




Restorative Stewardship

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What Do Donors Want?



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Donor Recognition vs. Donor Stewardship

- The terms are often confused
- They are not the same thing!
- One of the simplest ways to understand the difference is:
 - Stewardship = **The Strategic Piece**
 - Recognition = **The Tactical Piece**

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Donor recognition is the public acknowledgment of a gift received, carefully crafted to both honour the donor it names and motivate potential donors in the community.

- Anne Manner-McLarty,
Best Practices for Donor Recognition™


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Stewardship has come to mean the essential function which organizations develop lasting relationships with their donors/investors. This includes the ethical management and care of all human and financial resources. Stewardship promotes donor/organization relationships based on mutual respect for both the source and impact of gifts.

- Kay Sprinkel Grace, Beyond Fundraising

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What is Effective Donor Stewardship?

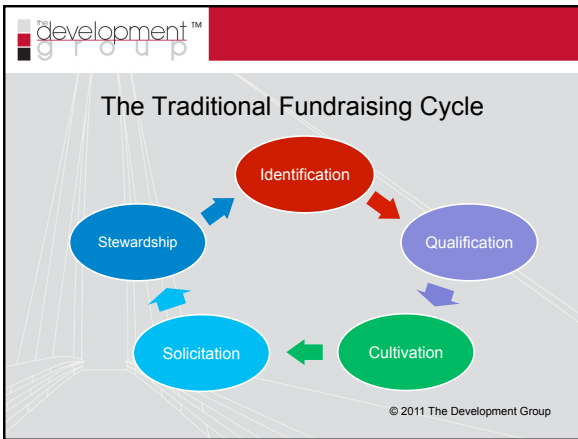
- **Developing an ongoing relationship with the donor by:**
 - Thanking and recognizing them
 - Using gift according to donor direction
 - Reporting on accomplishments
 - Heightening their interest and involvement with the cause
 - Assessing when and how to solicit additional larger donations in keeping with the donor's interests.

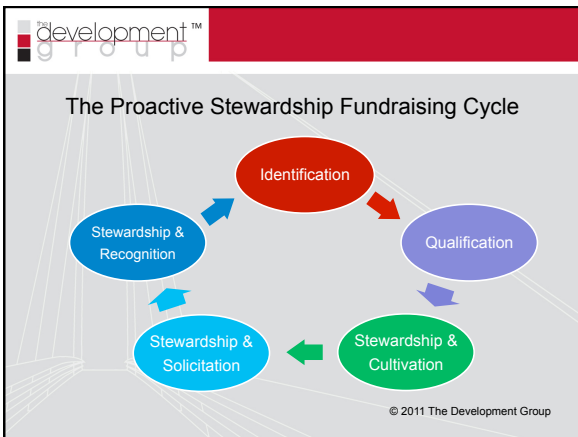
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Excellent donor stewardship is squarely centered on the interests and needs of the donor, rather than the needs of the organization.

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Intentional Stewardship

- Provides philosophical and practical means by which to attract donors;
- Brings donors to their highest level of philanthropy;
- Mission is derived from the concepts of The Donor Bill of Rights
- Based on a set of organizing principles

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Three Principles of Intentional Stewardship

#1

The entire organization is responsible and accountable for its philanthropic support and all staff must engage in stewardship.

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#2

Stewardship activities must be sustainable and must be managed throughout the organization.

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#3

The cost of stewardship activities must be assessed according to their impact on giving; must be evaluated in terms of outcome rather than output.

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Common Reasons For Poor Stewardship

- Stewardship not included in fund raising strategic plan
- Lack of overall stewardship plan and customized stewardship plans for major gift donors
- Lack of human and financial resources
- Performance metrics that focus only on year-end dollars raised (lack of measurable program goals)

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- Staff turnover (especially at a high level)
- Young FR program – staff lacking mentorship
- Board does not understand / value stewardship
- Poor internal organizational relationships (i.e. between Development and Finance)
- Day to day focus on tactics and deliverables – failure to stop and see big picture

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Case study – breakout groups

- \$10 M Campaign concludes
- ED, CDO and Development Coordinator leave the organization the same month
- No institutional campaign memory
- Campaign cabinet with no leadership or direction
- No stewardship plan
- Disgruntled donors

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What would you do?

- In point form – tell us what you would do over the next 6 months to restore donor confidence and campaign cabinet trust. How would you ultimately get the stewardship process back on a manageable course?

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Make It Right®

- Mike Holmes

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Restorative

-**Restorative** – having the ability to restore strength or a feeling of well-being.

-**Restorative practices** – those that stabilize, maximize function and minimize further decline.


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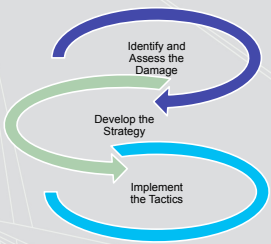
Restorative Stewardship

- A term we can use to describe the process to follow when it is evident our stewardship model is not working well or has broken down completely.

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Process



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The Restorative Stewardship Process

- Stewardship becomes THE priority for a pre-determined period of time
- Forensic audit of donor lists and financials
 - Start with major gifts first and work down
 - Determine what was promised and what, if anything, was delivered

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- Develop budget
- Determine what stewardship methods/ vehicles exist, what needs to be developed
- Determine and recruit key influencers
- Build strategy
 - Matrix development – donor, deliverable, timeline, key

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- Build and communicate a long range stewardship plan
- Fundraising cabinet or key board/staff meetings to share strategy and mobilize resources
- Stewardship report development – content and financials
- FTF meetings with ALL Major Gift donors
- Publication development

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- Major Event
- Promised individual donor events
- Donor recognition device fulfillment and double check for accuracy
- Communicate plans for ongoing stewardship of each MG donors' gift
- Share overall future stewardship plan

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**ADMIT MISTAKES ...
BE HUMBLE ...**

*Share with donors what you have learned
from this experience*

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11 Principles of Effective Stewardship

- From the work of Kay Sprinkle Grace

1. Start with the first gift – Engage the donor from the beginning. That initial \$25 donation might be worth \$1000 the next year. For major gift donors start even before you ask – plan the stewardship before the ask.
2. Alternate messages to your donors – DO NOT ALWAYS ASK FOR MONEY. For every ask, have two non-asks
3. Have a budget for stewardship – hosting, printing, mailing, gifts and incentives, special events, etc.

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4. Stewardship practice should be inline with budget, image of agency and amount of gift
5. Determine what kind of involvement your top donors want outside of making the donation (some might not want close contact while others might want regular updates)
6. Use current donors to convey message to potential donors – Nothing speaks volumes than a satisfied donor

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7. Tie stewardship program to the mission
8. Focus on intangible rather than tangible benefits – make donors into investors
9. Maintain stewardship with long-term and major donors even if they decrease or stop giving
10. Keep all donors in your database unless they tell you otherwise
11. Establish relationships between donors and program staff

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Remember:



- Stewardship is a long term investment
- Include it as part of your strategic plan from the beginning
- Stewardship and cultivation should happen simultaneously
- No matter how bad it gets ... make it right! A transparent and humble approach will show donors that you do care and that you are worthy of a future gift.

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Resources

- Intentional Stewardship: Bringing Your Donors to Their Highest Level of Philanthropy, Julia S. Emlen, CASE, 2007.
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- Mega Gifts – Who Gives Them, Who Gets Them, Jerold Panas, 2nd Edition, 2005.
- Donor Centred Fund Raising: How to Hold Onto Your Donors and Raise Much More Money, Penelope Burke, Signus Applied Research Inc., 2003.

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THANK YOU!

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