

Playing the Long Game

Stewardship Toolkit for Nonprofit Organizations



BY MATT CONNELL

INTRODUCTION

Better Stewardship Is Better Fundraising

Trends show that fewer people are donating, while the donors who are giving are contributing more. Trends also show that donors respond to effective demonstrations of gratitude with demonstrations of greater generosity. Fundraising organizations need to face these trends with clarity of thinking and strategic stewardship practices.

To avoid coming up short in our mission goals, we must see stewardship as playing the long game. Engaging, retaining, and upgrading donors is a lifetime process, fortified at every stage by expressions of gratitude.

Fundraisers who understand the value of gratitude and who can communicate it effectively will be able to build a culture of giving and stewardship that goes beyond the thank-you letter. We can help donors see themselves as more than just supporting an organization, but also serving in other powerful roles:

- Allies working toward a shared vision
- Collaborators bringing value to the mission
- Protectors of their own legacy and the future they envision for their families

In this guide, you will find resources to help you effectively engage, retain, and upgrade your donors by focusing your stewardship efforts on the value your supporters bring to your mission and your gratitude for those contributions. We will explore stewardship best practices for different fundraising approaches and various communication strategies to connect with donors at every stage and at every level of giving.

CHAPTER 01

Stewardship Touchpoints and Goals for Engagement

There is meaning behind what we measure and how we measure it. To build a long-lasting, sustainable culture of stewardship, we need to establish strategic goals and evaluate our results.

Your team's efforts and performance should be regularly evaluated from all angles. Your programming creates outcomes, outputs, and long-term impacts on your community. Your donors and their donation behaviors can show trends that inspire action. As you communicate with your donors and other community members, you can identify the data points revealed in your audience's reaction to your messaging.

These trends and data points have sources and tracking methods that need to be audited to ensure accuracy. Note also that your trends and your data do not exist in isolation just within your organization and just in this moment. You will gain powerful insights when you compare your performance against a broader background.

Communicating Outputs, Outcomes, and Impact

You, your stewardship team, and your supporters are going to build deep connections and grow the impact of your organization together. The first step is establishing the scope of your mission and the change you hope to create.

Whatever work your organization does, it creates change. Change can be measured.

Most easily measured are your outputs. These can be quantified in any number of ways, depending on your mission:

- Students graduated
- Patients served
- Pounds of food distributed
- Rescue dogs adopted, etc.

The impact your supporters make is bigger and longer lasting than your outputs or outcomes.

So is the scale of your mission challenge. Students, patients, families living with food insecurity, and unsheltered dogs are everywhere, not just in the communities you serve. We want to make that bigger picture clear to supporters. And we want to show the progress we make over the long term to build our reputation with current and prospective supporters.



Every stage of the supporter relationship needs to be recognized, quantified, and celebrated.



QUESTIONS TO FRAME IMPACT

To show the impact you're delivering to your cause, you first need to show the problem your mission addresses.

✓ How big is the problem? Locally? Regionally? Across the world?

✓ How many people (or animals or ecosystems) are afflicted by it?

How many more people might be afflicted if the problem isn't addressed? Break down and detail the work you're doing and how it helps your target community.

✓ How many people do you serve?

✓ How long have you served your community?

✓ How many people are involved in delivering your programs and services?

✓ What kind of resources are expended in those efforts?

Next, consider the involvement of your supporters. Demonstrate what their support has made—or could make—possible. Some key questions about donor impact:

✓ How is a gift of \$1 used for your mission?

✓ How about \$25?

✓ If a donor made a designated gift, what would that potential result look like for their chosen fund?

✓ What kind of change could their support make in the long term?

✓ Can you show a supporter how many people their donation has helped or could help at a certain gift amount?

Donor Lifecycle and Retention

Understanding a typical donor lifecycle for your organization starts by quantifying the costs of acquiring a donor. From staff time to stamps, the costs to get a first gift can be significant. All expenses need to be added up and divided against the number of new donors those expenditures have brought in.

Remember: we're playing the long game. We want to build relationships and a community of supporters dedicated to our cause for years or even decades. Therefore, it is essential to track retention of donors. Measure retention over a defined period, perhaps comparing year-over-year results:

- Total Number of Donors – New Donors = Number of Retained Donors
- Retained Donors ÷ Total donors X 100 = Percentage of Retained Donors

From there, make additional calculations to land on the average donor lifetime value:

✓ How many years, on average, will a donor give?

✓ How many gifts will come in per year?

✓ What is the total value of those gifts over time?

