
KEEP
CALM
AND
ASK FOR
MONEY

How to Ask People for Money

"Keep calm and ask for money." Fundraising comes down to that in the end, but so often we're so scared of the second part (ask for money) that we *don't* keep calm. And then nothing happens.

This is guide takes the overview of asking for money from *The Little Book of Gold* and expands it significantly. It contains a specific plan of attack for asking individuals for money. It's the scariest part of fundraising for many people, and it's also the most impactful to your nonprofit.

Whether you are asking someone for $50, $500 or $5,000, this method is the same. Learn it now and it will help you forever.

Here's the plan of attack:

- Identifying donors
- Building the relationship (or "cultivating" the donor)
- Making the appointment
- Asking
- Thanking the donor (or "stewarding" the donor)

This is called the donor pipeline or donor cycle. If you were to map it, it would look like a cycle, because what you need to do to "steward" a donor is very similar to what you do to "cultivate" the donor. So, there's a virtuous cycle going on here.

Let's dive into the mechanics of how this works.

Identifying donors

Let's start with the very basics. ***Who*** should you ask for money?

The best donors "self-identify." That means that they tell you they are likely to give. This doesn't mean they send you an email saying, "I'd like to give." (But it does happen!) It means they do something to tell you they are interested in you and your organization.

Here are a few questions to ask. Any individual for whom you can answer "yes" to one of these questions is a potential donor.

> *Have they given before?*
> The best donors have self-identified by giving already! Any recent donor in recent years (at least from the last three years and maybe as long as five years ago) should be in a database of potential donors.
>
> *Do they volunteer?*
> Any current volunteers should be added to the database as well. (As noted in *The Little Book of Gold*, sometimes people can be squeamish about this since volunteers already give their time. But including volunteers in an annual appeal is standard practice. You should definitely do it.)
>
> *Do they sit on your board?*
> You should have 100% board giving. All board members should be giving.
>
> *Have they attended your events?*
> Any event attendee, whether it's from a fundraiser or a non-fundraising event, should be included in a database of potential donors.
>
> *Have they given you their email address?*
> If you ever have a booth at a festival or just some place you interact with the public, this is important. If people who are interested in you want more information, send it to them! And then ask them for money later.

Assemble that group, and you will have a very good idea of the total pool of your potential donors for an appeal ("appeal" is a fancy catch-all word for ask, mailing, phon-a-thon, what-have-you.)

Now we need to take those names and "segment" them. Basically, we're going to sort the list into four categories: "likely not to give," "likely to give," "likely to give a major gift," and finally "unknown."

Everything that follows in this guide is focused on what to do with the people "likely to give a major gift" so we're going to focus on that. But for now, know that people you sort to "likely not to give," "likely to give," or "unknown" will be the base of a mailing or other appeal.

If budgets are tight, you can cut "likely not to give" from your appeal or just send them an email appeal.

The key point is that whatever your appeal is, it shouldn't include anyone on the "likely to give a major gift" list.

Why? Because we don't want to risk a person who *could* give $500 giving $50 instead!

By "segmenting" we're making sure that people get appropriate asks. The person tagged "likely to give" because they gave $100 last year will get a letter (let's say) that asks for $250 or maybe $20 per month. The person whose giving capacity we don't know may not get a specific dollar figure called out in their letter. But the person who either because of past giving history or because of some outside information we think is "likely to give a major gift" is going to be treated as special segment. This person will get a personal ask.

Most likely, we're talking about the top 5% or so of your names. So, if you have 1,000 donors, likely only 50 people would qualify for even being considered major donors. The thing is, that when asked appropriately for money, *those 50 people likely represent as much giving as the other 950.* That's why this is so important.

Now, for smaller organizations with 100 donors, we're talking about a handful of people, 5 to 10 people at the very most, and we're talking about smaller amounts too (maybe $500 instead of $5,000).

Again, it doesn't matter the amount. What *does* matter is that you, the Executive Director, appropriately identify and then segment these donors. They need extra attention. Get 5 out of 10 these donors to double their gifts, and your overall fundraising efforts just had a gigantic windfall.

If you are the only person who will be making these asks, then choose 5 to 10 names from your segmented list. These names should be the most likely people to give you a "major gift" (whatever that means to you) who you also have some hope you can get closer to. For example:

- A donor who last gave $500 and who you are friends with should be on your list.
- A donor who last gave $250 and a board member knows well should be on your list.
- A donor who last gave $1,000 but has recently moved out of state is going to be way harder to connect with (unless you're ready to buy some plane tickets).

Balance your estimation of the donor's capacity to give to you with your expected ability to further build that relationship to get to a short of people for you to "cultivate."

Building the relationship (or "cultivating" the donor)

It's been said that "people give to people to help people."

Note the second "people" in that sentence. That's you! You are the bridge between the donor and the person being served. Not your organization: you.

In the case of these "major gifts" you need to build a relationship with the major donor. *You* do. If a board member is your connection point to the major donor, for example, you need to have the board member set up coffee or lunch and get the three of you in a room together.

