

An opportunity to do some good

Ways to sell your non-profit project to donors

Jan Flamend



JAN FLAMEND

AN OPPORTUNITY TO DO SOME GOOD

WAYS TO SELL YOUR NON-
PROFIT PROJECT TO DONORS

An opportunity to do some good: Ways to sell your non-profit project to donors

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CONTENTS

	Quotes	7
	Introduction	9
	Here is a chance to do some good, sir	9
	Warming up	11
	What does a good fund raising conversation look like?	11
1	My perfect donor	17
1.1	The non-profit donor cultivation cycle	24
1.2	6 Stages of the foundation funding cycle	26



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2	What do donors need?	32
2.1	Personal Needs	36
2.3	Value propositions for non-profit projects	39
3	The structure of a fund raising conversation	43
4	Interpersonal Styles	87
	Bibliography	94

For Frieda, Pauline and Joseph

QUOTES

I've a problem with the word charity because I think that NGOs, as I prefer calling them, really do take the work of moral and social responsibilities that ought to be taken on by governments.

Emma Thompson

I launched Chefs for Humanity, a national nonprofit, with my voice, heart and money from my own pocket. Money gives you the ability to make a difference in the world and, when used in a positive way, is a lot of fun.

Cat Cora

Increasingly, I'm inspired by entrepreneurs who run nonprofit organizations that fund themselves, or for-profit organizations that achieve social missions while turning a profit.

Ethan Zuckerman

An old Cherokee is teaching his grandson about life. "A fight is going on inside me," he said to the boy.

"It is a terrible fight and it is between two wolves. One is evil – he is anger, envy, sorrow, regret, greed, arrogance, self-pity, guilt, resentment, inferiority, lies, false pride, superiority, and ego." He continued, "The other is good – he is joy, peace, love, hope, serenity, humility, kindness, benevolence, empathy, generosity, truth, compassion, and faith. The same fight is going on inside you – and inside every other person, too."

The grandson thought about it for a minute and then asked his grandfather, "Which wolf will win?"

The old Cherokee simply replied, "The one you feed."

INTRODUCTION

HERE IS A CHANCE TO DO SOME GOOD, SIR

You would be surprised how many good causes there are in this rough, dark world of today. In the midst of neo-liberal egotism, nationalist perversion, religious fanaticism and terrorism, and climate change denials, there are a surprisingly big amount of people working on a better world by volunteering in projects such as cambodian orphanages, chilian food safety programs, congolese health insurance schemes. It is not only westerners helping people from the south, or the east. You also have plenty of non profit organisations in Western Europe or Northern America helping out to solve child poverty, teen pregnancies, refugee harboring in their own countries. Lots of people who care and who want to help their fellow human beings. It is heartwarming to see all this positive energy flowing. One estimates the amount of money going around in the non profit sector at about 100 billion dollar world wide. Money being given graciously by donors to recipients to create a better world and thus filling the humanity gap that politics and governments leave behind.

Non-profit organisations have a certain reputation though. They are said to be naive, not well managed and they quite often think that funding will just come automatically. They sometimes have a strange sense of entitlement. In the last decade, however, we have seen a clear evolution within the non-profit sector toward more accountability, more professionalism, more 'management'. Some romantics might regret this, but it is inevitable, if only for the fact that donors want to know exactly what their money is being spent on, what the effective return is. The question one hears all the time is: what is the impact?

Non-profit organisations have a commercial challenge. They need to sell their projects to donors and sponsors. In order to get funding they need to make a business case. This doesn't come easy for non-profit organisations: the word 'sell' sounds appalling in their ears and other mechanisms than the rule of the free market motivate the commitments of volunteers and do-gooders. Nevertheless, the comparison with normal commercial processes is quite straightforward. You need to convince your customer that your proposal is valuable, that it is good for him and that when he buys it, he will get much value from his investment.

For some years now, Valueselling South has been giving sales training sessions to various non-profit organisations in various parts of the world. In Belgium, Swaziland, Togo, South Africa, Benin, Bolivia, Peru, Benin, Uganda, Cambodia, etc. This experience leads us to believe that quite a few skills and methods are applicable in the for-profit as well as in the non-profit world. Context, motivation, purpose – they differ of course greatly, but in terms of commercial techniques and marketing strategies, non-profit can learn a few things from for-profit.

Valueselling.be has been consulting, coaching and training international ‘capitalist’ companies such as Apple, HP, Sanofi Aventis, Cochlear, Atlas Copco, MetalloChimique, Kia Motors and Bechtel, with the objective of making their sales teams more effective and more performing. At Valueselling South, we have learned that some of these techniques are also beneficial for non-profit organisations, such as Via Don Bosco, Louvain Coopération, Agricultural Business Initiative, Solid International, Salesian Youth Projects, etc.

This book is meant for all the non-profit and NGO people who need to sell their projects to all sorts of stakeholders. Those stakeholders might be donors, sponsors, governments, foundations, partners, but also users and beneficiaries. Sometimes, they need some help to see the value of the non-profit proposal.

Jan Flamend, December 2015

WARMING UP

WHAT DOES A GOOD FUND RAISING CONVERSATION LOOK LIKE?

‘So, Mr Goodman, how nice to meet you.’

‘The pleasure is all mine, Ms Burrows. How was the flight?’

‘It was a bit bumpy, actually, but no atmospheric disturbances would be able to keep me from meeting with you.’

‘You seem very motivated for your cause.’

‘I surely am, and I am also proud of the impact we have had so far.’

‘Yes, impact. It’s all about impact in the NGO world these days, isn’t it?’

