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Partnership for Philanthropic Planning

Charitable giving made most meaningful

Philanthropy Planning:
What to Say and Do in the Room with your Donors/Clients to Explore and Document their Philanthropy Mission

Partnership for Philanthropic Planning
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Introduction

Among the most valuable conversations that fundraising or financial professionals can have with their donors/clients is one that helps them discover the charitable purpose they want to accomplish through their giving. Thoughtful conversations can mean the difference between donors merely continuing a habit of giving or practicing proactive, intentional philanthropy that flows from the creation of a *Giving on Purpose* personal mission statement.

Steenhuysen Associates has developed a process to prepare for and successfully guide these important conversations that reveal a donor's philanthropic priorities. Based on our experience, we believe this process can be taught, learned and practiced – eventually becoming an intuitive approach that professionals and donors/clients use to craft the donor's *Giving on Purpose Statement.*

The process is described in this paper and its accompanying presentation. During the presentation, we will present two planning tools to assist advisors in implementing the process. We also will practice this conversation, using interactive exercises that have been specifically designed to facilitate the training.

The Power of Story

While donors/clients may engage in charitable transactions for a variety of reasons, their most satisfying philanthropic endeavors are almost always rooted in the intense emotional excitement that we call "passion." As author Nancy Anderson says, "Everyone…has passion. It may be buried under layers of fear or other variations on the theme of discouragement, but it's there."

As advisors and planners, our job is to help the donor/client peel away the layers that mask true passions about objects, people, beliefs, or ideas – to coax emotions out of hiding, clarify them, and then build a bridge from these true passions to philanthropic opportunity. To do this we need to hear the *stories* of our donors/clients.

As Daniel Pink has observed, story "represents a pathway to understanding that doesn't run through the left side of the brain. We compress years of experience, thought, and emotion into a few compact narratives that we convey to others and tell to ourselves."

We believe story has the power to supplement analytical thinking by getting to the heart of a donor/client's philanthropic impulses. Stories put the individual's facts in context and supply us with the raw material to assist them in achieving their philanthropic goals. When you pick up on key emotions and help your donors/clients put words to those emotions, you begin to unlock what really excites them. You touch their passion – and passion helps you develop their purpose for giving, identify programs that fulfill that purpose, and ultimately, connect them with programs or organizations that match their passion.

For that reason, the planning tools we use are designed to elicit stories. These tools can help you

- elicit stories that are emotion-laden;
- recognize the emotions tied to words and concepts; and
- connect the emotions and passion to specific philanthropic opportunities.

Following the instructions about how to use the tools are some tips designed to help you prepare for the meetings with your donors/clients and achieve maximum value from the time you invest together in the process.

The Giving Content Analysis

To begin, you must first ask your donor/client to provide details about their giving history for the last three years so that you can prepare a personal *Giving Content Analysis*. This will allow you to record and rank the charitable purposes and recipient of your clients/donors gifts.

To conduct a *Giving Content Analysis*:

- Gather and edit **all** acts of giving (missing data invalidates the results.)
    - Recipient
    - Date of gift
    - Purpose
    - Amount
    - Funding source
    - Pledge or one-time
    - Gratitude, obligation or relationship-based
- Use an Excel spread sheet to populate this giving history/activity
- Prepare pie charts based on this giving history/ activity to illuminate how the purpose, recipients, and amounts/counts of gifts align

This information provides a context for the conversation with your donors/clients in which you help them identify their charitable passions.

Identifying Charitable Passions

The next step is a personal interview with donors/clients designed to begin the process of helping them discover their charitable passions. This is generally a 2-4 hour conversation. In advance of the meeting, provide your donor/client with the *Identifying Charitable Passions Questionnaire* (see addendum.)

Ask your donors/clients to read the questionnaire before the meeting and identify any specific questions they want to answer. (It's equally important to note which questions they wish to avoid. You will want to follow up these questions and understand why, as this too will provide a wealth of information about your donor/client.)

Remind your donors/clients to bring the questionnaire with them to the meeting – they may have made "in the moment" notes when they first read the questionnaire that will be useful to you during the interview.

We recommend that you bring a recording device to this interview meeting; this will allow you to focus on the conversation, rather than on taking detailed notes. (However, we do recommend that you make notes about reactions, emotions, etc., that might not be fully captured in an audio recording.) A printed transcription of your conversation will provide the information you need to begin drafting the *Giving on Purpose* statement for your donors/clients.

Begin your meeting by reviewing the data gathered through the *Giving Content Analysis*. This material will "prime the pump" for the interview phase of your session. Be sure to capture the comments your donors/clients express about the results.