By understanding an average donor's lifecycle, you can begin to break that down by different types of donors and start asking questions about why donors give, why they give the way they do, why they give again, and why some donors stop giving.

Communications

Good stewardship requires us to know how our donors are responding to our outreach. Just as you track and measure donations, make space for tracking and measuring outreach, donor response to outreach, and which format, frequency, and messaging is effective in inspiring gift-giving.

Before you can track the performance of your communications efforts, though, establish your measurable objectives:

✓ What goals do you have for your content and communications?

✓ What are your goals for responses to outreach?

✓ How do you measure progress toward those goals?

You likely communicate with donors in every way possible: in-person, direct mail, social media, advertisements, events, email, phone calls, etc. Likewise, there are myriad ways to gather and review donor responses.

Digital communications

It can be daunting to decide which measurements for digital communications are most important. From click-throughs to shares and follows, it can often feel like there's a lot of noise and not a lot of meaning. For stewardship, focus here:

- Social media participation and engagement (rather than conversion and sentiment)
- Online giving trends

Recognition should
never be private, unless your
donor prefers it that way.



Traditional communications

When you send a physical mailer, it can be much more difficult to measure response, so consider how a constituent could take action or be influenced by the content for every campaign. Every interaction in every format creates data:

- Phone calls need their own sets of measurements
- Voicemail needs to be tracked with the same diligence as the calls that get picked up
- Every in-person conversation needs to be tracked

Each of these touchpoints, including the content of the conversation and the feelings associated with it, can be effectively tracked in a constituent relationship management (CRM) system designed specifically for the needs of fundraisers.

Multichannel communications

Ideally, your stewardship outreach will encompass multiple formats and forms of communication, from paper mailers to TikTok appeals. This is the multichannel approach, meaning it is designed for both online and offline giving. According to Blackbaud's Retention Toolkit, not only are multichannel donors retained at a higher rate, but their donations tend to be significantly higher.



2x

Contributions of multichannel donors
compared to revenue from any other type of donor

“Sitting down with your donors face to face will always rule supreme as the most effective form of fundraising,” said Tim Kachuriak, founder and Chief Innovation and Optimization Officer for the fundraising research lab, NextAfter. “But when it comes to scaling your donor base, where are you going to invest? This is where digital-first fundraising makes a pretty compelling case.”

Data Evaluation

With all this data being gathered from your communications and your donor responses, a clean database is non-negotiable. How is data health tied to stewardship? You cannot steward lost donors. An updated database helps you track down and reconnect with lapsed supporters.

The fundraising team from Sisters of Charity updated their database by running 90,000 donor records through an address updating tool, which automatically updated 2,600 “lost” records. One lost donor made a gift after a 22-year lapse. The average gift size increased by 60%.

Andy Shroeder, director of development, said a clean database and the ability to evaluate that data has allowed Sisters of Charity to grow its annual appeal by \$200,000, resulting in more food, shelter, and healthcare for those in need.

“It means we can do all the great work that we did last year and increase that by 20%,” he said, “because of one successful campaign.”

Learning more about why and how to maintain a clean database can lead to some important questions:

- ✓ *How will you evaluate your data sources and the quality of the information they provide?*
- ✓ *Is your data consistently accurate, complete, available, clear, and accessible?*
- ✓ *What kind of oversight, feedback, and follow-up policies for data collection should be implemented?*
- ✓ *How will you regularly train your team on data policies?*

For even the most traditional stewardship program, data is incoming constantly. As you evaluate your systems and processes, make note of any technology gaps:

- ✓ *Do you need to upgrade your database?*
- ✓ *Should you enlarge your data pool?*
- ✓ *Do you have a forward-thinking strategy in place for change management?*

Larger organizations with a deep bench of players can look to their data and operations teams to shape their tracking methods and policies. Work with them to evaluate the data you have, the data you need, and how you might go about obtaining more information that will help improve your understanding of your supporters’ motivations. Using that information wisely, you’ll generate even more data. Keep an open channel of communication with your data team so your strategies can evolve.

If your staff is too small to have a data team or a data consultant, sign up for basic analytics training to gain confidence that you’re using your database and communications platforms efficiently. Even the smallest shops generate a deep stream of data; learn to make the most of it on the platform you’re already using with software training and expert professional development.



Benchmarking

None of these measurements or the goals set by them should be contemplated in isolation. Benchmarking allows you to compare your outcomes against the results of years past and against the results of other organizations of similar size and with similar goals. Start with year-over-year results. Then, dig into quarter-by-quarter and month-by-month results for an even deeper picture.

