enough to do nothing.”



Warren Buffett

For a great book to learn about
mega-donor values, read
The Snowball, biography
of Mr. Buffett

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Paul Allen

Idea Man 2011



The Paul G. Allen Foundation (founded 1986) distributes \$30 million annually

- \$1 billion of personal giving
 - Experience Music Project
 - Science Fiction Museum & Hall of Fame
 - Allen Telescope Array
 - WSU School for Global Animal Health
 - UW numerous gifts of significance
 - Allen Institute for Brain Science

Agreed to Giving Pledge

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Millionaire Next Door

Thomas J. Stanley

80% all of millionaires are first generation wealth

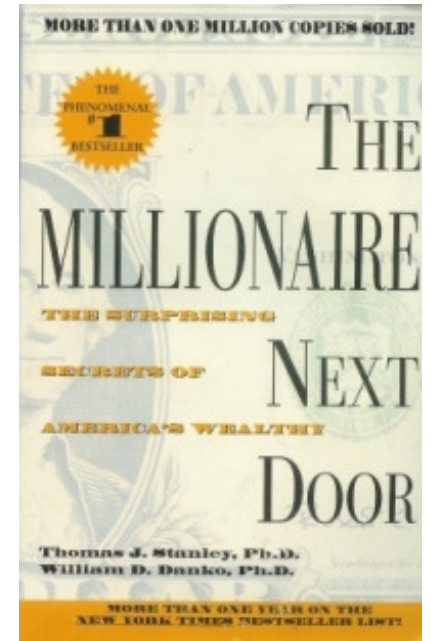
95% married

67% self employed

80% college graduates

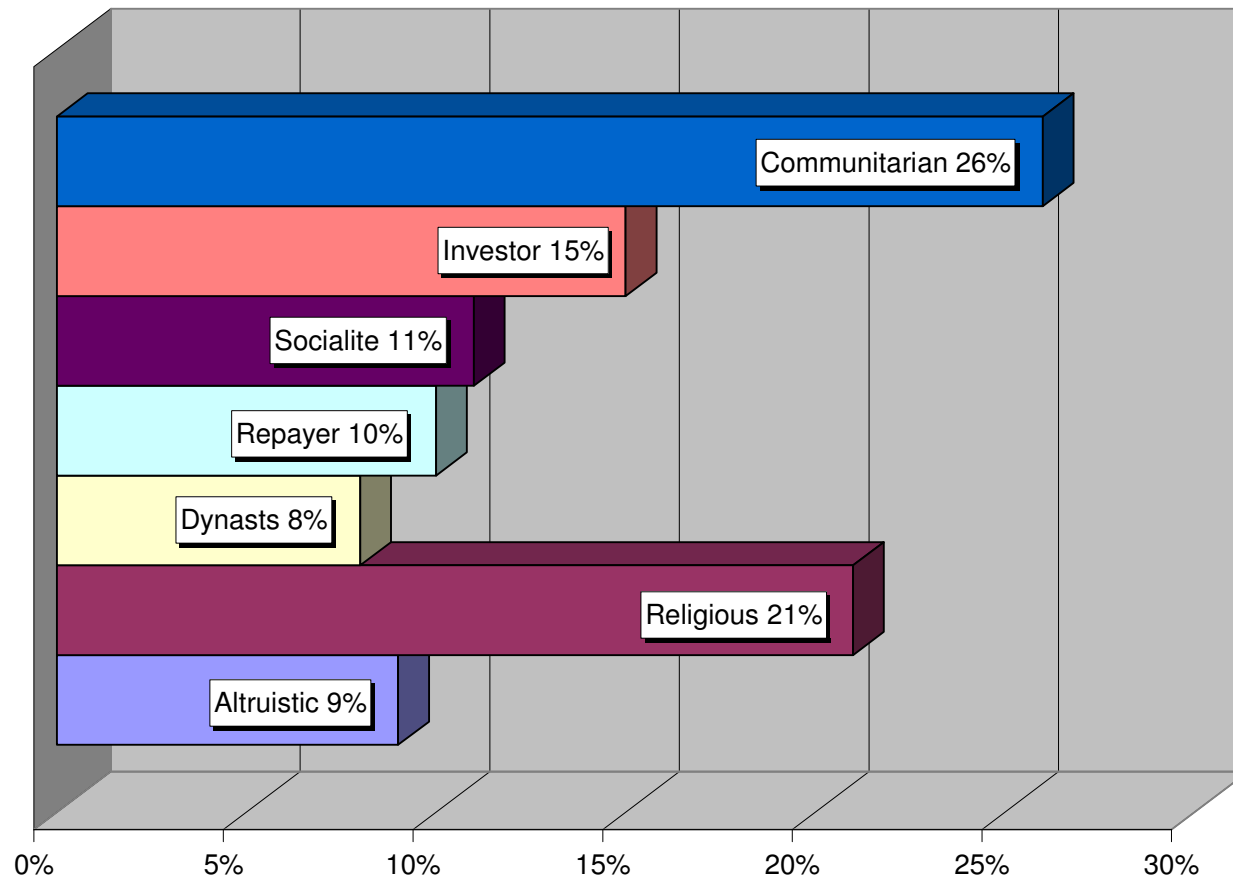
Most feel daughters are financially handicapped as compared to their sons

