THREE SIMPLE QUESTIONS THAT ESTABLISH DONOR TRUST
A Best Practices Report from Bristol Strategy Group

THREE SIMPLE QUESTIONS THAT ESTABLISH DONOR TRUST

Conventional wisdom reminds us to listen more than we talk, when we're out there cultivating donors. But are we "listening" for the right information? In fact, do we know what answers we want to hear? In the world of professional fundraising, the questions we ask are as important as, and maybe more important than, the words we are listening to. We need to ask questions that give us the answers we need to hear. Asking the right questions the right way changes the donor-cultivation game in significant ways, to the advantage of both parties.

This report explores a way to ask the *right* questions, questions that help the donor prospect reveal her deep needs, concerns and expectations. Such questions provoke a dialog between donor and fundraiser that establishes trust and rapport, giving prospects permission to speak at length about themselves, their careers, and their charitable motivations, philosophies and expectations. With such insights, you and your fundraising team can listen for the answers that tell whether the donor justifies the investment of your time and attention. The right questions help the prospect tell you how – and whether – to cultivate them.

INTRODUCING THE THREE SIMPLE QUESTIONS

- ***The Success Question: "What do you want to achieve?"***
- ***The Frustration Question: "What do you want to avoid?"***
- ***The "Right-Charity" Question: "What helps you decide which charities to support?"***

This report shows why these simple questions work, how to prepare yourself by understanding donors' charitable motivations, and how to ask them in a variety of different ways. Master this questioning approach and you will create a trusting relationship with your prospect.

WHY THESE QUESTIONS WORK FOR YOU

They elevate the fundraiser to the level of peer with the prospective funder. They make it easy, even for people who don't raise money professionally, to open the conversation and begin relationships. And they tell you what your donors think and feel – in your donors' language.

These Three Simple Trust Questions change the conversation to one of respectful interest centered on the donor and his or her reasons for giving, personal advancement, reputation-building, desire to redress wrongs, or any other sentiment that provokes charitable giving. Questions like these create an atmosphere that gives both parties permission to say "we are not really right for one another," and still part on good terms. And that answer is a desirable one indeed, considering the cost of your scarce and precious time, if you want to invest in prospects with good potential for high lifetime value.

PREPARATION: WHAT YOU REALLY OFFER

Your organization is justifiably proud of its mission, programs and outcomes. That's fine, but before you start bragging about your wonderfulness, find out what your funders want to support and why. Corporate partners may want to get points for being good corporate citizens, and to market their goods and services. Grant-making foundations want to invest in organizations that can prosper. Donors may be motivated by complex issues, ranging from a passionate commitment to your agency's cause, to their desire to hobnob with the rich and famous.

It's important to understand how your agency and its program impact on your funders' charitable philosophy, motivations for giving, and expectations. While you need to raise money to run the organization, donors give for a variety of reasons. They believe in you. Maybe your agency served them or a relative. They feel a sense of obligation to give back. Maybe they seek the social prestige they believe they could obtain by donating to your agency. The only way to find out? *Ask them*.

THE FOUR-STEP QUESTIONING SYSTEM

Good questioning skills may come naturally to some people; the rest of us need to be taught. In this Best Practices Report, we discuss ways to ask *persuasive* questions, questions that persuade others to do whatever it is that YOU are trying to get THEM to accomplish. These skills are valuable if you are fundraising, managing others, and sometimes even when dealing with unruly children.

As you read through the Four Steps, please think of a specific prospective funder, and use that prospect as your 'case study.' Write down how you would execute each Step, with that funder in mind.

- *Step 1: Plan for Questioning.* Before you ask any questions, figure out what it is you are trying to accomplish. In the context of this Best Practices Report, you are trying to establish trust with the donor prospect and learn whether that prospect is a good, bad or indifferent prospect for your agency. So you need to know whom you are questioning, what their role is (i.e. major donor, corporate executive, grant-maker staff), what their charitable goals may be, and most important, what answers you want to hear. Knowing the answers you want to hear, before you hear them, will improve your fundraising confidence and shorten your cycle times.

  Who am I questioning, by name and type of prospective funder? ________________________

  ____

  What am I trying to accomplish with this/these questions? ____________________________

  ____

  What answers am I looking for? ____

  ____

- *Step 2: Ask.* Go ahead and ask your question. Be direct without being confrontational. For one thing, the prospect already knows that you are there to see if he or she is likely to give you a charitable gift. There is no need to pussy-foot around.