You can steer your donors/clients into the next phase of the conversation by connecting the first questions about their personal charitable history with the information from the *Giving Content Analysis* and seeing how their recent giving matches their history. Proceed to guide the conversation by working through the subsequent categories and questions.

As major themes emerge, note them and reflect them back to your donors/clients. Look for the emotion in the stories; talk about the future of the client's giving; focus on how they want the world to "look" and what their giving can accomplish.

Conclude the interview session by explaining what you will be doing with the information gathered and what the next step in the process will be. Set a time to deliver the first draft of the *Giving on Purpose Statement.*

After the session, take time to debrief and evaluate the conversation, making particular notes about the stories that elicited the most emotion from your donors/clients.

Creating the *Giving on Purpose Statement*

To prepare the first draft of the *Giving on Purpose Statement* for review by your donor/client, begin by gathering all of the materials: the *Giving Content Analysis*, the written transcript of the *Identifying Your Charitable Passions* conversation, and your personal notes of the meeting.

All of the materials should be reviewed at the same time. As you read through the information, highlight the themes, areas of interest, any geographic preferences or limitations, and related emotions.

We have found it helpful to begin at the end and work backwards. To start, create a list of previous gift recipients; then group them into categories, and then into types of organizations. With this sample list in place, identify any geographic theme, noting which areas are specifically included or excluded. Next, list all of the themes captured from the interview and group the themes into categories. Draft a sentence to express the theme of each category.

Now, draft a paragraph that expresses what you have observed through this organizing process. Clearly describe why past giving has occurred and its focus; what the giving intended to achieve; and the overarching outcomes desired by the donor/client. Ask someone (not the donor/client) to read this paragraph and state back to you what they think the giving will accomplish.

When you are satisfied that your statement authentically expresses what your donors/clients want to accomplish through their giving, send the draft to them with these instructions:

- Read this draft statement, reflect on it, and then put it away for a few days.
- Read it again and put it away for a few more days.
- Read it for a third time and makes notes about your thoughts and reactions to each section.
- Share the *Giving on Purpose Statement* with two to five individuals whose opinion you value; let them read it all the way though; then ask "does that sound like me/us and what I/we would want to accomplish?"; note the readers' thoughts and reactions.

In a subsequent personal or phone meeting, discuss with your donors/clients their thoughts and reactions to the draft statement. Record all of the comments and incorporate them where applicable into the original source materials. Using the same organizing process described above, prepare a second draft of the *Giving on Purpose Statement*, based on this input and the original materials. Share this new draft with your donors/clients and ask them to conduct the same review process as done for the first draft.

Record and incorporate any additional comments; edit the second draft; and send your donors/clients the final version of their *Giving on Purpose Statement.*

Samples of two Giving on Purpose Statements are included in the addendum of this paper.

Identifying Charitable Passions – Tips to Maximize the Conversation

To tease out stories (and the emotions that stories reveal), you must dig for details. Ask donors/ clients to be as specific as possible in their responses. Broad sweeping statements will not be helpful.

- When donors/clients speak generally about an idea or theory, ask for an example.
- When they mention a particular achievement, ask specifically what **they** did to reach that goal.
- If donors/clients summarize a rationale for a decision, ask specifically, "How did you arrive at that decision? What were you thinking during that process?"
- When donors/clients describe a process, ask, "Is that how you would usually handle that?" If the answer is no, then ask for a story that reflects how they would normally approach the same type of decision or opportunity.
- "How did that make you feel?" is a good follow-up question for almost any story.

Once you have floated the questions, tap into your best observation and listening skills. Watch for emotions that emerge from the stories your donors/client's tell. Specifically watch for the intense excitement that reflects a conscious or unconscious passion. Nonverbal clues that reflect emotional intensity include the following:

- Speech speed: significantly speeding up or slowing down
- Body language: dropping the head and shoulders and/or leaning into the conversation so that words can be delivered "in a safe place;" tightening of the eyebrows or top of forehead (People reveal their emotional pain around their eyes, not through their words.)

Decades of so-called "constructive criticism" from family and/or peers make many of us self-conscious about the things that mean the most to us, particularly those that involve creativity and imagination. If donors/clients seem "embarrassed" as they identify topics that provoke emotional excitement or if they consistently put qualifiers around ideas (i.e. "I know this sounds crazy, but…" or "My spouse/friends/etc. would never understand this, but…."), you may have uncovered a long-suppressed or newly emerging passion.

When donors/clients zoom into specific details, you are usually on the right track. If they respond in flat and general tones, you can bet they aren't engaged in the question. To help them move beyond this, it's fine to interrupt and ask for details. Just don't fall back on the "facts" of the situation. You're looking for details about the emotions. Ask "How did you feel about that?"