View themselves as “tightwads”



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The Seven Faces of Philanthropy Prince & File



The Tipping Point Malcolm Gladwell

1) The law of the few

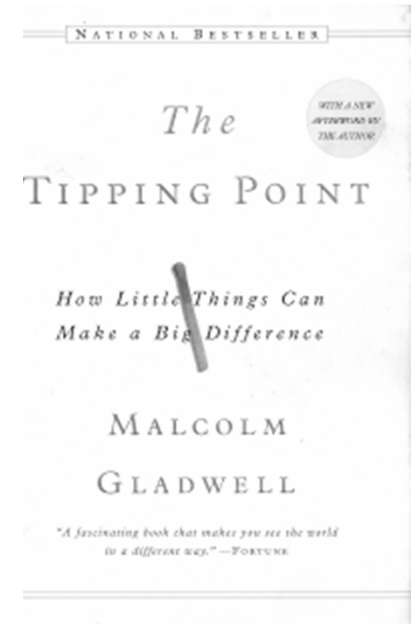
- Champions — early adopters
- Connectors — know lots of people
- Askers — skills to persuade

2) The stickiness factor

- A message with a memorable impact

3) The power of context

- Settings and small factors can make a big difference



Start with collective listening



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Constructive dissent

Peter F. Drucker




“All the first-rate decision makers I’ve observed had a very simple rule:

“If you have quick consensus on an important matter, don’t make the decision.

“Acclamation means nobody has done the homework.

“Trust requires that dissent come out in the open.”



What collective listening can you do?

Seek feedback **every** time verbally and in writing

- Board meetings
- Fundraising committee meetings
- Special events
- Participative focus group listening sessions

Societal examples of collective listening

- 1) The comment card in your hotel room
- 2) American Idol
- 3) Airline evaluation forms





Leadership briefings

Participative focus groups

Invite your best donors to a listening and feedback meeting – hold 4 to 6

1) 90 minute sessions starting with case outline presentation (30 minutes)

2) Facilitator activates discussion

a) Feedback form (5 minutes)

b) Small group discussions (30 minutes)

c) Reporting out to the whole group (25 minutes)

3) Staff listens and debriefs later

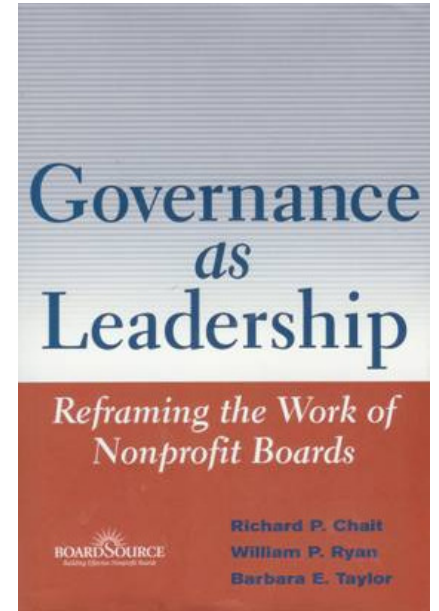
Create board discussions
so you can listen