‘And rightfully so, Mr Goodman, we must be accountable for the funding we get from our donors.’

‘You would like me to become a donor for your project.’

‘Very much so!’

‘So, tell me all about this wonderful project of yours. Your frequent messages have made me curious. You were quite persistent. My secretary said ‘It’s that Salesian woman again on the phone.’

‘Salesian Youth Institute Projects works in youth education and skills development, changing the lives of vulnerable children and youth-at-risk in Cape Town, South Africa. We offer support, life skills, and vocational training.’

‘Sounds fascinating. Tell me more.’

‘Before I do that, Mr Goodman, I would like to ask you a few questions, if you don’t mind.’

‘Guess you want to know who we are, why we would want to give our precious dollars to some poor kids in Cape Town, 10,000 miles from New York. You would think we have enough poverty and misery here in the US.’

‘I am very much intrigued by your Foundation, Mr Goodman. What is it exactly that you do?’

‘Well, Ms Burrows, like so many of my fellow billionaires, I have come to the point where I want to give back to society. I have done very well for myself, I have heaped up vast amounts of money, and it has become my conviction that something good needs to be done with all that money. I have learned that giving gives more pleasure than taking.

Now, giving is easy. Very easy, and there are plenty of folks who want to receive. I can assure you that.’

‘You want your recipients to earn your donations.’

‘My words exactly. I don’t want to feed parasites.’

‘Oops. We are definitely not parasites, Mr Goodman.’

‘I am not saying that you are, Ms Burrows. You should have a look at the emails I get. Here’s a nice one. I have printed it out to read to potential recipients, like yourself.’

Hi Jack,

I have heard that you are a good man. No pun intended. It is clear that you feel guilty about the wealth you have acquired. You have done so by exploiting the working man and by avoiding taxes. You Republican bastard.

You have plenty of money and I would like to have my fair share of that money.

My family is poor and needy, my children are sick and hungry and my business is not doing well.

I am sure that you will feel much better about yourself if you give me a monthly grant of 5,000 dollars till the end of my life. The Lord will look more kindly on you if you do.

You can wire the money to this account.

God bless you,

Dick Monk

‘Really, that is hilarious. This is a real email you got?’

‘There’s much worse, Ms Burrows.’

‘The least one can say is that you inspire people, Mr Goodman.’

‘Hahaha. That’s a good one. Call me Jack.’

‘I am Nelly.’

‘Right, so, I have set up a Foundation whose mission it is to provide education for underprivileged kids. Why this? I simply had a market analysis done to identify the greatest needs, and there are plenty of foundations and grants taking care of health issues, women’s issues, race issues, agriculture issues, pregnancy issues, etc. Children need food, they need love, but most of all they need an education. So, that has become the niche that we are working in.’

‘That sounds wonderful, Mr Goodman, er Jack. I think I have come to the right man! I guess you get many applications.’

‘It is mind blowing, Nelly. But we need to make choices. We can’t fund every school from LA to Phnom Penh. We need to be selective in what we do.’

‘Exactly. What criteria do you use when evaluating applications, Jack?’

‘First of all, Nelly, I need to have the assurance that my money will be well spent. We are looking for reliable partners who deliver on their promises. NGOs don’t have a good reputation when it comes to accountability and professionalism. Lots of good-heartedness and good will, but very little business sense. And, let’s be frank here, Nelly, there is also a lot of corruption, isn’t there?’

‘It is a challenge, Jack. Indeed, there is.’

‘You don’t need to use that politically correct lingo with me, Nelly. I want good governance. And I need to see results. The projects I fund need to perform. They need to make a clear and visible difference. Change kids’ lives.’

‘Wow.’

‘Yeah, wow.’

‘And I don’t want any hassle.’

‘Well, that is loud and clear. Very straightforward. Now, my being here means that Salesian Institute Youth Projects has attracted your interest in a certain way, and the criteria you mentioned, you sort of find them in what we are doing for Cape Town’s vulnerable youth. Is that a correct assumption, Jack?’

‘I have had you vetted, yeah. And I like what I hear. But I want you to tell me what you are doing. I want to hear the voice of the project management. I need to know if I am dealing with people who are sincere and authentic.’

‘My sales pitch.’

‘Give it to me.’

‘Some facts and figures to start with. For 104 years now, the Salesians have been investing in Cape Town’s most vulnerable children and young people. 93% of the donations we get goes straight to the programs destined to help the children and young people. 84% of the youth in our Youth Employment Skills programs were employed in 2013.’

‘Sounds good.’

‘Safeguarding and improving the lives of young people is a vital task in South Africa. In the Western Cape province where we work, 44 percent of the population are young people under the age of 25. Nearly a third of them are living in poverty, with one in five suffering severe deprivation.

In addition, recent studies have shown about half a million young people and children are living on the streets in South Africa – 120,000 in the Western Cape alone. And the trend is accelerating.’

‘Jesus. I knew it was bad.’

‘The Salesian Institute serves vulnerable children and youth at risk regardless of religion, race, gender or nationality. We give them the skills they need to stay out of danger, find good jobs and lead happy lives.

Each year we do this for the 1600 young men and women in our programs with a custom-tailored mix of basic education, vocational training, social skills, neighborhood outreach and residential accommodation.’

‘OK. Go on.’

‘Our programs include many things. Let me enumerate.