  Your question: ____

  ____

- *Step 3: Listen and Evaluate.* Pay attention and listen actively. As you listen, ask yourself a few questions, such as the following. Write down your own examples where shown.

  What did you hear (the facts, the things the prospect actually said)? ____________________

  ____

  What does that tell you (the meaning behind the facts)? ______________________________

  ____

  Can you fulfill their expectations? ____

  ____

  Are their expectations and yours in alignment? In other words, can you provide the service, support, recognition, visibility etc. that seems to be important to this donor prospect?

  ____

  ____

  What actions or responses would be appropriate at this time? __________________________

  ____

- *Step Four: Respond or Take Action.* This is where you begin to gain trust. As you take the fourth step, keep your focus on the donor and not on your own needs.

  Summarize what you heard. "If I understand you correctly, you said this and that, and so on. Did I get that right?" Your example: ______________________________________

  ____

  Ask for clarification if necessary. "In other words, ... Am I correct? Oh, I misunderstood, could you clarify for me." Your example: ____

  ____

Commit to a response. "OK, I think I've got it. You would like to know something about such and such, how we produce these outcomes/those statistics, what other grantmakers support you, etc. etc.... Let me tell you... / I'll get back to you... / I'll provide you with that ...." Your example:

____

____

Then, keep your promises!

Exercise #1: Needs vs. Motivations

We have listed some typical charitable motivations in the right-hand column. If you completed Session 2, Why Your Best Funders Support You, you conducted an exercise called the Exchange of Value that showed how your Value-Added Strengths have an impact on your best funders' charitable philosophy and expectations. Review that exercise as you complete this version of it.

Our Strengths, Value-Added	Donor's Charitable Philosophy
	❑ Passion for the mission; love the institution (arts, zoos, etc.) ❑ I or a close friend or relative was affected by (your cause) ❑ Believe that philanthropy is a moral obligation; want to give back ❑ Enjoy socializing among other like-minded people ❑ Seek social prestige ❑ Looking for leadership opportunities; want to volunteer or serve on board ❑ I give because of your (founder, executive director, etc.) ❑ Other

NOTE: Many nonprofits rely on the 'accidental talents' of their founder, executive director, or some other personality associated with the organization. This is a dangerous strategy; after all, what ties the donor to the agency, once that personality is no longer around to exert influence? Find out if the 'cult of personality' is operating in your fundraising efforts. Find ways to complement or replace it with messages that reflect the donors' deeper personal motivations and philosophies.

YOUR UNIQUE VALUE PROPOSITION

Establish yourself with a brief statement of your Unique Value Proposition, the succinct statement you created in Session 1 that positions your agency as a good charitable investment. When you are meeting with and qualifying the potential of a prospect, don't take it as an opportunity to "show up and throw up." In other words, don't go on and on about how broke your agency is and how much you need the money. It's also, thank goodness, not the time to back the donor into a corner and demand a gift. Instead, this conversation is for the purpose of establishing rapport with the donor and gaining her trust.

Exercise #2: Build Your Unique Value Proposition

Analyze your UVP so that you can engage the prospect with a short statement that rolls right off your tongue. If you completed this exercise in Session 1, refer to it here.

Ask Yourself Questions Like These	Develop Answers Based on These Ideas
What Do We Do?	Describe your agency and its mission and programs BRIEFLY.
Who Are Our Recipients?	Describe the individuals or groups that benefit from your agency's work.
Why Are We Worthy of Charitable Giving?	Describe why your agency justifies the support of a typical funder. Concentrate on your organization's ***strengths*** (not its weaknesses), the value and importance of your mission, and your ability to make good use of the money you get.
Why Do You Need Their Help?	Show how your organization makes a difference in the world. Explain how you could expand your impact with their support.
What Happens When You Achieve Your Financial Goals?	Describe how your programs and services could expand, how more people could be helped, how you could improve on your strengths, expand your service portfolio, etc.

THE THREE SIMPLE QUESTIONS

Question #1: The Success Question, to elicit the donor's positive motivators.

This question is very simple: "What do you want to achieve?" Like all three Questions, these six short words offer enough variations and options to keep your prospect talking for hours. Here are some variations and elaborations on the Success theme:

- What inspires you to give to charity? What causes or missions are most likely to draw your attention? Why?
- What do you want your gifts to accomplish?
- Why is that important to you?
- If the nonprofit that you support were to be completely successful, what would that do for you? Why would that be important to you?

As you can see, the Success Question alone will open up enormous amounts of back-and-forth discussions with your prospect; and it will also work with a current customer. In fact, there is no limit to the number of times you can find a use for some variation of the Success Question.