Opportunities and problems
a new light

Tests assumptions & invites
alternative hypotheses

20 minute, 1-on-1 discussions, report out

- Which projects this year?
- A specific project case statement



*BoardSource
Wiley 2005*

Engagement surveys

Mail request for 10 to 15 minutes of their time

- Include case outline (2 up) & campaign gift table
- Survey form – 1 page legal size (front & back)
- Return envelope (BRE or stamp)
- Send to top 5% or 10% of your file
- E-mail version

How satisfied are you with ...

	very satisfied	satisfied	neutral	0
Your overall experience	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The overall quality of service provided	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Services as you wanted	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Your overall experience with our company	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Ability to provide you a good value for the money	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The comfort and friendliness of the facility	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

OVERALL SATISFACTION



Engagement survey questions for an art museum

- 1) What type of art do you enjoy?
 Contemporary Historic Both
Why?
- 2) Do you collect art?
If so, what type?
What are your collection objectives?
- 3) Why is _____ Art Museum important to you?
The community?

Based upon your review of the campaign case outline,
please answer the following questions

Straw polls

Paper ballots

Color cards

Electronic voting pads






One on one discussions

Select one person to meet with

- What have you learned so far?
- What collective listening could you do?

Be ready to report out



Personal listening to build relationships



Qualification interviews

Online prospect research is wonderful

Electronic screening provides wealth ratings

However . . .

- The best qualification process is the old-fashioned, face-to-face (F2F) interview

These qualification interviews start the relationship building process



Rate this couple



Discovery discussions



Interview to determine life stage and affinity

- Affinity detection is easy
 - Just ask
- Life stage is tougher
 - Look for clues
 - A moving target, especially in this economy
 - Frankly, none of your business
 - If in doubt, build affinity

Thank you visits

Get acquainted

- \$1,000 or more gifts
 - Deliver a memento
- Request gift designation
 - \$5,000 or more



Kaizen calls

Continuous process improvement

Gift club benefit testing

Special events sponsor
discussions to improve the event

Board retreats

- How can we make them better?

Donor stewardship

- Do you feel recognized and informed properly?





Create your case for support through deep listening

Start with your mission, vision, strategic plan

Then, start listening

- Conduct background interviews to discover the 3 key priorities of your organization
 - Administrative leaders
 - Program managers and other key professionals
 - Board members
 - Long-term donors



The philanthropic market research study

The study (feasibility or planning) is a massive listening exercise

- Don't miss the opportunity
- Don't rush the process
- For every consultant interview staff should do an interview
- Readiness interviews after the study are another best practice



Philanthropic market research study questions

- While not an ask, where do you see yourself on the gift table?
- Where are we on your priority list of charitable giving?
- Have you ever considered a planned estate gift for our cause?