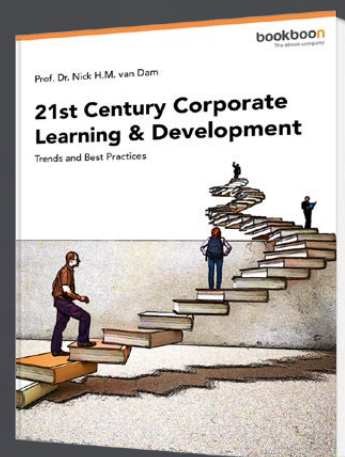
- Classes for children and youth who have dropped out of school or who do not have the skills to pass their matriculation exams, including welding, woodcraft, panel-beating and arts and crafts
- Vocational classes for older youth to learn in-demand trade skills like tiling, laminated flooring, bricklaying, PC repair, computer literacy and office management
- Life skills classes to give at-risk youth self-confidence and social skills plus basic home skills like budgeting: this includes self-actualisation, self-confidence building, interview skills, communication, cultural diversity awareness, relationship building, motivation and problem solving, time management, stress management, conflict resolution, peer pressure... raising of awareness to gender and domestic violence, substance abuse and HIV/AIDS, goal setting, trust building and positive thinking.
- Job search and placement services.
- A one-of-a-kind program to assist youth with training and documents in order for them to find employment within the fishing industry.’

‘And you can substantiate all this with numbers and figures? I guess you have your programs and finances audited by an external body?’

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‘Here are the yearly reports of 2013 and 2014.’

‘Looks very professional. Nice pictures. You had some marketing guidance to lure suckers like myself.’

‘As you said, Jack, the Not For Profit world has become a professional industry and we need to use all the tools available to convince our donors.’

‘You are doing what the government should be doing. Why is it they don’t take care of these kids? I mean, South Africa is the richest state in Africa. You had the football world championship. You’re not a developing country any more, are you.’

‘That is exactly the problem we are facing, Jack. We have lost many of our traditional donors because of this perception of South Africa as an economic success. The reality is that South Africa is a failed state when it comes to child welfare and education.’

‘Lots of corruption. Zuma is a bit of a crook, isn’t he?’

‘I would rather not go into that, Jack. I can only speak for SIYP. The audit uses the highest standards of good business practice, as you can see from the document.’

‘OK, Nelly. Interesting.’

‘So, what do you think, Jack? What do you like most about our projects?’

‘Well, two things. No, three. You have been around for quite a while. You show results. And you are committed. I can see that.’

‘So happy to hear that, Jack. Does that mean...’

‘How much do you need, Nelly?’

What do you think Nelly did well in this conversation? And what could be improved? Make your evaluation through this balanced analysis.

Balanced analysis

+	↑

Learning points

1 MY PERFECT DONOR

Cheryl Kymball of Entrepreneur.com tells us there are five types of donors.

1. Prospects

Prospects are people who haven't yet donated but are prime candidates for supporting your organization in some way, large or small. They're people you want to make sure receive your mailings, from your quarterly newsletter to your annual appeal. Some day, when the right pieces come together – extra money in their pocket or a personal connection to your mission – prospects have a high likelihood of sending you a donation.

2. Individual donors

Individual donors come to donate to your organization for many reasons. Perhaps they came to an open house or other event you held, were impressed with the event and your organization, and donated beyond just the admission fee. They may have become a member or donated to a specific cause being showcased by the event.

Perhaps your individual donor responded to a direct-mail piece. Your appeal spoke to an interest of theirs, they were impressed with your statistics, or they remembered a friend of theirs saying they were a member of your organization and really appreciated what you do, and the person donated a small amount for that reason alone.

Individual donors will collectively be the lifeblood of your donor base. No one individual donation brought in this way is going to make or break you, but together they form a large percentage of your annual operating income.

These donors will likely donate, perhaps in just small amounts, again and again. They'll respond to your membership appeal, come to other events, and donate to a special appeal for something specific.

3. Major donors

Major donors rarely happen overnight. They might take years of cultivation, but once they decide to give, they give in large sums. Some may have the capacity to give a large sum annually; some may give only strategically when you are doing a special campaign.

Cultivation and stewardship are important to major donors. They don't want to be "sold to," but they also want to be kept apprised of what your organization is doing – i.e., how you're using their donation.

One of the best ways to steward major donors is to assign each one to the most suitable board member. It's likely many of the major donors came through board member connections to begin with. Help your board members learn how to best steward donors if they don't already know. A plan should be in place for each major donor to receive a certain amount of correspondence each year – not asking for a donation but simply updating them on key initiatives or the overall status of the organization.

When the time comes to ask for a key donation, the board member should plan to bring along the executive director or development director for a face-to-face meeting.

In the next chapters we will give you a number of ideas on how to formulate a compelling value proposition for your project and you will learn how to conduct a successful fundraising conversation.

4. Corporate donors

Corporate donors require a completely different approach from individual and major donors. Although they certainly do exist, few corporations give large donations simply to be philanthropic. They expect certain marketing opportunities from their donation – a press release announcing a significant gift, a check presentation photo sent to the papers, naming of a key area in the building to which they're giving, publicity for sponsorship donations before, during and after an event.

Corporations should be key donors and donor prospects in any organization's development plan. The board should be enlisted to help identify corporations for whom your mission would appeal. Corporations don't just donate for their own or their owner's sake; help them understand that your organization's mission is near and dear to the hearts of their employees.

You'll want to figure out the fiscal year for the corporations you plan to approach as much as possible. As you try to gather this information, you might consider creating a corporate mailing piece that can be sent a few times a year to a certain number of corporations. Once you start to collect specifics about their fiscal year, you can group those twice-a-year mailings by the most logical mailing period for a company's fiscal year.

5. Foundations

Private foundations are pots of money set aside by a person, family or other entity for donation purposes. They typically fall under tax-free IRS laws which, for the tax-free status, require them to give away a certain amount of money – typically a percentage of the income or the principal of the fund itself, depending on how it's set up – each year. To do that, they often target types of charities they're interested in and open a grant proposal round once or twice a year during which organizations can appeal to them for funding.