IF AND ONLY IF: If you are interviewing a current donor, it is legitimate for you to ask specific questions about your agency, such as "what inspires you to give to our agency year after year?" "Why is our agency so important to you?", and the like. Current donors are the best possible source for learning what will motivate future donors.

Exercise #3: What the Success Question Will Do for You

List answers you think your funders (donors, grantors, corporate partners) would give you, if you asked this question. What would they actually say? How could you use what has been said, to qualify the donor? PS: If you don't know, first guess; then go find out.

QUESTION #2: THE 'AVOID' QUESTION, to elicit the donor's negative motivators

The second question on our list is the 'Avoid' question: "What do you want to avoid?" This question elicits answers that may be the flip-side of the 'Success' questions, and gives you more perspective into donor motivation. Just like the Success Question, this one offers many variations.

- When you think of charities you have supported (or currently support), what do you want those charities to fix, wipe out or resolve?
- What is it about the [issue, problem, disease, social condition] that bothers or concerns you so much; how does that affect your charitable decisions?
- What's at stake if your preferred charities are not able to achieve their mission?
- What do you think/fear might happen, if [this social or medical, etc., issue] is not resolved?
- Why is that important to you?

NOTE: Some people respond better to the positive Success Questions, while some actually open up more, and exhibit more trust, with the Avoid Questions. Interestingly, we have learned that using both questioning approaches produces a much more complete set of insights and engages the trust of the prospect more deeply and more quickly. The Avoid Question is highly unexpected, and demonstrates that you, the representative, have a meaningful grasp of and respect for the donor prospect's reasons for charitable giving. We recommend that you learn to use both questioning approaches.

Exercise #4: What the 'Avoid' Question Will Do for You

List answers you think your funders (donors, grantors, corporate partners) would give you, if you asked this question. What would they actually say? How could you use what has been said, to qualify the donor? PS: If you don't know, first guess; then go find out.

QUESTION #3: THE 'RIGHT CHARITY' QUESTION, to elicit donor expectations about service and recognition.

The 'Right Charity question asks: "What helps you decide which charities to support?" Like the first two Questions, this one can be presented in many variations, but the purpose of the question is to find out what the prospect expects in return for her contribution. Some variations:

- How do you choose the charities you want to support? What would you have to see or hear from a nonprofit in order for you to make a significant commitment?
- What would a charity need to show you, after you've made your gift, to convince you that you had made a wise investment?
- When selecting a charity, what is uppermost in your mind?
- Have you ever decided not to invest in a charity, or even withdrawn your support from one? Why did that happen?
- When you think about other charities that you have supported or currently support, what did you like best about them? Why was that important to you?
- What about charities that disappointed you, or that you would be reluctant to invest in, other than their mission or cause? Why did they disappoint you, what were you trying to avoid?

Always remember that most prospective funding sources have already given support to other charities. The largest funders, such as the major donors, grantors and corporate partners, are highly skilled in selecting their beneficiaries. Therefore, you are likely asking them to add your nonprofit to their philanthropic portfolio, or even to transfer their support away from another charity and over to yours. You must be as diplomatic as possible when asking the Right-Charity question, in order to engage the prospect or donor's trust.

Exercise #5: What the 'Right Charity' Question Will Do for You

List answers you think your funders (donors, grantors, corporate partners) would give you, if you asked this question. What would they actually say? How could you use what has been said, to qualify the donor? PS: If you don't know, first guess; then go find out.

NOTE: When asking the 'Right Charity' question, do not ever speak in negative terms about another charity, even if that other charity is the subject of headlines news for malfeasance!

SUMMARY

The Three Simple Questions provide you with dozens of conversation starters and deliver probing insights. They are easy to ask, and prospects like to answer them – the focus is on them and not on you. Get everybody into the act – board, staff, even volunteers. The benefits are worth it.

- You'll foster a more intimate relationship with current donors;
- Board members, volunteers, and even non-fundraising staff find these questions easier to ask than the traditional "ask";
- You'll obtain flawless insights into donor motivation;
- You'll find out fast if this prospect justifies more of your time – or none at all.