Be mindful of the use of words like "excited" or expressions such as, "It made me question/It made me stop and think." When donors/clients indicate they were surprised by something, pay close attention. That often suggests something inside them has been challenged or changed. When they respond to your follow-up probes with, "That's a good question," listen closely to what they say next. When people acknowledge a good question and are genuine in that acknowledgement, it usually means you have prompted them to think of something that they haven't contemplated fully. You are opening new doors or helping them think about something from a new perspective.

Be mindful of the gratitude/obligation/relationship giving phenomenon and tease out for your own analysis examples of these types of giving. If you find that these constitute the primary pattern in your donor's/client's giving, that's fine. Sometimes those desires are the primary drivers. Just be sure that you're not overlooking other passions that have been suppressed while they engaged in gratitude giving.

Also be mindful of potential inconsistencies between your donor's/client's public persona and private passions. One or both of these may be represented in their philanthropy. Your job is to help ensure that whatever they desire is accurately and authentically reflected in philanthropic practice. You won't get an emotional response to every question that you present. That's fine. Your goal is to identify the true passions within the broader emotional fabric and then link those to philanthropic opportunities.

When working with a couple:

- Look for inconsistencies between spouses/partners in expectations and emotions. Where do they overlap and diverge? (This will affect the way the clients need to craft their mission statement.)
- Look beyond the facts in their history of giving to stories that reflect who made critical decisions and how those decisions were made.

When you have completed the interview, ask the donor/client to look back over the entire discussion and determine whether they felt any sense of excitement when particular topics were discussed. "How did it feel when we were talking about that?" "What does that feeling suggest to you in terms of taking action in the world?"

Identifying Charitable Passions

Sample Interview Questions
Steenhuysen Associates©

Personal Charitable History

1. What types of organizations did you contribute to when you first began to make charitable contributions?
2. What personal factors molded your giving?
3. What environmental factors molded your giving?
4. What cultural factors molded your giving?
5. When you were young, was there anyone whom you considered a role model for giving? Who? Why? What was the impact of that relationship on you?
   How do you feel about that person today?
6. Do you feel that you are serving (or have served) as a philanthropic role model for others? For whom? In what way?

Family Philanthropic Activities

1. Please share some examples of how you have involved your family in your giving.
2. What are the most significant stories in your family's giving? How did those experiences impact you?

For couples:

1. Tell me about your shared charitable interests.
2. Have you ever had disagreements over charitable gifts? How did you resolve those disagreements? Were gifts ultimately made? What compromises were involved?

For couples with children:

1. How did you and your spouse/partner give before you had children? Has that changed in any way since the children were born? If so, how?
2. Do you involve your children in your giving currently?
   a. If so, why and how?
   b. If not, why not?
3. What sort of participation in charitable giving do you feel is most important for the children?
4. Have the children shared your interests as they aged? If not, how are their interests different?
5. If client's children are very young, ask: How do you plan to involve them?
6. What is your hope for your children and their giving?

Family Volunteer History

1. Did your parents volunteer? Tell me about those experiences. How did they impact you?
2. What were your early volunteer roles? How has that changed as you aged?
3. Have you been involved in leadership roles? Describe how you felt about those.

4. Don't limit thoughts to board involvement. What other active roles did you assume? Did those roles focus your talents on solving problems? Establishing new ventures? Dramatically enhancing programmatic effectiveness? Improving organizational efficiency?
5. Do your spouse/partner and/or children volunteer? What has been the impact, if any, of their volunteer experiences on you?

Political Affiliations and Activities

1. What kind of involvement have you had with political organizations?
2. Did you take a leadership role in parties at the local, state or national level?
    a. Have you ever campaigned for an office?
        i. If so, were you elected? What were the most important votes you took as a political official?
3. Did you sponsor or campaign for a specific issue? If so, what was that issue, and what were the results? How did you feel about that?
4. What political organizations or think tanks have you supported? Why were these important to you?
5. Can you remember specific publications produced by these groups that had an impact on your charitable gifts or philosophy?

Grantee Selection

1. Tell me about some meaningful gifts that you have made.
2. What were your criteria for selecting charitable organizations?
    a. How did you research charitable organizations?
    b. How did you select organizations based on their missions? Specific programs? Your relationships with people involved in the group?
        i. Were those relationships with someone who benefited from the charity?
        ii. Did you personally benefit from the charity?
3. Did you initiate programs yourself? If so, what were they, and what caused you to launch those programs?

