The Gift Cycle
Setting the Foundation

A fundraising shop does not just ceaselessly ask people for money. There is a lot of strategy behind crafting a message, coming up with an annual plan, and so on. It isn’t rocket science, but it’s important to know that a lot of thought has gone into those appeals you get in the mail, or those phone calls you get between 5 p.m. and 9 p.m. local time.¹ They were timed that way on purpose. Your efforts must be just as well planned. While annual planning and strategizing are not the primary focus of this chapter (we’ll cover these topics at great length in Chapter 6), they’ll give you a backdrop for thinking about its contents: an overview of the gift cycle, and the steps you will take to engage donors and maximize their contributions to your organization.

The gift cycle is less about mass appeals and more about cultivating the donors who will be receiving individual attention from your staff in person. Understanding the gift cycle is key to understanding the information I present in the chapters on stewardship and major gifts. It will also provide you with a framework for the contents of the next chapter, on assembling your team.

I am including this information early in the book because all too often, we charge forth, frantically raising money to keep the lights on, without any long-term view. This serves to hurt your organization down the road. You need to set up your fundraising shop with a solid understanding of annual gifts, major gifts, and the steps involved in raising both. The first step is understanding that the actual act of asking for money is only one element in a much larger cycle.

¹Yes, even the really bad pieces of direct mail.
The Gift Cycle

There are five steps in the gift cycle: assessment, cultivation, presolicitation, solicitation, and stewardship, which starts the cycle all over again (after all, it’s called the gift cycle, not the gift line). These five steps can be automated, or they can be individually tailored depending on the available staffing resources at your organization as well as the size of the gift.

In fundraising lingo, we often talk about “moves management.” Moves management refers to the system of moving your donors along to the next step in the gift cycle. Ideally, each new contact with a donor should move that donor to the next level (although plenty of times they get caught in cultivation limbo, as we’ll see later in this chapter).

Let’s now dissect each of the steps in the cycle. The majority of what you are about to read is tailored for conversations revolving around larger gifts and donors who merit individual attention from a frontline fundraiser. As I discuss this information early in the book, so should you consider it early in what I’m assuming to be the development of your shop. This is because, again, I want you thinking about the entire gift cycle from day one. It’s easier to do it now than to have to backtrack when your team is already operating at 90 miles an hour. I want you to appreciate the many steps involved in a professional solicitation.

Assessment

Think of it as your first date, a meeting to get to know one another. Assessment is best executed in person, but can be done via phone or e-mail if your organization does not have the staffing resources (consider that a suggestion to push for such resources if you don’t have them yet!). The goal of assessment visits or calls is to get an idea of each prospect’s capacity to make a gift (in other words, how high you can shoot), inclination (feeling of warmth toward giving to your particular institution), and the timing (of when it is likely that a gift will occur). You also want to begin to discern where individual donors’ interests might lie with respect to your organization, and where they might be looking to make an impact.

Major gift officers, principal gift officers, and senior staff will often have researched a prospect beforehand to discern the prospect’s capacity to give, or had research done for them (we’ll discuss research in the next chapter). If this is the case, then focus your attention on trying to figure out inclination and timing.