WHAT YOU CAN DO NEXT:

- **DIY Project (Do It Yourself):** Fill out the templates in this form. Consider asking other staff members, development officers or campaign consultants for their input; many minds make better work.
- **De-Mystifying Fundraising.** A three-hour workshop that introduces the Seven Steps to Fundraising Success. Check our website for the next regularly scheduled open-enrollment session or bring us to your agency or trade-association meeting.
- **Bring *Fundraising the SMART Way*™ to Your Nonprofit:** Call BSG to inquire about arranging for a SMART Way Best Practices program or implementation project at your nonprofit agency. You can reach us at 800-829-0722 or visit our website at www.bristolstrategygroup.com.

ADDITIONAL RESOURCES FROM BRISTOL STRATEGY GROUP:

Assessment Tools for Nonprofits: Visit www.bristolstrategygroup.com, click on Nonprofit, Nonprofit Assessment Tools:

- ***The Leaky Bucket Assessment for Effective Fundraising.*** Evaluate nine important business practices that either contribute to or detract from the effectiveness of your fundraising efforts. This 5-minute assessment is complementary and you'll get your results immediately.
- ***BSG Opportunity Risk Calculator.*** Find out what one hour of your development time is really worth. The answer may surprise you.

BSG Best Practices Reports: visit www.bristolstrategygroup.com, click on Nonprofit, Nonprofit Resource Library. New reports are added frequently:

- Fundraising Strengths Your Competition Can't Touch
- Why Your Best Donors Support You
- Three Simple Questions that Establish Donor Trust
- Teach Your Pipeline to Speak "Donor"

De-Mystifying Fundraising: The Seven Steps to Fundraising Success: Our popular workshop that introduces the core concepts of effective fundraising in seven simple steps. This workshop can be delivered at your nonprofit or trade association conference. We also offer open-enrollment webinars.

Fundraising the SMART Way™: BSG's flagship methodology for sustainable fund development. The SMART Way process allows you to create the benchmarks, performance measurements, rules, guidelines and reporting methods that drive high levels of efficiency and productivity in the fundraising organization. The SMART Way™ Scorecard 2.0 adds an intelligent, software-based toolkit unique to your organization that ranks your donor prospects based on their potential for a Return on Your Effort, and also provides efficient Opportunity Management methods. Fundraising the SMART Way™ helps you *raise more* money while you ***work less***.

Strategic Planning Process: We work with you to develop the "One-Page Strategic Plan," a metrics-driven process that creates high levels of accountability and performance. Senior leadership and board develop the Executive Leadership Level of the plan; staff and volunteers contribute to the Operational Level. We facilitate the adoption of methods that ensure consistent execution of the plan, and make it a true enabler of world-class performance. BSG will facilitate short-term board retreats, or guide you through a long-term enterprise planning project.

Board Development: We train your board members to participate in fundraising appropriately and effectively with our workshop "The Board's Role in Fundraising." Other board-development solutions include crafting the Board-Member Scorecard and Board Skills and Talents Matrix, two instruments unique to your nonprofit that aid in board-member recruitment and engagement.

ELLEN BRISTOL

Ellen Bristol, president of Bristol Strategy Group, works with nonprofit organizations to improve the effectiveness of their fundraising efforts, improve total income and fund diversification, involve board and staff members more effectively, reduce turnover in the development office and maintain desired levels of quality and services.

Ellen and her team redefine the ways that fundraising teams and initiatives are designed, deployed and managed. They ensure that fundraising is tightly aligned with the mission and values, ensuring that marketing, outreach, programs and operations will produce the best possible outcomes while managing costs and shrinking cycle times. In addition to their work in strategic fund development planning and processes, the team also provides consulting services for strategic planning, board development, and leadership training.

Some typical results include:

- Moved a major player in community development from financial struggles to a healthy surplus, by making changes in governance policy
- Launched a fund diversification program for a housing agency for the first time in its history
- Built a process for defining the agency's performance goals that produced measurable gains in overall performance over a five-year period, for an economic development agency focusing on at-risk youth

"After many years in the sales business, I realized that many of the lessons I had learned are just as important to nonprofit development professionals. It's my mission to help you and your agency improve your funding through strategic means that will help you to work *less* - and raise *more*!"

Ellen is the developer of Fundraising the SMART Way™, her firm's flagship methodology for effective fundraising that is based on the continuous improvement model. Her work has been accepted and endorsed by the Alliance for Performance Excellence, the national association of state and regional agencies that promote the Malcolm Baldridge Criteria for Performance Excellence. She is a sought-after consultant, mentor and keynote speaker.

Ellen Bristol, President, Bristol Strategy Group
13798 NW 4th Street, Suite 308, Sunrise, FL 33325
800-829-0722
Ellen@BristolStrategyGroup.com
www.BristolStrategyGroup.com