The rules here are the same as they are in flirting, dating, and friendship. You're getting to know each other. You're asking each other about opinions, ideas, interests, hobbies. This is relationship building. You are looking for the human connection.

What aren't you doing? You are *not* asking for money.

Rather than asking, you're *offering*.

Offer a tour. Arrange a special behind-the-scenes opportunity. Ask them for their opinion on a program of your mission. Invite them to join you to hear a speaker talk about an issue related to your nonprofit.

Think about this donor: this is a person who likes your organization (to some extent at least, otherwise they wouldn't have been segmented to this level in the identification step). Now we're pairing that with a personal connection to you. So now the goal is to look for ways to deepen the relationship has with the donor *and* you at the same time.

So, the behind-the-scenes tour is great if *you* lead it. The invitation to join you to listen a speaker together deepens the donor's knowledge of the issues *and* you get to invite the donor to have a drink together afterward (or to coffee the next morning) to talk about the ideas you heard.

There are many more ways you can build the connection:

- Say hello in the grocery store
- Friend them on Facebook or LinkedIn or Instagram
- Email them an interesting link about something in your nonprofit's field
- Email them an interesting link to something they care about even if it's *not* in your nonprofit's field (they will appreciate being heard)
- Invite them to a listening session to hear from the people who serve
- Invite them to help with your strategic planning process
- Invite them to sit on a committee
- Call them up and ask for their opinion about an issue you're facing

The point is that you engage this person.

You're telling them about how things are going. You're asking for advice. You're accepting their invitation to sit at a table for another nonprofit they care about.

All of this is so that when it's time for an ask you can be certain of two things:

1) you have the trust and confidence of the donor.
2) You have, over time, given them a clear idea of the mission of your organization and why it deserves funding.

At this point, this donor should be *very* willing to give when you make the ask (and, since you have segmented this donor out of your annual mailing or phon-a-thon appeal, they haven't been asked any other way. It's up to you).

All you have to do is get them in a room.

Making the appointment

Don't just spring an ask on your donor. You're not prepared, and the donor *certainly* isn't prepared. The donor deserves the time to think about things before you sit down.

As I said, this donor should only be too happy to give. They like you, like the mission, and have seen firsthand its importance thanks to your cultivation.

So how do you get them in a room? Here are some easy scripts.

- "Can the two of us can sit down later this week or early next week to talk about opportunities for support?"
- "I'd love to talk about the possibility of support if you're free next week."
- "Can we meet for a cup of coffee next week? I want to tell you more about our new business model and see if there's something that sparks your interest for a 2019 pledge."

Figure out what sounds natural to you and adapt it to your own voice. And then rehearse the hell out of it. I've heard a saying: "Good actors rehearse until they get it right. But great actors rehearse until they can't get it wrong."

If you're anxious or stressed it will show. Just practice. Over and over and over again.

50 times? If it's your first time doing this, it's probably worth it.

Where should you meet?
Wherever you have some quiet space. A restaurant is fine. Your office. The donor's office. Your home. The donor's home. Whatever you think will be comfortable to the donor.

Who should be there?
You should know your donor well enough to know whether there's a spouse or significant other who needs to be in the room for this conversation. If so, they need to be at this appointment. If they're not, it will be too easy for the donor to say, "Well, obviously I need to check with Kathy" and then you lose momentum. Do what it takes to get all of three of you in the room.

It's also possible a board member could be there as well. *Don't let an untrained board member in the room without showing them this document or rehearsing in advance.* They could easily squash all your best-laid plans. But if there's a strong connection between a board member and the donor, or if you have a board president respected in the community, this might not be a bad idea. Some executive directors prefer to have a board member or volunteer with them because it makes their case even stronger.

If you're all uncertain, though, keep it to just you and the donor (and the donor's spouse, if applicable).

Asking

Preparation: What should you ask for?
If you have a solid reason for doing so, go in with a specific dollar amount in mind. This could include:

- Past giving
- Giving to a very similar nonprofit (as noted in that nonprofit's annual report)
- The strength of your personal relationship
- The strength of your case for need

If you don't have strong reasons for naming a number, then don't ask for a number. You are just as liable to under-shoot as you are to over-shoot.

Preparation: Memorizing the ask

You'll be very nervous the first few times. Memorize your ask exactly and rehearse it until you can't get it wrong. Here are a handful of scripts to get you started:

- "We are hoping to get all the board members on a recurring gift of $20/month. Do you think you would be able to consider a gift in that range?"
- "I'd like to ask you to consider supporting the nonprofit with a pledge of $5000 this year."
- "Would you be able to increase your gift of $250 last year to $500 this year?"
- "We are trying to get ten donors at our $500 Gold level of support. Do you think you would be able to consider a gift of that level?"
- "We'd like to bring you on board as a new member this year—is that something you'd be able to consider?"
- "I would truly love seeing you join us as a donor this year. Is there a level of support on this sheet that you would be able to consider?"
- "We are asking donors to stretch themselves this year as we get started. Would you be willing to consider supporting us at the top of your philanthropy budget?"