Internet listening strategies

Ask people for feedback through your website

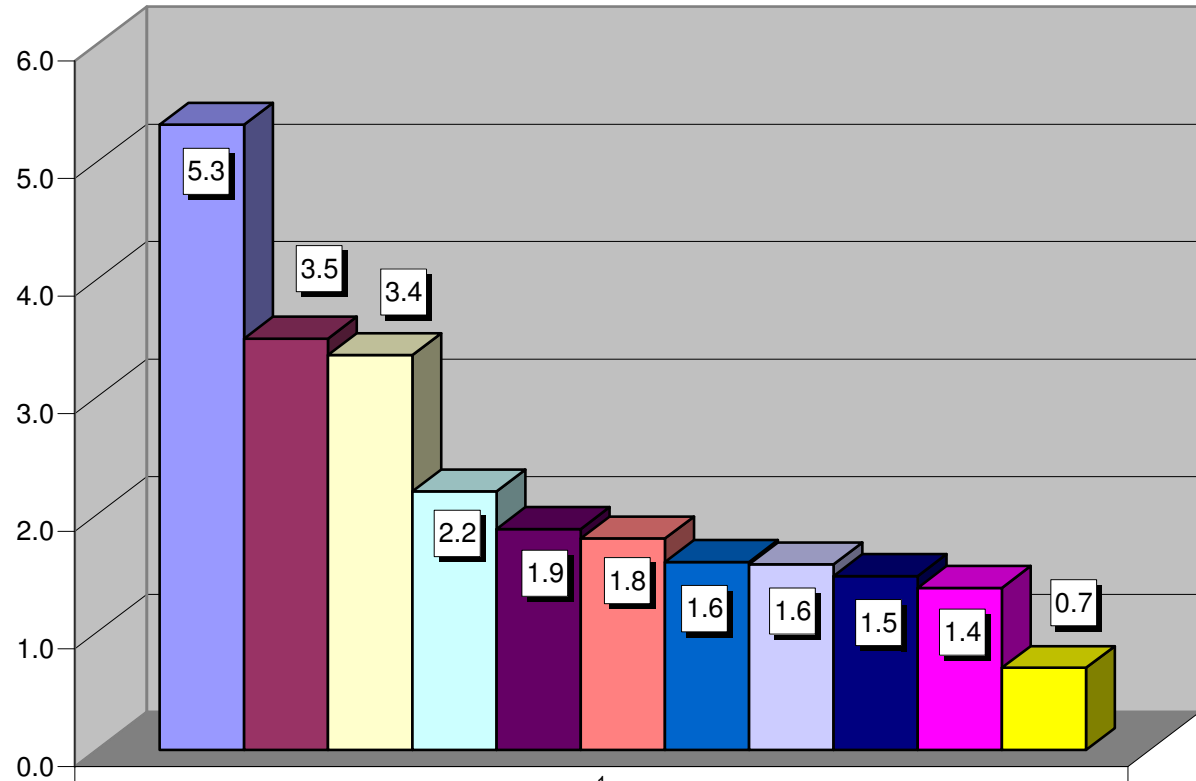
University of Pennsylvania's donor pop-up

Allow comments on your blog



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Market research



	1
Nurse, Physician Recruitment & Retention	5.3
Hospital Remodel	3.5
Endowed Chairs	3.4
Hospice	2.2
Education Scholarships for Healthcare Professionals	1.9
New Technology	1.8
Aspen Basalt Healthcare Center	1.6
Direct assistance for people in need	1.6
Grant support for local health & human services organizations	1.5
Senior Services (CCRC)	1.4
Mental Health services	0.7

Become a deep listener



Peter F. Drucker

The 5 Most Important Questions



“The questions, ‘What do customers value? What satisfies their needs, wants, and aspirations?’ is so complicated that it can only be answered by customers themselves.

“There are no irrational customers. Almost without exception, customers behave rationally in terms of their own realities and their own situation.”

Matt Oechsli

The Art of Selling to the Affluent

“You must replace your ‘sales pitch’ with a questioning process that provides you with vital information about your customers and their families while helping them discover how what you offer can successfully satisfy their needs and desires.”