Foundations often prefer to fund programs that actually result in accomplishing the mission of the organization. Few foundations offer funding to capital campaigns, and fewer tend to offer funding of general operating funds for the day-to-day business of the organization. Most require a post-grant report to give them the measurables that show how their funding helped you accomplish your mission.

There are many ways of finding out who offers grant funding in your category of charity. Do a basic search under “grants for” whatever your category is, and you'll come up with some places to start.

Who are your best customers/donors?

To help sales people be more effective in their customer portfolio, my good friend Alan Melkman has developed a matrix to rate one's account base against two critical factors:

- attractiveness: how attractive is the customer for our business?
- competitive position: how strongly are we positioned with the customer?

Account attractiveness factors

Sales volume
Sales potential
Profitability
Account growth
Market leadership
Innovation
Financial risk

Strength of supplier position factors

- Market share of your company with this customer
- Quality level of your products
- Product portfolio
- Technical support
- Competitive pricing
- Other services offered

You can then make a weighting of those factors, which will help you to establish priorities.

ATTRACTIVENESS of account

ACCOUNT NAME.....	Weighting	RATING			Total
		Good 3	Average 2	Poor 1	
Sales volume to Basell	15				45
Sales potential	12				36
Profitability to Basell	10				20
Account growth/globalisation	5				5
Market leadership & innovation	5				10
Financial risk	3				3
	50			<i>Total</i>	119

Supplier's COMPETITIVE position

ACCOUNT NAME.....	Weighting	RATING			Total
		Good 3	Average 2	Poor 1	
Market share of Basell	18				18
Quality level of products	12				24
Grade range	8				16
Technical support	5				15
Competitive pricing	4				8
Other services offered	3				9
	50			<i>Total</i>	90

Account Portfolio matrix

The ‘account portfolio matrix’ is an excellent tool in order to determine to what extent your accounts are attractive to the sales organization on the one hand, and how strong our competitive position is with these accounts on the other hand.

Therefore, as a result, the account policy matrix identifies the overall priority of the account and the appropriate strategy: focus, reinforce position, maintain, minimal efforts.

Account portfolio matrix

		COMPETITIVE POSITION	
		WEAK	STRONG
A C C O U N T	S T R O N G	<p>Segment B</p> <p>Accounts are attractive since they offer high opportunity, but sales organization has a weak competitive position.</p> <p><i>Strategy – REINFORCE POSITION:</i> Accounts should receive a high level of contacts to strengthen the sales organization’s position.</p>	<p>Segment A</p> <p>Accounts are very attractive since they offer high opportunity and sales organization has strong position.</p> <p><i>Strategy – FOCUS:</i> Accounts should receive a high level of sales calls since they are the sales organization’s most attractive accounts.</p>
	W E A K	<p>Segment D</p> <p>Accounts are very unattractive since they offer low opportunity and sales organization has a weak competitive position.</p> <p><i>Strategy – MINIMAL EFFORTS:</i> Accounts should receive a minimal level of sales contacts and efforts.</p>	<p>Segment C</p> <p>Accounts are somewhat attractive since sales organization has a strong competitive position, but future opportunity is limited.</p> <p><i>Strategy – MAINTAIN:</i> Accounts should receive a moderate level of sales contacts to maintain the current strength of the sales organization’s position.</p>

The two dimensions that determine your account portfolio are the attractiveness the customer has for you, and the competitive position you have for the customer.

Does this help us with identifying donors for our non-profit project?

The attractiveness of a donor can be determined by several criteria. Mostly, this is the outcome of a brainstorming session where all concerned departments are involved.

Brainstorming sessions often give a list like the criteria below:

- Market position donor
- Growth potential
- Size of the donor
- Financial position donor
- Innovation level donor
- Accessibility decision makers
- Openness for our type of projects
- Project portfolio

Competitive position

How strong are we positioned with this donor? We'll follow the same reasoning as above, and determine our competitive position with this donor based on criteria that are prioritized by means of a brainstorming session.

Brainstorming sessions often give a list like the following criteria:

- Reputation of our organisation
- Reliability of our staff
- Service level
- Measurable impact
- Accountability
- Service level
- Quality of delivery and reporting
- Track record

Next step is to develop a rating system in order to quantify these criteria in a consistent way.

Weighting different criteria

The weighting of the different criteria allows prioritizing the agreed criteria that determine the account attractiveness and the competitive position of your donor base.