Giving behaviors and other donor trends can be seasonal or change with the economy and the news cycle. Understanding outside factors can help you build a better stewardship strategy that anticipates and responds to these shifts.

CHAPTER 02

Building Your Stewardship Plan



Stewardship is often framed as the roadmap to the next gift. Upgrading donors is a preferred outcome, of course, but it's only possible when we nurture the long-term sustainable partnerships that enrich our culture of stewardship. Include donors of every level, board members, and individuals on and off your payroll—anyone committed to a shared vision of the future you are building together.

As you build a strategy based on donor data, your goal will be creating a stewardship plan made-to-measure for your specific supporters. But there are also some general stewardship ground rules for increasing your donor retention rate, boosting donations, and deepening your partnerships.

1

DONOR EXPERIENCE IS EVERYTHING (SO, GET IT RIGHT)

Rolling out the red carpet for a first-time micro-donor could come across as a bit of overkill; likewise, an automated email for a major donor might not be commensurate with the generosity of the gift.

2

DELIVER THE RIGHT MESSAGE WHERE IT WILL BE BEST RECEIVED

Your supporters are ever-changing. If you're not sure which communication message or channel is best, directly ask your supporters.

3

STEWARDSHIP IS A TEAM SPORT

You can't go it alone, so assemble your team, develop policies and procedures for stewardship implementation, and build a communications framework that is flexible enough to roll with the unexpected, but focused enough to make your team's gratitude clear and consistent.



Now that we know the rules and how to measure success, let's build a stewardship game plan for nine essential types of benefactors, staffers, and advocates. Customize it to your organization's needs.



Major Donors

A major gift brings the wow factor. How you steward a major donor should match that energy. A major gift is an investment in your cause and, as investors, major donors need to see the details. Show the impact of the gift through stories of how lives will be changed and through compelling financial reporting showing the long-term progress facilitated by their generosity.

There is almost always a journey leading to a major gift, often including:

- Annual giving
- Matching gift through a company
- Serving on a committee

Acknowledge all elements of a major donor's support (of course, always respect the donor's wishes for privacy). Also, show your gratitude to other parties involved in the gift, especially spouses and partners.

PRO TIP: Recognize major donors as leaders.

- Invite them to events related to their gift, such as a groundbreaking ceremony
- Share minutes from meetings where their project or gift was discussed
- Ask their advice

CUSTOMIZABLE DONOR STEWARDSHIP PLAN								
OUTREACH	When?	1st-Time Donor	2nd Gift	Staff/Volunteer Donor	Board Donor	Recurring Donor	Major Donor	Planned Giving Donor
Gift acknowledgement email	Within 24 hours	✓	✓	✓		✓	✓	✓
Thank-you phone call	Within 48 hours	✓					✓	✓
Thank-you call from CEO	Within 48 hours		✓	✓	✓		✓	✓
Handwritten thank-you note, signed by development executive	Within 24 hours		✓	✓	✓	✓	✓	✓
Impact letter: "Your gift has already made ## difference!"	30 days	✓					✓	
Video update of impact or impact report	Quarterly	✓	✓	✓		✓	✓	✓
Donor highlight on social media and/or in newsletter	Quarterly		✓	✓		✓	✓	
Donor survey	Two months after gift or annually	✓	✓	✓		✓	✓	✓
Anniversary of donation	Annually	✓	✓	✓		✓	✓	
Birthday card	Birthday	✓	✓	✓	✓	✓	✓	✓
Volunteer opportunity	Quarterly	✓	✓	✓	✓	✓	✓	✓
Invitation to gala or main event of the year	Annually		✓		✓	✓	✓	✓
Giving Tuesday email/ mailing campaign	Week before Giving Tuesday	✓	✓	✓	✓	✓	✓	✓
Holiday cards	2nd week of November	✓	✓	✓		✓	✓	✓
Holiday wishlist mailing	1st week of December	✓	✓	✓	✓	✓	✓	✓
Invitation to VIP/donor appreciation event	3 times a year		✓			✓	✓	✓
Success story (could be written by or about a volunteer or beneficiary)	2 times a year	✓	✓	✓		✓	✓	
Newsletter	Quarterly	✓	✓	✓	✓	✓	✓	✓
Annual appeal	Annually	✓	✓	✓	✓		✓	✓
Donor summary for tax season	Annually	✓	✓	✓		✓	✓	✓

Planned Givers

A planned gift will often be the most meaningful charitable decision a donor will make in their lifetime. Studies show, though, that many organizations only know about 10–25% of planned donors, which means there's potential for an unexpected gift at any time. Your organization's reputation is often the magnet that will draw in a previously unknown planned giver, so get serious about your culture of stewardship.