Preparation: Rehearse the rest

Have you ever had a conversation with yourself where you are pretending to talk to someone else and playing both sides of the conversation. Maybe it's over an argument and you're rehearsing how you think it will go and what you will say or maybe you're rehearsing for your first time on the local news.

That's what you need to do here. Rehearse! What will you say when they ask about your loss on the books last year? What will you say when they ask about your new program? What will you say when they ask about board giving? Just have a conversation with yourself.

If you are talking a board member with you, you should *absolutely* do this step. Figure out who covers which parts (for example: the board member will cover the overview of the program but if the donor asks for any specifics, the board member will look to the ED for the answer). Rehearse together. Get comfortable.

Two years ago, as part of my work as an elected official for the Metro Parks board of Tacoma, I went to Washington D.C. to tell our members of Congress and folks at different government agencies about our new community center. Well… *I* didn't just go alone. I was there with two other elected officials, three staff members, and two community volunteers. Eight people on an ask is a lot of people! Before the morning we rehearsed the order in which we spoke and who would speak about what. It made our conversations tight and compelling. You won't have that many people with you, but the principle is still the same if you are going in with a board member: rehearse and get it right.

In the meeting
What's above is just preparation. Here are the goals of the meeting.

Lay out your case for support
A lot of these statements will hopefully start "As you know…" because we're talking about things that your cultivation process should have already informed the donor of. But this is a time to reiterate what your nonprofit is currently doing and also intends to do. What is the impact of your work? Spell it out.

Link the case for support to the donor's interests and background
Ideally, you should already know how the donor feels about the case for support, and you should know that it is a positive feeling! Here, you are linking the donor's particular passions with the case for support. This isn't "chasing the money." Rather, you are showing how the donor's interests align with your organization.

Answer questions about the case for support
There will likely be questions and discussion. Engage in that fully! The donor should lead some of this commentary as well.

Then the ask
At some point, you'll have to get through it. You've memorized your line. You know the donor. The knows and trusts you. You're primed. You just have to ask!

ASK.

And now… the hardest part: awkward silence

Now that you've made an ask, you can't talk. *At all*. ANYTHING you say at this point will reduce the size of the gift. I seriously mean that. If you break the silence in any way, the donor's gift amount will decrease.

One idea here is to have your coffee or wine or water handy and to take what fundraising consultant Amy Wigstrom calls "a slow strategic sip" to force yourself not to speak.

You should be prepared an uncomfortable silence (that feeling goes away after practice). *It is not your job to break the silence.* Let the donor do that, when he or she responds.

DO. NOT. SPEAK.

It's tempting at this point to shy away from your memorization and to punt. It's tempting to say things like…

- "Whatever you can do…"
- "Even just $20 would be helpful…"

- "Every bit helps."

No! You haven't worked this hard to say things like this. Don't stumble on the one yard line.

Listen and wait.

If they say they need to think about it…

This is they need to think about, you need to be ready to accept this.

But here's the important part: don't leave without agreement that you will reach out again. For example, you might say, "I totally get that you want to give it some time. Is it ok if I call you next Tuesday at 10:00 to follow up?"

Basically: before leaving the room, get them to agree to meet up/call again.

If they say they won't give…

Thank them for their consideration and show understanding. For example: "I understand how tight things can be sometimes." or "I totally get how [some other nonprofit] fits your philanthropy goals this year."

Invite them to join you at your table at the next breakfast fundraiser or come to another event. This is an opportunity to keep them closer and keep cultivating over time. If they take you up on it great. If not, ah well. They have their priorities and they are supporting another organization. Let them go forth.

If they say yes…

If after this, the donor is willing to give to your nonprofit—at any level, even if it's less than what you asked for—this is a time for celebration and gratitude. Even if they are way low from what you hoped, you should not show any disappointment or make them feel bad.

Donors want to feel good. Make them feel good for their generosity, no matter what level they can give at.
Thank them immediately.

Then, *within 24 hours*, you should write and mail a personalized thank you letter or a personal handwritten thank you note.

Further thank you

The donor should see how their gift made an impact.

- Offer a tour
- Arrange a special behind-the-scenes opportunity
- Ask them for their opinion
- Email them an interesting link about something in your field

Hmmm… Do these sound like how you cultivate a donor? Exactly! You are laying the groundwork for future asks.

Stewardship leads right back into cultivation.

Final Thoughts

The power of this kind of fundraising is that it doesn't rely on a large gala to raise money. It's direct and it's simple. Tell someone about what you do (over time). Build the trust and the relationship. And then ask for money.

It's direct and simple, yes. But it's scary. Which is why so many nonprofit leaders *don't* do this kind of ask. Now that you have these tools, you should feel even more ready to go out and make this happen.

It will pay off in a significant way. For your top donors, it will be as impactful to your nonprofit as the rest of your annual gifts combined.

I hope you've read this far! If you have, please email me at erik@forsmallnonprofits.com and tell me what you want to do with this information. Have a donor in mind? I'll cheer you on!

Good luck to you,

Erik