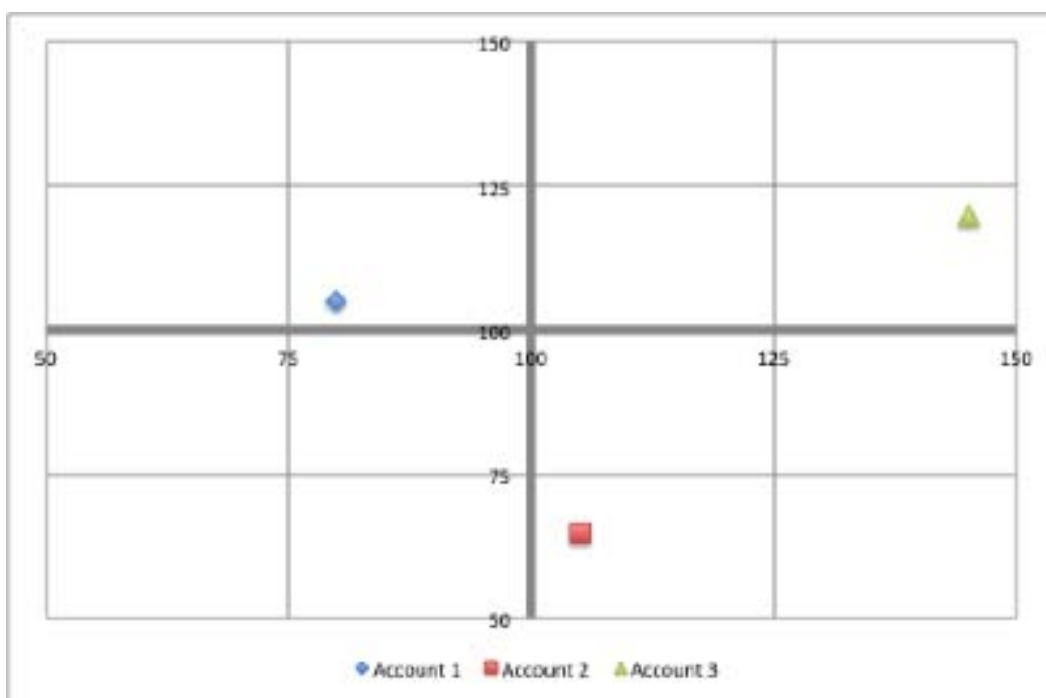
ATTRACTIVENESS OF ACCOUNT

		1	2	3
decisive criteria	weight	poor	average	good

COMPETITIVE POSITION

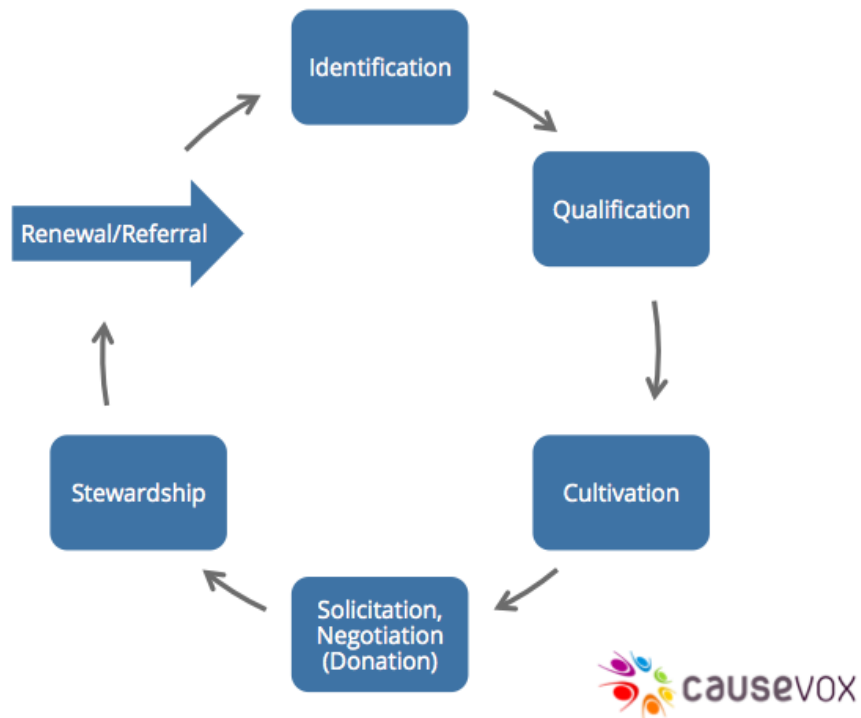
		1	2	3
decisive criteria	weight	poor	average	good

This analysis will lead to a donor portfolio overview like this one. This helps us to concentrate on the most interesting donors.



1.1 THE NON-PROFIT DONOR CULTIVATION CYCLE

Cycle of Philanthropy



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Hila Mehr of Causevox.com has written ‘The Indispensable Guide to Non-Profit Donors’ which contains very valuable and useful inputs.

She writes: ‘The donor cultivation cycle, the process in which a person or entity becomes and remains a non-profit donor, is virtually the same no matter what type of donor. The cycle always starts in the identification phase and then you move the donor through the cultivation cycle as your relationship continues and strengthens.

Below is an overview of each phase in the cycle.

- **Identification** – A person or entity is determined to be a potential donor either due to expressed or noticeably sympathetic interest in the non-profit’s mission. They are added to a list of prospective donors to go through the cultivation cycle.
- **Qualification** – Research is conducted into the prospective donor’s giving history, interest in the mission, and relationship with the non-profit. If the prospective donor is deemed a high enough potential to become a donor, they continue through the cultivation cycle; if not, they are removed from the list.
- **Cultivation** – The prospective non-profit donor is invited to meetings and events, is added to the communications/newsletter list, and/or becomes a volunteer, and a relationship is built with the non-profit. This is typically the longest phase, and depending on the prospective donor, can take weeks, months, or over a year until they are ready to be moved to the next phase.
- **Solicitation, Negotiation, Donation** – After the prospective donor has been suitably cultivated and becomes familiar with the organization, a solicitation is made for a donation. This “ask” may be negotiated for a lower or higher amount, and a donation is eventually (hopefully) made. If a solicitation is rejected, it is typically encouraged to keep the prospective donor in the cultivation phase for additional time until they are ready to be solicited again, unless it is explicitly made clear they will never be a donor.
- **Stewardship** – Once a prospective non-profit donor becomes a donor, they should continue to be cultivated in a similar fashion to the cultivation phase, though some additional donor benefits may apply if relevant to the non-profit’s fundraising strategy.
- **Renewal/Referral** – The donor is ideally always an active donor and throughout the infinite stewardship phase will be asked to renew their gift. The donor may also help the non-profit identify other prospective donors to enter into the cultivation cycle at the identification phase.

