Proactive Stewardship for Planned-Giving Programs

BY KATHERINE SWANK, J.D.

While the motivations are different for each person who chooses to support your organization, a connection to your vision and mission is the primary reason why he or she contributes. Of course, people also give because they are asked! In addition, they give because they are thanked. Regardless of the impetus for someone's donation, your supporters look for the reciprocating factor known as "stewardship" to keep the circular giving relationship in motion.

Planned Giving's Unique Stewardship Challenge

Stewarding planned-gift donors has both challenges and opportunities. When your organization is notified of a planned-gift intention or receives the proceeds of a planned gift, you probably have steps in place to thank and recognize the donor or the donor's surviving family members. Stewardship seems easy for those you know have made a planned gift. But what stewardship activities do you have in place for those people who have made a planned gift but who have chosen to remain silent? Be aware! They are out there. Some studies indicate this donor number may be four, six or even 10 times greater than those who come forward. Furthermore, with the average planned gift in the United States ranging between $35,000 and $70,000, and around $35,000 in Canada, these donors, even the silent ones, should not be ignored.

Legacy donors' reasons for anonymity are varied but they typically do not regard themselves as wealthy, although many are. They worry about a secure future and do not consider their assets liquid. They also tend to shy away from highly public recognition and may even abhor it. Do not, however, confuse these values with a lack of generosity or a desire to forgo all recognition and stewardship. Rather, you must work harder and smarter and be more creative when considering stewardship for planned-gift donors.

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It is your job, as development professionals, to lead these generous, but silent, contributors into a comfortable space where they can acknowledge their future intention without fear of inappropriate attention or future solicitations. You can do so by setting an example with your stewardship activities and by purposely reaching out to those who you *suspect* have made a planned gift.

Who Should Be Part of Your Suspect Pool?

Success lays in an inclusive, rather than exclusive, targeted group of legacy-gift suspects. Consider targeting the following with proactive stewardship activities:

- All qualified inquirers about bequest language, gift annuity calculations and information on life-income gifts
- Donors of stocks, securities and mutual fund shares, no matter the amount of the gift
- All board and committee members, professional-level staff members and employees of 10 years or longer
- Donors who have made gifts at any level for 10 or more years or have given your organization 25 or more gifts, including recurring/monthly gifts
- All donors who have made single-year gifts of $5,000 to $10,000 or more
- Individuals who have already notified you of a planned, deferred or legacy gift

Engage in Proactive Stewardship

Research indicates that bequest intentions shared prior to a donor's passing tend to be twice as large as bequests that were never revealed. Further, personal relationships, not direct-marketing pieces, cement the bequest gift. By thanking, reporting to and accounting to planned-gift suspects "in advance" of their notification, you increase your chances that their planned gifts will not only be substantial but that you have done all you can to thank them for their future gifts, even if they never alert you to their existence.

This "advanced" stewardship may seem unnatural, but it makes sense. When you create the type of environment where gift notification seems natural, other planned-gift donors may feel comfortable enough to alert you to their deferred gift intentions as well.

Here are some suggestions for a proactive planned-gift stewardship program:

1. Acknowledge every gift in a highly personalized manner. Your first response to a gift—any gift—should be to say "thank you." Be grateful. Say "thank you" in the most personal way possible. Use the least amount of "template" language feasible and include references that are specific to the donor's gift intention or desired outcome. Speak from the heart and consider a handwritten note. Being personal and respectful in your acknowledgement of current gifts sets an expectation that legacy-gift acknowledgement will be similar.

2. Include planned-gift donors in all your organizational recognition pieces. With permission, recognize future gifts and annuity gifts in organizational publications, on your organization's website and in your annual report. Include a space to recognize those who have chosen to remain anonymous as well. Show your silent donors that others have made legacy gifts and have chosen to come forward, even though they preferred not to include their names in the listing.

3. Include planned-gift revenue information in your financial reports. Report back to your donors, both future and current. Share the impact of legacy gifts that have already been put to work. Use details and numbers to show your results. Create a communication piece that shows what role planned-giving revenue plays for the year or for several past combined years. Highlight the total number of legacy givers about whom you are aware. Use donor stories to bring your results to life.

4. Provide access to leadership. When donors make significant gifts, they expect a little attention. Some expect a lot! It is easy to provide attention while also being conscious of cost. Personal letters and summary reports from those in leadership positions cost nothing to write and have little or no cost to disseminate. If you already send your current major donors special mailings, notices and invitations, add your legacy notifiers as well as your planned-gift suspects to your mailing list. Remember, the average bequest is more than $30,000 and surely qualifies this group as major givers. Begin to treat them in a manner to which you would like them to become accustomed. Special attention, in a group-like format, is usually welcomed and very appreciated.

5. Celebrate gifts. Celebrations take many forms. Celebrate the notification of a planned gift when you receive it. Celebrate the anniversary of a charitable gift annuity and similar gifts each year on the signing date. Celebrate loyalty markers, such as five or 10 years of giving or the 10th, 25th gift and onward, no matter the amount of the gifts. Celebrate seasonal times of gratitude. Send hand-signed cards at Thanksgiving, at year-end or even on Valentine's Day. Invite planned-giving donors and suspects to your annual meeting, your kick-off, graduation ceremonies and ground-breaking events. The decision and expense to attend are the individuals' responsibility, but the responsibility to extend the invitation is yours. Benefits and inner-circle activities such as these provide regular and strategic touch points with this future major-donor group.

6. Establish ongoing stewardship activities. Create a comprehensive stewardship plan for your deferred-gift donors. A touch every quarter or so shows your continuing gratitude and welcoming disposition. Many planned-gift donors may never accept an invitation to a meeting or even to have a cup of coffee. It is well known that this donor group is among the shyest of all—not in reality, but in their activity. They tend to be modest and often do not see themselves as "philan-

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Planned-gift stewardship must become more than a response to a gift or a response to a notification of an intended gift. In its purest form, stewardship is a strategic tool for communicating with current and prospective donors. At its most effective, it is a thoughtful relationship with your best friends. The methods of your stewardship program and the activities you follow in thanking those who fund your mission are the keys to enhanced giving, both now and in the future. Planned-giving stewardship should follow these steps as well, even though the gifts will be received some time—maybe not for a long time—in the future. Without this, your chances of getting and maintaining large planned gifts will remain largely unknown and outside your reach.

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