Consider developing a giving society. You not only honor legacy donors with this recognition, but you also provide a group experience for like-minded supporters. Make the giving society visible with special swag, such as pins they can wear to events. It makes them feel special and could encourage some of those unknown planned givers to declare their commitments.

PRO TIP: Invite planned gift donors to get involved in programs their gift will support.

- Give them access to what goes on behind the scenes
- Create newsletters specific to their interests

Recurring Donors

Your sustaining donors are pragmatists. The work you do has real utility to their community and they make sure you get paid on time so your work can continue.

This kind of commitment deserves celebration. Welcome sustainers warmly, stressing the impact they are making and the long-term value of their giving. Like major donors, sustainers are making a real investment in your cause and should be shown the details of what they're investing in, so share impact reports. Like planned givers, sustaining donors are making a commitment to the future of your cause, so share videos and stories from the front lines of your mission. Since a sustaining donor's support accumulates over time, communicate impact and gratitude over time, too.

PRO TIP: Just because a recurring donor has committed to giving one way, don't exclude them from supporting your organization in other ways.

- Invite sustainers to serve on committees focused on near-term strategy
- If gifts are designated for a physical space or program, invite them to visit

Board Members

When you understand your board members' reasons for taking on such a responsible role, you can tie that "why" into your board stewardship strategy.

Like major donors, your board is making a serious investment in your organization. Members need to be treated as the investors they are. View-only dashboards can keep them apprised of progress. Like your planned givers, a board member's investment needs to be tangible, so share stories of impact and include them in experiences that make your mission real. Like sustaining donors, your board has committed to the day-to-day upkeep of your programming; keep them apprised of the changes they are making possible.

PRO TIP: Your board stewardship strategy should include a plan for board succession, which you can explain as part of their legacy in building a more just, effective, and innovative organization for the future.

- Give members a voice in the succession process
- Invite them to help onboard new members

Staff

For some of us in the social good sector, our job is more than a job. Some colleagues are passionate about the value of the services you provide or have benefited from those services directly. Some see your organization's mission as an extension of their own role. If we're working closely and speaking often with staff members, is it necessary to make a stewardship plan for them? Yes. But the act of thanking and recognizing your team's contributions can't be seen as an extension of your job (even though it is).

PRO TIP: Foster an environment of collaboration with staff donors. After all, they know your mission better than anyone.

- Include them in important discussions
- Welcome their feedback



Volunteers

Volunteers are chipping in and doing the work your mission requires to move forward. That alone is valuable and worthy of recognition. If they make a financial gift in addition to showing up, that's an extraordinary asset for your organization.

Volunteer management is smart stewardship. Matching a volunteer with a job that suits their skillset and their motivation can often be the best way to show you are grateful for their service. This requires an application and interview process that has low enough barriers to not discourage involvement, but also a process that gathers enough information to provide insights about your potential volunteers.

PRO TIP: Quantify the contributions of volunteers.

- Establish what you might pay someone to provide the services your volunteers bring to the table and track that value over time
- Share and celebrate the market rate of their time and expertise

Annual Donors

How do you steward an annual or unrestricted donor who has decided to support your mission with no strings attached? How do you encourage them to donate more? In a survey, 45% of donors said it was an outstanding thank-you letter that inspired them to give again and 23% said they gave more generously because of the quality of the acknowledgment they received.

PRO TIP: Steward annual donors by focusing on gratitude.

- Invite them to participate beyond their checkbook, as advocates or volunteers
- Follow up a gift thank-you by asking questions about their motivation for giving and ways they might like to serve
- Communicate program outcomes and outputs, showing progress on delivery of services

Donors with Designations

A donor making a designated gift is telling you loud and clear that something about that fund, project, or program speaks to them. Tell them how meaningful that is! Share the story of how that program developed. Detail the next steps the program will be taking and highlight how that donor is the champion of that story. Always share a detailed [impact report](#) with donors who designate their gift.

PRO TIP: Steward donors with designations by keeping them updated on projects they're supporting.