Keep in mind that each phase will vary in length depending on the type of donor and each unique non-profit donor.

1.2 6 STAGES OF THE FOUNDATION FUNDING CYCLE

While the foundation funding cycle is similar to the cultivation cycle, foundations have their own grants cycle. Each foundation has its own timeline, and some accept Letters of Inquiry and Proposals year-round, while others have specific month or date deadlines. Below are the additional stages that take place within the Foundation cultivation cycle, and how they relate to the cultivation cycle phases.

- **Research (Identification)** – Learn more about the foundation and its funding priorities. This information is available on its website, on sites like Foundation Center and Guidestar, and via Google searches. Relationships with foundation affiliates also help here to learn more details and history on the foundation's previous and evolving interests.
- **Letter of Inquiry (LOI) (Qualification/Cultivation)** – If the foundation requires this as part of their funding process, or solicits this from you, you will submit a short (typically two to three-page) LOI describing your organization and for which project or program you would submit a full proposal for funding.
- **Proposal (Solicitation)** – After the foundation reviews your LOI, they will inform you whether they would like you to submit a full proposal. Few non-profits make it past the LOI stage to submit a full proposal. The proposal is unique for each foundation, but will typically be lengthy and require detailed information on your mission, successes, the project you are hoping to fund, your project implementation plan, background on the staff involved, and a detailed budget. The proposal will typically have a deadline for submission, and your grant writer needs to be a strong storyteller with a great eye for detail, and follow all the proposal requirements exactly as stated.
- **Review (Solicitation/Negotiation)** – The foundation will review your proposal and if you're one of the lucky few, your non-profit will receive funding. If you do not receive funding upon review, the foundation may be able to offer feedback on your proposal or the reason you didn't receive funding.
- **Reporting (Stewardship)** – Foundations typically require regular reporting from their funded non-profits on progress of their projects and budgets. Each foundation's reporting guidelines will be different. In addition to submitting the reports by their submission deadlines, keep the foundation staff on your communications and events list for regular updates and further cultivation of those relationships.
- **Renew (Stewardship)** – The grant you receive may provide funding for several years or just one, and you may be eligible for renewal for further funding or submission of a new grant. This will be particular to each foundation, and if renewal or a new submission is accepted, you will likely need to go through the cycle again, beginning with research to see if any of the foundation's funding priorities have shifted.

Types of donations corporations can give to non-profits

- **Sponsorship:** Corporations can sponsor tables or advertisements at events to promote their work to your network.
- **In-kind donation:** Corporations can provide in-kind donations of food, equipment, supplies, materials, or other resources that they offer. For example, if your non-profit provides an after-school reading program, a book publisher could potentially provide an in-kind donation of books.
- **Employee gift matching:** Some corporations offer employee gift matching programs, where if an employee donates a gift to a non-profit, the corporation, up to a certain amount, will match that donation. Ask your donors if their company matches gifts.
- **Discretionary gifts:** Some managers in charge of their division's budget may be able to write your non-profit a gift directly from their discretionary budget, if missions and interests are aligned. But this type of gift is rare and difficult to come by.
- **Corporate foundations:** Larger businesses have corporate foundations, often run in a similar fashion to traditional foundations, with a proposal and grants process. Do your research into the corporate foundation's giving priorities, and then follow the advice listed in foundations section above.

Managing the contact base of your donors

Who do you talk to and what is the level of influence the people you talk to have? Again, we turn to the for-profit world to see how we can work on the DMU (decision making unit) of our donors. The typology below comes from the proven sales methodology Target Account Selling.

Formal Roles in the Buying Process

Approver

A high-ranking person who retains the right to review, approve or veto lower-level decisions. Decisions by subordinates with credibility or a proven track record are routinely approved. Less experienced or unproven Decision-Makers often have to run a more difficult course of formal and informal approvals. Often, dollar thresholds are set to delineate this approval process.

Decision-Maker

After analysing the evaluation results and listening to recommendations, the Decision-Maker will make the commitment. Typically, the Decision-Maker has been officially chartered with responsibility and accountability for accomplishing a specific set of objectives.

Evaluator

Evaluators are responsible for analysing your product, service or proposal, comparing it to pre-defined criteria, and making a recommendation to management. Often management will form a committee to conduct the evaluation. There can be product, purchasing, and legal evaluators.

User

Someone who will directly use your product or service. Users will often play other roles in the buying process.

Exercise:

try to identify the people who play this role in the DMP (decision making process) of your donor customers.

Adaptability to Change

Innovators

Innovators are attracted to new products or services simply because they love to be the first with the latest ideas. Innovators are also known as enthusiasts.

From a salesperson's point of view, particularly in business-to-business sales, there is really only one drawback to innovators: they usually don't have any money. However, they often possess influence. If an innovator plans a new product or service, no one else will give it a second glance.

Visionaries

Visionaries are the true revolutionaries who want to use an innovation to make a break with the past and start something new. They expect that by being the first to exploit a new capability, they can achieve a dramatic competitive advantage. Visionaries are also known as early adopters.

For salespeople, Visionaries have extraordinary importance because they have money to buy new products and services. However, Visionaries often demand special modifications or customization of new products to their specific requirements, so there is a challenge to the seller as well.

Pragmatists

Pragmatists believe in evolution, not revolution. They look to adopt products and services only after a proven track record of productivity improvement has been established, including strong references from people they trust.

