

TEXT OF THE PRESENTATION GIVEN BY MICHAEL T. MUHM

DONOR RECOGNITION CONSIDERATIONS

Now more than ever, it is critical to implement a comprehensive Donor Recognition Program. It must attract, engage, and inspire donors to keep giving regularly and at higher levels. Donor recognition should not take away from your bottom line --- it should improve it.

Recognition topics to be discussed include:

- A. Donor Recognition – why it is important to say “thank you”
- B. Goals for a Donor Recognition Program
- C. Steps to consider in developing a Donor Recognition Program
- D. The perfect Donor Recognition system
- E. Important Donor Recognition considerations
- F. Other ways to say “thank you”

A. Donor Recognition – why it is important to say, “thank you”

One of the most important aspects of development is getting a donor to make subsequent gifts. Acknowledging and recognizing a gift is the first step in getting the next gift. Recognition programs are a critical component in any development or planned giving activity. It is an important aspect in cultivating a donor for additional gifts in the future. Recognition activities serve two important purposes.

1. Recognition lets the donor know that you appreciate and value their gift. You cannot say “thank you” enough.
2. Recognition lets everyone in the community see that people are making substantial gifts to your organization and that you appreciate and want similar gifts.

Development offices invest a lot of time and resources asking for gifts but very often overlook the tremendous influences that thanking donors for their gift has on subsequent giving. The proliferation of not-for-profit organizations over the past 15 years has meant increased competition for philanthropic dollars and community support. A well-done Donor Recognition Program will help your organization stand out.

B. Goals for a Donor Recognition Program

There are several goals that you will want to establish. These include:

- Number of donors you want at each level
- Number of “new” donors you want at each level
- Number of donors who want to increase their giving
- Number of donors who you want to move to a higher level
- Number of dollars in increased giving
- The type of recognition you will use and when the display will be installed

Recognition Products of the Southwest

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C. Steps to consider in developing a Donor Recognition Program

The key to every successful development program is building relationships. We want major donors to make future major gifts. Acknowledgement and recognition is a valuable tool in building relationships. When considering the investment that is made in solicitation, prospect research, publications, events, etc., the cost of recognition is not extravagant. Recognition is not an extra frill. Recognition is an important component of every development effort.

1. Determine your goals and objectives. Examples include: increasing annual gifts; encouraging gifts of \$100,000, gifts for a capital campaign; increasing donor retention; cultivating major gift prospects, etc.
2. Develop an acknowledgement and recognition plan. Decide what the donor receives for acknowledgement and recognition at the various giving levels.
3. Develop acknowledgement and recognition policies and procedures. Examples include: Is attendance at special events included? Is membership for the gift for one person or for a person and his/her spouse? Do you recognize pledges?
4. Develop a marketing plan. Decide how donors will know what they receive for their gifts?
5. Design and develop the recognition donors will receive at various levels of participation.
6. Develop a budget and timeline for the implementation of the plan.
7. Assign responsibilities for all aspects of the plan. Examples include: Who drafts letters? Who signs letters? How will donors let you know how they want their names listed? Who handles the donor list? What kind of recognition will you offer?
8. Implement the plan.
9. Evaluate the plan.
10. Revise the plan as needed.

D. The perfect Donor Recognition system

Modern recognition systems must inspire commitment and increase awareness within the community. Systems are as much about communication as they are area about recognition. One of the biggest obstacles we have seen is that leadership feels that too much attention and resources are spent on recognition. Done well, recognition can encourage future gifts and continued involvement with the organization in the community. Additionally, it helps encourage gifts from others. When people see that their friends think something is important enough to support, they might consider giving also. Peer pressure and the placement of the recognition display can make a significant difference.

The perfect Donor Recognition system will.....

1. Thank contributors in a meaningful way and make them feel appreciated
2. Be capable of recognizing all contributors – donors, volunteers, staff, leaders, etc.
3. Be scalable and avoid the logistical nightmare of changing bricks, plaques, etc.
4. Show donors how their contributions are making a difference on a regular basis
5. Encourage or challenge donors and potential donors to match the giving of their peers
6. Keep donors connected to your organization through enhanced communications
7. Persuade donors to give more frequently and at higher levels of support
8. Provide a naming opportunity, if required, as recognition for substantial gifts

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9. Display numerous updateable giving categories to stimulate more and greater donations
10. Allow for timely content updates of items, i.e. donor names, giving categories, graphics
11. Offer high-profile tangible public recognition if that's what is desired
12. Incorporate a graphics/photo component to showcase your history and tell your story
13. Serve as a dynamic marketing exhibit and outreach tool in the community
14. Excite, inspire and motivate your community with comprehensive content such as your mission, vision, history, success stories, current projects, biographies, campaign updates, etc.
15. Offer multiple modules and the ability to add or remove options
16. Allow for the blending of multiple recognition systems at single or multiple locations
17. Attract and communicate to your constituents
18. Include creative input from a team of professionals that includes donor recognition professionals and designers

E. Important Donor Recognition Display considerations

When looking at the cost for a recognition display, consider not only the initial costs but also the cost of maintaining the display. An organization that creates a vibrant, exciting display for recognizing donors achieve two substantial benefits. First, it differentiates its offerings from similar offerings in the community. Secondly, it provides exceptional value that commands a larger presence in the community.

Selecting a Donor Recognition Company

- Experience
- Check References
- Representation
- Manufacturing Capabilities
 - In house or job shop
 - Material availability and options
- Design Flexibility
- Flexible Recognition systems

Recognition as a Tool

- Cumulative Recognition Display
- Capital Campaign Recognition
- Annual Giving
- Planned Giving
- Alumni Membership Dues Recognition
- Distinguished Alumnus Awards
- Scholarship/Endowment Donor Recognition
- Board Membership Recognition
- Athletic Hall of Fame
- Athletic Achievement Awards
- Named Gift Recognition

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Keys to a successful Donor Recognition Display

- Visibility
- Quality construction and materials
- Attractive blending display
- Functional
- Continuity

Helpful Hints to remember

- Never plan an unveiling or dedication ceremony prior to receiving your Donor Display
- Know who your donors are and what category they should be listed under.
- Verify how your donors want to be listed prior to ordering a display. Get the proper spelling of a donor's name. If in doubt, ask.
- Make sure your display has proper growth potential

G. Other ways to say "Thank You"

There are many ways to say "Thank You". Most importantly is that you say "Thank You" promptly and frequently. You can never thank your loyal donors enough. Several ways to express your appreciation to your donors include:

1. A letter from your CEO expressing thanks makes it personal
2. Invite donors to an event, rally, fun-raiser, luncheon, donor appreciation event
3. List donors in your regular newsletter or publication to publicize your thanks
4. Consider sending gifts such as Christmas ornaments, bookmarks, calendar, etc.
5. Listing donors in your annual report is perfect to publicly recognize and solidify support
6. A telephone call is perfect for expressing your gratitude personally
7. Meetings with your trustees or advisory board to get donors more involved
8. Schedule personal visits to their home or office – meet them face-to-face
9. Ask donors to be included in your organizations publications, i.e. feature stories about donors, have testimonials, etc
10. Create and offer membership in recognition clubs or societies, based on giving levels
11. Installation events for new donors that bring all your donors together as a group.
12. Present donors with special gift recognition to honor their commitment

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