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Reader or listener

Drucker – *“it’s like being either right or left handed”*

Of course, ask

- The person may not know
- You may not be able to discern
- You have a mixed group

Learning theory – present verbally and visually at the same time

- It’s better for everyone



Zen of Listening

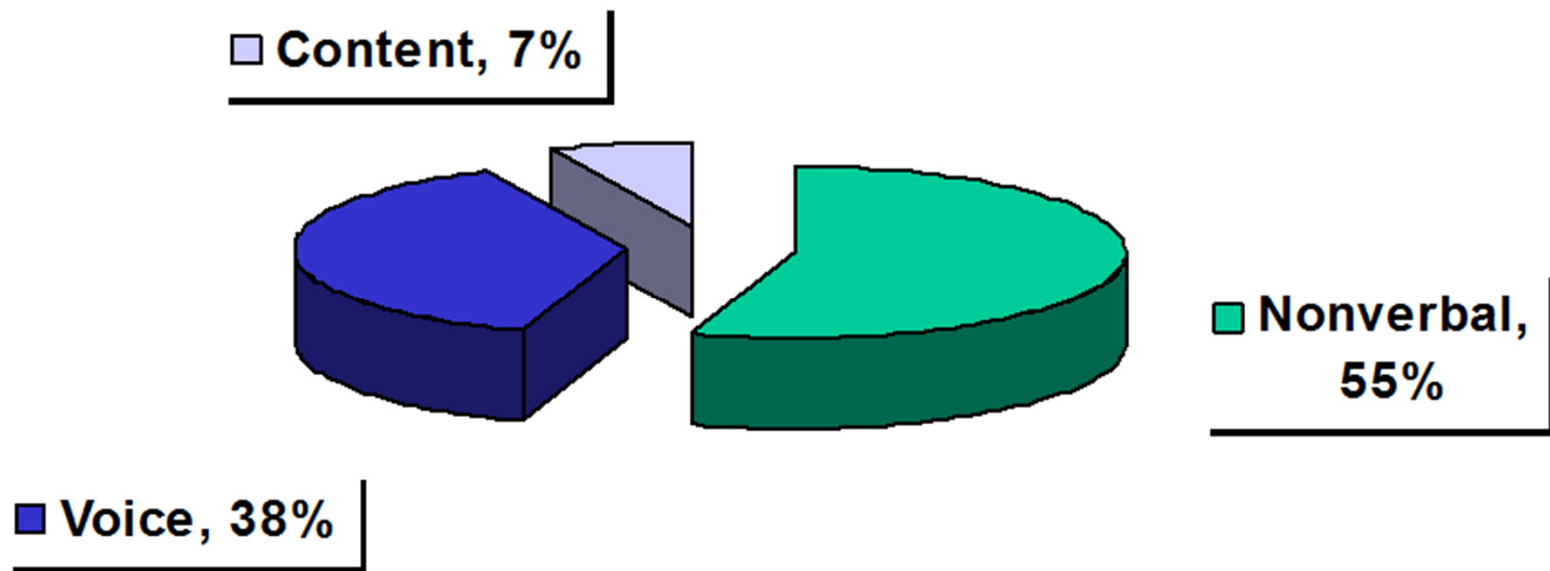
Rebecca Shafir

*“Silence is virtuous in **its ability to make your speaker feel good** about himself.*

*“Silence **allows the speaker’s deeper thoughts to surface**, thoughts that often contain solutions to problems.*

*“When you allow your speaker the time to think out loud in a supportive environment, you set the stage for her empowerment, and **she will want to be in your company more often.**”*

The importance of face-to-face meetings





The 8th Habit: from Effectiveness to Greatness
Stephen R. Covey

5 levels of listening

- 1) ignoring
- 2) pretend listening
- 3) selective listening
- 4) attentive listening
- 5) empathetic listening