Good Gifts

1. What is your definition of a "good gift?" How do you know when you have made a "good gift?"
2. Share a couple of examples of "good gifts" with me. Why did you feel they were good?
3. What process did you use to make "good gift" decisions?
4. What details did the organization provide to you as you considered making that gift?
5. Which details were most influential in making the decision?
6. What were the best parts of the gift? Outcomes achieved? Acknowledgments you received? Leverage of the gift? The fact that it served as an example for other potential donors? Which of these things were most meaningful to you in the gift process?

Gifts Gone Wrong

1. Describe any bad gifts you may have made and why you felt they were bad.
2. Did the experience involve communication? How did you handle the news when you were told that things were not going well? What kind of communication occurred with the charity?
3. What did you learn from what went wrong?
4. What did the charity learn from what went wrong?

Charitable Philosophy and Goals

1. Broadly speaking, what is your rationale for charitable giving?
    a. Do you feel that any of the following play a role in your rationale?
        i. giving back to those who gave to you
        ii. making a difference in the world
        iii. addressing a specific need that touched your life or the life of a loved one
    b. Do you recognize any element of luck, blessing, or grace in your success?
2. Have you ever made any gifts outside the normal context of your giving? If so, what and why? Why do you consider these gifts outside the norm? In retrospect, how do you feel about those?
3. Do you have any lifetime charitable goals? Tell me about those.
    a. Assuming those goals are realistic, what will you need to do ten years from now to ensure that the goals are met in your lifetime?
        i. What will you need to do this year?

Giving on Purpose Sample Statements

[redacted] Philanthropy
Giving on Purpose Statement

[redacted] Philanthropy exists to:
[redacted] Philanthropy exists to empower individuals and families to transcend limiting circumstances, achieve economic independence and move forward with their lives. It seeks to meet this goal on three fronts: full spectrum health care, educational resources and community projects. [redacted] Philanthropy supports compelling programs that have a broad community impact, give people a leg up in life, and help them create a brighter future.

Themes
- Promoting independence by helping people overcome the barriers that limit their potential
- Providing access to the education, information, programs and services that will help them become self-reliant
- Helping to extend successful programs into underserved communities
- Supporting well-managed, community-based projects with demonstrable critical outcomes and an established donor communication process

Geographic Focus: [redacted] Philanthropy's emphasis will be in the Lebanon community with consideration given to efforts in other areas that exemplify the values of the [redacted]s.

Sample charitable recipients might include (but not be limited to) the following:

Full Spectrum Health Care
- Integrated primary health and social service programs available to everyone, including those without access to health insurance
- Educational programs that provide information about available services and how to obtain them
- Program leadership with demonstrated accountability in helping people achieve a place of physical, spiritual and emotional health that will allow them to move forward

Educational Resources:
- College libraries and technology programs
- Educational programs that broaden and diversify the experiences of students
- Science and engineering academic resources
- Hospital community outreach and educational programs

Community Projects:
- Mentoring programs for disadvantaged youth
- Community-based projects that support children, families and family life
- Programs that extend successful mentoring and leadership programs into underserved areas
- Local projects embodying [redacted] philanthropic goals with demonstrated efficiency, staff commitment, and volunteer support

[redacted] Foundation
Giving on Purpose Statement

The Foundation exists to:
The Foundation exists to help break down barriers created by poverty and intolerance. The Foundation seeks to meet this goal on the following three fronts: economic opportunity, education and mental health. It focuses on efforts that promote sustainable, community-based solutions. It encourages creative, holistic approaches. The ultimate goal is to increase choices available to those who struggle due to economic injustice or intolerance.

Themes

- Reducing the gap between rich and poor; increasing choice for those whose choices are blocked by systemic barriers and prejudice.
- Helping those whose limitations prevent them from fully participating on a "level playing field".
- Providing resources for developing self-sustaining projects at the family, group, or community level.
- Supporting efforts to promote a fair and tolerant society free from discrimination especially discrimination targeted at race, ethnicity, religion and sexual orientation.

Geographic focus: Emphasis on the Washington, DC area; will consider other locations that present a compelling embodiment of the Foundation's mission.

Sample grant recipients might include (but not be limited to) the following:

Educational Opportunity

- School programs (K-12 public or charter) that advance the Giving on Purpose objectives
- Social service and health care programs with educational components
- Adult education programs, including vocational/technical training and job skills
- Life and social skill training programs
- Scholarship programs

Economic Empowerment

- Community investing;
  - (a) Supporting non-profit organizations or funds that invest in low and middle income community projects.
  - (b) Supporting community-based institutions that nurture local development.
- Financial service and education programs that supplement direct economic assistance

Mental Health Resources

- Ongoing operation of "places of comfort and care" for special needs individuals
- Appropriate treatment programs focused on individualized care
- Life and job skills programs

Organizations that generate ideas that advance the Foundation's mission.

