

# PIPELINE ASSESSMENT

Whether you've thought much about it or not, you have a major gifts pipeline. It might not be a good one, it may even be dysfunctional, but, on a conceptual level, you have one—every organization does. The real question is: How can you make sure your pipeline reliably delivers a stream of major gifts to your organization? Or, put another way: How can you be sure you're getting the most out of it?

This assessment tool is designed to help you answer those questions. It will give you a good sense of the current state of your pipeline and it will reveal potential areas for improvement.

## Answer **Yes** or **No** to the following:

- \_\_\_\_\_ Are you confident your organization will receive at least one major gift in the next 12 months and do you know who is likely to give it?
- \_\_\_\_\_ Are major gifts prospects differentiated in some way in your database (i.e. placed in gift officer portfolios)?
- \_\_\_\_\_ Do you have "stages" assigned to all of your major gift prospects according to where they are in the fundraising cycle?
- \_\_\_\_\_ Do you have a process for identifying new prospects (i.e. through research or wealth screening)?
- \_\_\_\_\_ Are newly-identified prospects placed into gift officer portfolios for qualification?
- \_\_\_\_\_ Are gift officers spending any time on discovery and qualification work ("feeding the pipeline")?
- \_\_\_\_\_ Is your chief executive being introduced to new prospects at least once a quarter?
- \_\_\_\_\_ Do your gift officers have written strategies in place for moving prospects in their portfolios from one stage to the next?
- \_\_\_\_\_ Are you tracking proposal activity in a meaningful way? Can you quickly ascertain which proposals (i.e. major asks) have been delivered and which are still planned?
- \_\_\_\_\_ Have any of your previous major donors transitioned from the "stewardship" stage back to "cultivation?"

## Results:

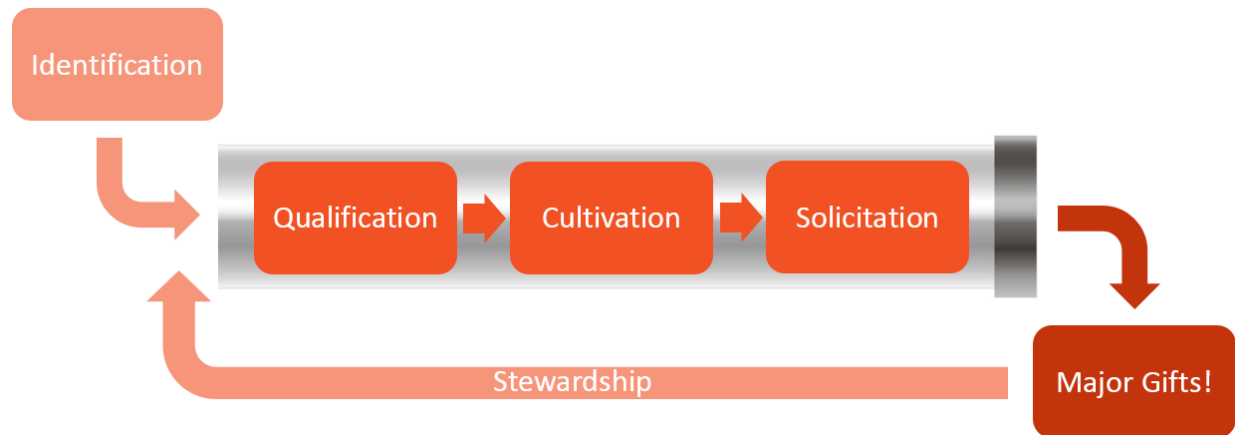
- 0-4 "Yes" answers: Great opportunities lie ahead! There are many ways you can invest in improving your major gifts pipeline. It may take work, but it make a huge difference.
- 5-7 "Yes" answers: You're doing some things well, but there's still more out there. Further focus and discipline in the area of major gifts will pay dividends down the road.
- 8+ "Yes" answers: You have a mature major gifts operation! Keep up the good work, and explore how further pipeline optimization could yield some incremental gains.

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## Visualizing Your Pipeline

One sign of a healthy major gifts pipeline is simply the ability to understand it. Are you able to fill in the blanks below with the number of donors/prospects you have at each stage of the fundraising cycle?

See the chart below if you need a refresher on the fundraising cycle.




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 Identification

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 Qualification

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 Cultivation

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 Solicitation

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 Stewardship

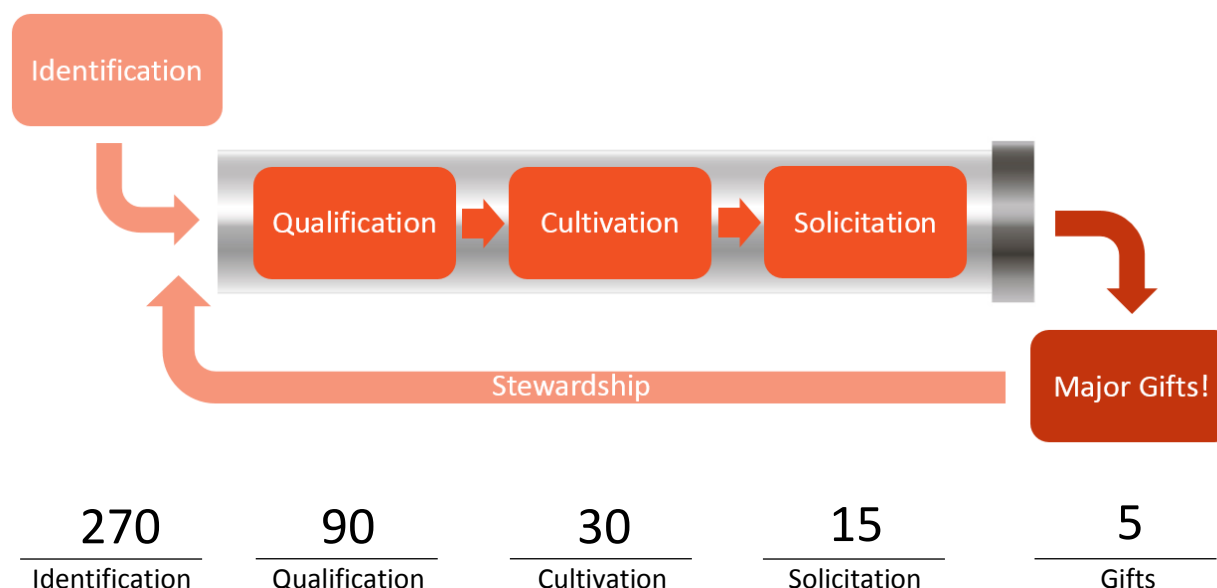
The stages of the fundraising cycle:

Stage	Description
Identification	New assignments; no contact yet, no relationship yet; major gift capacity suspected, but not confirmed; inclination uncertain
Qualification	Contact made; in process of (re)ascertaining major gift capacity and inclination
Cultivation	Major gift capacity and inclination confirmed or highly likely; growing relationship; educating prospect; preparing for solicitation
Solicitation	Prospect ready to be solicited for a major gift or currently considering a major gift proposal
Stewardship	Solicitation successful and major gift/pledge closed; focused now on thanking donor and keeping informed of impact

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## An Ideal Pipeline

Now that you have a better sense of your own pipeline, let's compare it an example of a "healthy" pipeline. If you're pipeline doesn't look *exactly* like this, don't panic—it is fictional after all. Here's a model of a pipeline that would reliably generate five major gifts a year:



Again, this is just a model. Nobody's numbers will look exactly like this.

This particular model assumes that the major gifts are coming from new relationships. If you have a portfolio full of longtime, tried-and-true donors, you'll probably see even better results. You won't need to have 90 conversations to qualify 30 prospects and get five gifts!

There are, however, a few things that are directionally important with this model that I want to point out:

1. The number of prospects per stage should decrease as you move from left to right

Not every prospect will make it to the next stage. That's why "playing the numbers game" is important in our work. If you have a number at one stage that is larger than the number at the stage to the immediate left you might be fine in the short term, but you will have difficulty sustaining success over the long haul.

2. Success ratios

This model is based on a number of ratios—assumptions about how many people you need at each stage in order to move a certain number on to the next stage. For example, it assumes that one in two of your prospects in "cultivation" will be ready for an ask, and one in three of those you ask will make a gift. Again, your numbers won't look *exactly* like this, but these ratios can serve as helpful baselines.

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## 3. The role of stewardship

Good stewardship is essential and not just because it's a nice thing to do. When you steward your donors, you are also cultivating them for future gifts. This is good news for your pipeline. It means that, over time, an increasing number of your prospects in "cultivation" will come from previous major donors, as opposed to brand new prospects you've qualified. It's a shortcut!

### Troubleshooting Your Pipeline

So, you now have a snapshot of your own pipeline. And you've been able to compare it to a healthy example. Hopefully you're feeling like you're in good shape!

If not, that's OK too. This exercise will help you uncover opportunities to improve and build a stronger major gifts pipeline.

Here are some common pipeline challenges and what you can do about them:

Problem	Solution	Comments
Empty or weak pipeline—not enough prospects throughout	Identify new potential prospects for qualification	Sounds simple enough, right!? Well, if you don't have enough people in your pipe at any stage, you need to start at the beginning: identifying new potential prospects. Start with your current donor database and then look beyond: Ask for referrals, organize introductory events, hire a prospect researcher, pay for a wealth screening of your database, do a zip code analysis on your database, use social media to collect email addresses, and look at annual reports and/or donor lists from other non-profits.
Clogged at identification—not enough prospects moving on to qualification	Conduct an outreach campaign so you can qualify these prospects	If you have tons of prospects in "identification" (they're really more like "suspects" at this point), the only solution is to reach out and try to meet with as many of them as you can. It's the best way to understand if they have the capacity and inclination to make a gift. A fulltime gift officer should plan on reaching out to 12 or more new prospects a week. Fundraisers with many other responsibilities should find a weekly amount they can manage, like 4-6 per week. <a href="#">CLICK HERE</a> for more tips about effective, high volume outreach.

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<p>Clogged at qualification— not enough prospects moving on to cultivation</p>	<p>Strategic conversations</p>	<p>This problem is similar to the previous with one distinction: these prospects are no longer complete strangers; you've established contact. The key now is to determine their levels of capacity and inclination. Does it make sense for your organization to invest in cultivating these prospects? Face-to-face conversations are the best way to learn information that will help you answer this important question. <a href="#">CLICK HERE</a> to learn more about how to approach these conversations.</p>
<p>Clogged at cultivation— not enough prospects moving on to solicitation</p>	<p>Deepen affinity, then ask</p>	<p>There are two reasons you might have this problem: 1) You're not connecting your prospects to your mission in a way that builds their affinity and increases their inclination to give, or 2) You're just not asking. <a href="#">CLICK HERE</a> to get some ideas for cultivation strategies that will help you with the first challenge. If your problem is the second, you just need to ask. The "ready, aim, aim..." approach won't get you anywhere. Surveys show that around 70% of major donors give because they are asked.</p>
<p>Donors stuck in stewardship</p>	<p>Re-engage and re-cultivate</p>	<p>Your previous major gift donors are always your best prospects for your next campaign. Don't forget about them once they make their gift. Invest in the type of stewardship that also serves as cultivation. It will be much easier to solicit a second, third, and fourth major gift if your donors had a great experience giving their first one.</p>