Listen Up

Larry Barker, PhD & Kittie Watson, PhD

Content Oriented Listeners

- Carefully evaluates everything they hear

Time Oriented Listeners

- Clock watchers

People Oriented Listeners

- Listens to understand the emotions of others

Action Oriented Listeners

- Prefers to listen in outline form

Six Parallel Ways of Thinking

Edward de Bono

Blue Thinking Hat

- Focus and organization

White Thinking Hat

- Objective facts

Red Thinking Hat

- Subjective emotions

Yellow Thinking Hat

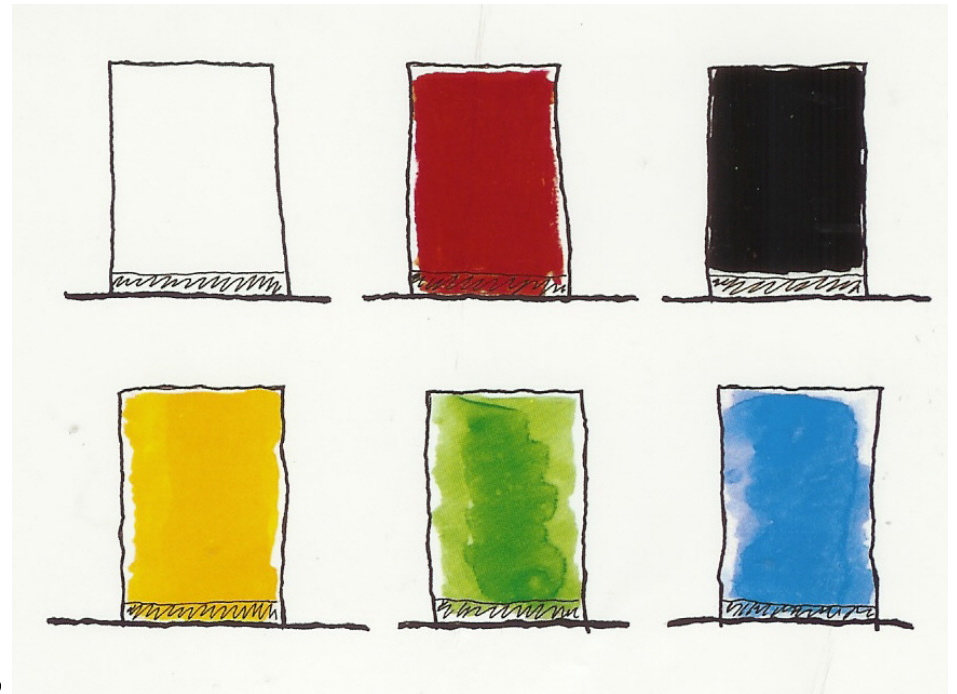
- Valuable benefits

Black Thinking Hat

- Careful assessments

Green Thinking Hat

- Creative modifications



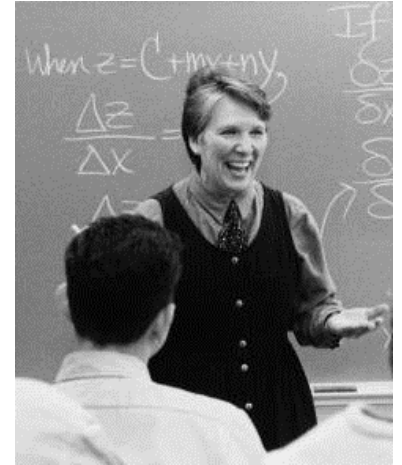
Talking & listening

The average person

- Talks at a rate of around 150 words per minute
- Listens at a rate of 500 words per minute
 - Take notes to slow down your listening
 - Without visual cues, phone listening is tough

Are you listening?

Is your donor really listening to you?





Invoke the no-ask rule

Unfortunately, too many fundraisers have trained donors that the only time we want a meeting is for an ask

Establish the ground rule – no ask, just listen

- But, it's okay to accept a gift if offered at the right target amount

Be curious



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Restate to clarify
what you've heard





Be systematic

Have a set of questions on a form

Use a notepad to show you are listening

Capture your interactions in contact reports

Be patient with your listening

- It can take 6 meetings for a big gift
- Double that for a planned estate gift

Be a keen observer

What nonverbal cues did you pick up?

Any tips from the setting (home or office)?

Dress, personal style?

Energy?

Listening and learning style?

- When did their eyes light up?





Follow-up discussions

What do you do in your spare time?
Or retirement?

What sports or activities did you do in college
and/or high school?

What's the most satisfying philanthropic
investment you've ever made?