For salespeople, Pragmatists are most likely to be in charge of a company's mission-critical activities, and they protect the business from novel intrusions. As such, they prove to be a tough nut to crack when the time comes to buy truly new products or services. When they decide to buy a new product, pragmatists prefer to buy from the market leader in order to keep their risk to a minimum.

Conservatives

Conservatives are pessimistic about gaining any value from investments in new products or services, and they undertake them only under stress – typically because the remaining alternative is to let the rest of the world pass them by.

For salespeople, Conservatives represent a definite selling challenge. Conservatives are price-sensitive, highly sceptical, and very demanding.

Rarely do their demands get met, in part because they are unwilling to pay for extra services to configure products to their requirements. The key to winning a conservative's business is to simplify and standardize products and services so that they will work "out of the box" without any modifications or care taking.

Laggards

The laggards are the last to buy innovative products or services, because they rarely agree that they provide any value. In fact, they are not so much potential customers as ever-present critics. Laggards are sceptics. Salespeople should usually avoid selling to laggards, but rather sell around them as obstacles to be avoided.

Exercise: what is the relevance for your non-profit projects?

Your Status with Key Players

Mentor

Description: a person who believes that your success is critical to their company or to them personally. A mentor will work to help you win by giving feedback, guidance, political insight, or competitive information. A mentor takes a personal interest in *your* success and will sell in your absence.

Behaviours:

- Works with you to develop and test your plan
- Shares confidential company information
- Actively sells in your absence
- Links personal success with your success
- Willing to be held accountable for implementing your solution
- Openly states that your solution or company is superior

Supporter

Description: a person who prefers your solution and thinks that you should win. A supporter will typically provide you information or assistance, if you request. However, they may not be vocal in their support.

Behaviours:

- Works with you to develop a plan to adopt your solution
- Provides you with information about other key players
- Provides you with information about the competition's plan
- Privately admits your solution or company is superior

Neutral

Description: a person who shows no preference. They could be ambivalent, or they may have chosen not to display their true feelings. They may not have decided, or you may not have demonstrated sufficient value to gain their support.

Behaviours:

- Agrees that your company or solution is a potential fit
- Invests time and energy to understand the capabilities of your solution and company
- Understands and explains the compelling event
- Provides information on the key business issues
- Thinks a need or problem exists and agrees that a solution or change is desirable

Non-Supporter

Description: a person who believes you shouldn't win and/or prefers an alternative to your solutions: your competitor, an internal solutions, or nothing at all.

Behaviours:

- Works with your competitor to develop a plan to adopt their solution
- Provides your competitor with information about other key players
- Provides your competitor with information about your solution and your plan
- Privately admits that your competitor's solution or company is superior

Enemy

Description: a person who believes that your success will hurt their company or them personally. An enemy will make a special effort to cause you to lose. They may be a mentor or supporter of your competition.

Behaviours:

- Works with your competitor to develop and test their plan
- Shares confidential company information with your competitor
- Actively sells your competitor's solution, even in their absence
- Links personal success with your competitor's plan
- Willing to be held accountable for implementing your competitor's solution
- Openly states that your competitor has the best solution

Non-profit Donor Guide Takeaways, by Hila Mehr

- **Fundraising is about relationships, relationships, relationships!** Build those relationships across sectors and disciplines, and keep in touch with everyone on a regular basis. Remember that a relationship isn't supposed to be transactional or one-sided – make sure you are giving as much as you are taking.
- **Understand the timelines and cultivation cycles for the different types of donors.** Each donor type has their own timeline from when you meet to when you receive a gift, so plan your fundraising strategy and budget accordingly to bring in revenue throughout the year.
- **Don't depend on one type of non-profit donor for funding.** It would not be wise to depend on only individual donors or only foundation donors, as neither are predictable. Instead, diversify your funding sources, and have many individual donors at both major gift and low gift levels, several foundations, and some corporate givers.

Tailor your ask. Remember that you're dealing with people (and relationships!), and everyone has their own unique mission and interests. Don't make the same solicitation to an individual that you would to a corporation. Know who you are speaking to, what they care about, and how that relates to your mission.

2 WHAT DO DONORS NEED?

Why would donors or sponsors give their money or support to you and your cause?

Most probably because they believe that you can deliver on your promises. They are being wooed incessantly by do-gooders who appeal to their emotions and sense of responsibility and guilt.

What criteria do they use to decide for this and not for that project? The money is limited and donors want to make sure they don't give funds to organisations which don't deserve it, which don't spend it well, whose impact is questionable.

The 'normal' commercial world can give us valuable insights here. The questions being, what is the Value Expectation from the customer's viewpoint In 2006, a global consultancy did a survey on Purchasing Behaviour. They interviewed thousands of executives responsible for purchasing, sourcing and procurement. The summary of this report tells us that these people have four fundamental buying needs.

Certainty

Performance

Finance

Convenience

Certainty

Buyers are extremely averse to risk. They need guarantees regardless, at all levels: quality; supply; customer service; financial status; future (R&D Risk and Decisions). This fundamental need for certainty is something sales people tend to underestimate. In 2006, customers were willing to pay a 15% premium for the feeling of confidence (to rest assured).

Performance

The solution needs to work fast, efficiently and smoothly. It also needs to speed up the operation of various processes. This improvement needs to be obvious and measurable. The situation after implementation must clearly show signs of more effectiveness and/or efficiency.

Finance

The finance criterion does not mean that the solution must be cheap. It means that cost and value are balanced.

Even better, if one can demonstrate an improvement on real cost savings or margin revenue.

Convenience

An unusual criterion, but when one considers it, convenience is actually a need in business, not a luxury: ease of use; accessibility; single point of contact; customer friendliness; responses and comfort.