- Report on what has been spent and what remains to be spent (some donors will want to “top off” their donation to ensure the project is completed)
- Tailor volunteer opportunities to the program or project they have invested in
- Give them special access to events and people of interest to them (such as a visiting professor or a commencement speaker)

Peer-to-Peer Fundraisers

To effectively steward P2P fundraisers, you need to be comfortable with letting non-professional fundraisers take the lead. Provide resources and templates to support their fundraising efforts and for the stewardship of donors who supported them.

PRO TIP: Highlight P2P donors' individual impact, the impact of any related fundraising event, and the impact of the mission.

- Offer branded prizes to top fundraisers
- Don't neglect the donors they brought in—connect with and thank each one!

CHAPTER 03



Tell a Compelling
Impact Story



You may think telling the story of your donor's impact begins with a charming email about a grateful beneficiary and ends with a tax form for the donor's records. That is only part of the impact story. It's best practice to provide your major, sustainer, and planned giving donors personalized reporting that digs deeper into the numbers to demonstrate the story of their impact. For donors who give restricted funds or designated gifts, this kind of detailed impact report is a must.



GO BEYOND YEAR-OVER-YEAR COMPARISONS

When you think beyond the chronological, you can ask powerful questions answered by your data.

- ✓ *How are your revenue streams before and after the gift?*
- ✓ *Is there a change in conjunction with a specific program?*

Use filters to pull back the layers on your financial data, looking at your revenue by program type and budget-to-actuals in a specific quarter. Comparing those breakdowns by more than just year-over-year will show you a different pattern of impact. Doing the same for non-financial comparisons can show how many more people/animals/ecosystems you have been able to serve in various time periods.



DEMONSTRATE THE RIPPLE EFFECT

A sizeable donation or sustaining gift may prompt downstream changes. What were the unexpected results of their gift: Three additional grants? Higher attendance at events? Demonstrate the ripple effect by building personalized reports that go past traditional metrics.



CREATE A DONOR-SPECIFIC NARRATIVE

Personalized financial reporting allows you to pinpoint not only accomplishments made possible by their gift, but also opportunities. For example, a designated gift to fund a new piece of medical equipment could point to a need for a building upgrade to accommodate it. This could be a project right up the designated donor's alley.



USE VISUALIZATIONS TO TELL A PERSUASIVE STORY

Focus the report only on the information that helps tell that donor's story. Provide the full dataset as a support but remove the noise of unnecessary data.

- Zero in on the one narrative you want to tell, such as the charity walkathon sponsored by the donor raised \$1 million (include happy images of the event in your report and visual elements, such as charts to show impact over time)
- Tell a complete story by providing context through a short paragraph and a succinct headline so your donor can logically see the next action needed
- Pull important insights together on dashboards that live in your fund accounting software, so you are regularly updated on changes and can share them as part of your stewardship strategy

CONCLUSION

Empowering Your Supporters: The Ultimate Goal of Stewardship

As a pipeline for deeper engagement over the long haul, your stewardship strategy should be data-driven, responsive, and flexible. Feedback from donors will inform and improve your strategy, leading you to expand what's working and eliminate what's not.

At the heart of all of your efforts is empowering your supporters to claim your mission as their own. Beyond acknowledging that each donor has skin in the game, demonstrate at every level that their support is being put to good use with compelling and, when appropriate, personalized impact stories.

What is the end game? A comprehensive stewardship strategy that transitions a donor from the role of supporter to the role of true member of your team. In making that shift, your strategy can help you increase donations, make more meaningful connections in the communities you serve, and (together with your supporters) fulfill your mission goals.



About the Author

Matt Connell is a Principal Instructor for Blackbaud University and the lead instructor for nonprofit organizational best practices and fundraising. Matt has been a contributor to ENGAGE, NonprofitPRO, npEXPERTS, and the Blackbaud Community and has presented at AFP ICON, AFP LEAD, Crescendo's Practical Planned Giving Conference, and bbcon. As an educator to the social good sector, Matt helps to grow the expertise and advance the knowledge of those working to do the most good for the world we share.



At the heart of all of your efforts is empowering your supporters to claim your mission as their own.

About Blackbaud

Blackbaud unleashes the potential of the people and organizations who change the world. As the leading software provider exclusively dedicated to powering social impact, Blackbaud expands what is possible across the nonprofit and education sectors, at companies committed to social responsibility, and for individual change makers. Built specifically for fundraising, nonprofit financial management, digital giving, grantmaking, corporate social responsibility and education management, Blackbaud's essential software accelerates impact through unmatched expertise and powerful data intelligence. Millions of people across more than 100 countries connect, give, learn, and engage through Blackbaud platforms.



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