Act on what you've heard

Prove to people you've listened by taking action

- But, don't overpromise

Listening Tools



Requesting a listening meeting

Have an authentic reason for a meeting





Use a pre-approach letter

Send reaction materials with the letter

- Have a genuine, authentic listening agenda
 - Test gift club benefits
 - Annual fund case
 - How to improve the gala

Letter PS

- Lock up your checkbook — a “no ask” meeting



The appointment setting phone call

- 1) Find the best, high-energy time of day
- 2) Use a private space and a key-points script
- 3) Stand up & smile, use your hands, think energy
- 4) Re-affirm the “no ask” meeting rule
- 5) Offer flexibility of meeting place & time

Mutual decision making

Most people have a spouse or life partner who need to be included in gift discussions

Some people will ask that family members become involved

- This trend is increasing





Preparing for the meeting

- a) Send note of meeting day, time, place
- b) Call the day before to confirm the meeting
- c) Review prospect research
- d) Check your calling book for copy of the case, reaction list



Starting the listening session

Confirm your agenda

- Verify time frame for the session

Listening

- Relationship building
 - Find out what makes them tick
- Reactions to materials

Questions for individuals



- 1) What do you do for a living?
- 2) Where do we rate compared to other nonprofits?
- 3) How did you get involved with our us?
- 4) What does your spouse / partner do? Children?
- 5) What are your dreams for our organization?
- 6) (Close your notebook) – Any other comments?



Questions

for corporations

- 1) How is the economy treating your company?
- 2) Why have you supported us in the past?
- 3) What are your corporate objectives and how can we work together to move them forward?
- 4) What time of year should we make a gift request?
- 5) Who should make the request?
- 6) How important is recognition for your company?
- 7) What other advice would you give to us?

Take notes



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*The 25 Habits of
Highly Successful Sales People*
Stephan Schiffman

“Taking notes during your meeting with the prospect helps you listen, puts you in a position of authority, encourages your prospect to open up, and sends positive signals

“There’s something about having an empty sheet of paper in front of you that really tunes you in to what is being said, and makes it more difficult for your to miss important points.”

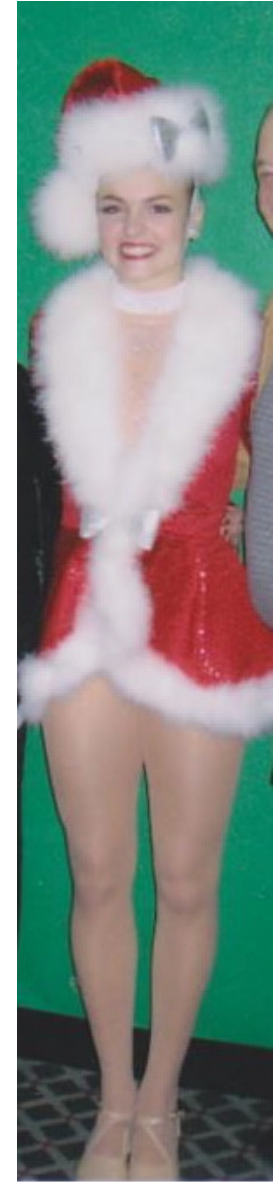
Be trust worthy



Share yourself

KT, lives in New York City,
the youngest of our 4 children
a psychology junior using distance learning
from Eastern Oregon University

- A Radio City Rockette



Listen compassionately



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Energy interruptions are okay

Even though you're there to listen, a few interruptions are okay

- They show interest
- Listen to great interviewers
 - Terry Gross of NPR's *Fresh Air*



**If appropriate, look for
opportunities for a next contact**



Listen for gifting noises

Direct indications

Hints

Passion for the cause

Telling you about other gifts they have made

A yearning for recognition





Reflective listening

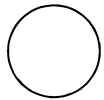
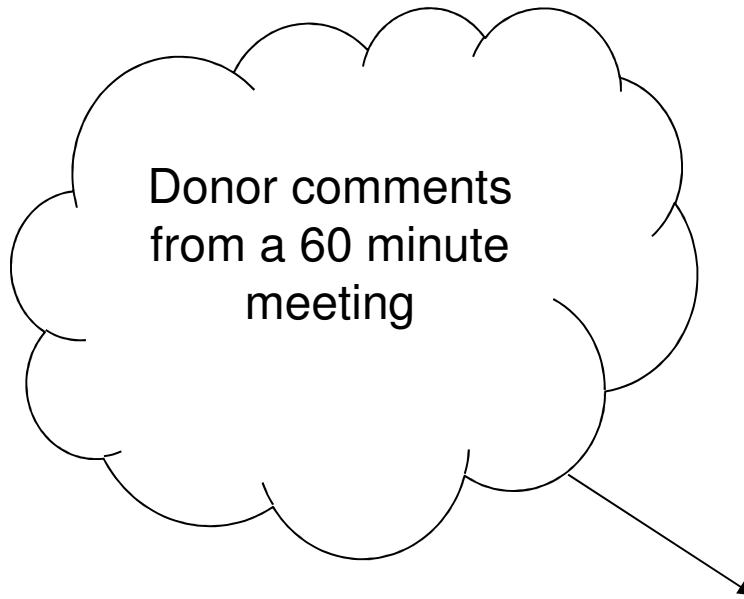
Write up your contact report

- What did you hear?
 - Use your data base
 - If not qualified for a higher gift, you're done
 - If a six-figure prospect — write a couple of paragraphs on what you discovered
 - If a seven- or eight-figure prospect — write everything you can remember
 - A total brain dump

Brain cells in my finger tips



Reflective Listening & Permanence Flow Chart





Keep track of your calls

a) Who needs follow-up actions?

b) Who is ready for an ask?

c) Use a tracking chart to follow

- Your Top 10 List
- Next 25
- Future 65

Prospect movement chart

	Confidential	Target	Volunteer	Staff	Last	Next	Notes
	9/15/2009	Gift			Contact	Six I's Step	
Top 10							
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
Next 25							
11							
12							
13							
14							
15							
Future 65							
36							
37							



Listening during the ask



How volunteers can help

1) Sign pre-approach letters to people they know to open doors for a listening meeting

2) Review your list

a) Who can they pre-qualify?

b) He can add personal notes to invitation letters

c) She can join you on door-opening meetings

Asking for a Winning Gift

The ideal ask team

Fundraising volunteer


- Open the door, present outside credibility
Ideally, make the ask

Executive Director (program staff leader)

- Share organizational vision
How this gift will benefit the community

Fundraiser

- ***Active listener***, orchestrate presentation
Ask (if needed)



The volunteer's role in an ask meeting


Review what you've heard them say about your organization's impact in the community

- How can this be strengthened?

Ask them to talk about their gift decision

Are they willing to ask?

- If so, get into training mode



The problem of
too much presenting
and not enough
listening

During the ask meeting

Present and listen . . . present and listen

- The fundraiser's job is to keep a balance

Draw out the prospect

After the ask . . .



The pregnant pause



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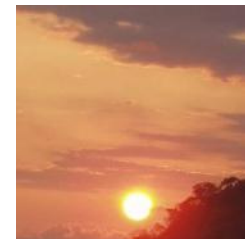
How to Raise Funds

circa 1891

Frederick T. Cates in *Study in Power* by Allen Nevins

9. Let the victim talk freely, especially in the earlier part of the interview, while you use the opportunity to study his peculiarities.

10. Never argue with him. Never contradict him. If he is talkative, let him talk, talk, talk. Give your fish the reel and listen with deep interest.



Listen to yourself

Reflective learning

- 1) Stand up, close your eyes, 3 deep breathes
- 2) Listen to yourself
 - reflect on what you've learned
 - on what resonated
- 3) Write down what you'll do differently next week



Resources

Rafael Aguayo *Dr. Deming: The American Who Taught the Japanese About Quality* (New York: A Fireside Book, Simon & Schuster, 1990).

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February 23, 2012

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