These four criteria, as motivations to buy, are like buttons in the brain of the buyer. If one can press them in order of priority/importance, one would have a far better chance of responding to the customer's requirements.

Applying all this to the selling of a non-profit project. We did a fundraising training at the Ugandan NGO aBi, Agricultural Business Initiative, in Kampala. The brainstorming we did with the aBi staff resulted in this overview. The participants were very happy with the outcome and they said they now have a good framework and toolset to convince donors.

Team 1

Certainty

Testimonials

Video Clips, case studies, surveys

Demonstration visits within 70 km from Kampala

aBi set up as a perpetual organization

still around when outcome and impact can be shown beyond 10 years

Processes and systems in place

Performance

DCED standard

Evidence based reporting

Independent reviews and impact studies

Internal and external audit

Finance

Controlling overhead costs

Enhancing productivity per FTE

Routine & structured working processes

Convenience

- Permanent access to all relevant information
- Clear reporting
- Website and customer service

Team 2

Certainty

- Capacity to spend the money
- Experience in grant management
- Network of aBi across sectors
- Green growth initiative for environmental sustainability
- Governance structure and international experience

Performance

- Impact reports to show evidence of change in quality and quantity
- Gender for Growth reports to demonstrate gender equality
- Opening for feeder roads for access to markets
- Value addition, income generation and job creation

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Finance

Favorable and affordable finance that gives a competitive edge

Cost saving as a result of energy efficient technologies

Cost sharing for sustainability and ownership

Convenience

Online information systems which includes GIS systems

Access to information

Physical presence

Central location

Transparent financial systems which are in line with international standards.

Exercise

How does your nonprofit project comply with the need for

Certainty:
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Performance:
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Finance:
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Convenience:
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We are dealing with people, and they also have their needs. Here’s a typology of personal needs that can be helpful in our persuasion attempts.

2.1 PERSONAL NEEDS

1) Power

A desire to extend personal control or influence over other people and/or situations

In what area

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.....
.....

Our response

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.....

2) Achievement

A desire to produce results and effect positive change

In what area

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Our response

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3) Recognition

A desire to be held in high regard or esteem

In what area

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Our response

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4) **Affiliation**

A desire to maintain associations, feelings of belonging, and team relationships

In what area

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Our response

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5) **Order**

A desire to have definition and structure

In what area

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Our response

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6) **Safety**

A desire to avoid risk and seek certainty

In what area

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.....
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Our response

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Building your Value proposition

Duke University business professor J. Gregory Dees, in his work on social entrepreneurship, describes the need to understand both the donor value proposition and the recipient value proposition. Clara Miller, CEO of the Non-profit Finance Fund, who has also written wonderfully about this dilemma, talks about all non-profits being in two “businesses” – one related to their program activities and the other related to raising charitable “subsides.”

Geoff Moore’s Value Positioning Statement

Probably the most recognized one – in his seminal book *Crossing the Chasm* – Geoff Moore suggests a specific template for creating your value positioning.

Template

For _____(target customer)

who _____(statement of the need or opportunity)

our (product/service name) is _____(product category)

that (statement of benefit) _____.

Sample

For non-technical marketers

who struggle to find return on investment in social media

our product is a web-based analytics software that translates commitment metrics into actionable revenue metrics.

A more extended version of Moore’s template goes like this

- For (target Customer)
- Who (key qualifier)
- Our product is a (product category)
- That provides (key benefit)
- Unlike (reference competitor)
- Our product (key point of differentiation)

Examples:

- *For Edgetec*
- Who produces edge protectors for the packaging industry
- Our product is a ready for use adhesive in bulk deliveries/tankers
- That provides a safer production and environment without waste
- Unlike own mixed adhesives
- Our product has batch to batch consistency – the same viscosity, solids content and gives consistent adhesion every time, which reduces waste and contamination in production dramatically.

For KBC Bank

Which launches a web site for online stock trading

MultiSecure is a security middleware

That provides a foolproof security solution that will attract new customers

(Unlike Scorpio)

MultiSecure guarantees safe authentication, complete data integrity and reliable non-repudiation

2.3 VALUE PROPOSITIONS FOR NON-PROFIT PROJECTS

- For SME owners in Europe
- Who want to implement a Corporate Social Responsibility policy and mobilise their workforce toward a good cause in the South
- Our project is Little Hearts, a Cambodian orphanage that gives the most vulnerable children a stable home, health care and an education
- Little Hearts is a solid and reliable Non-Profit Project that invests every euro it receives in the housing and education of poor orphans. Little Hearts today houses 50 children and it wants to grow to welcome 100 guests.
- For the Bill and Melinda Gates Foundation
- Which wants to invest in sustainable projects that help people live healthier and more productive lives
- Our offering is a support program for the education of young entrepreneurs in Swaziland

- That provides marketing, sales and accounting skills
- So that the young entrepreneurs can build a successful business that will help them to support their families in a sustainable way
- For Peruvian farming cooperatives
- Which are looking for help to optimize their outputs
- Solid International offers long term support, expertise, funding programs

Through creating opportunities and offering education Solid inspires farmers, labourers, micro-entrepreneurs and their families to improve their living conditions.

Solid chooses to invest in companies which contribute to a sustainable development of the Ayacucho region by stimulating socially responsible employment.

ASSIGNMENT: Make a Value Proposition for your non profit project

- For
 - Who
 - Our solution is a
 - That provides
 - Unlike
 - Our project brings
-
- For
 - Who
 - Our solution is a
 - That provides
 - Unlike
 - Our project
-
- For
 - Who
 - Our solution is a
 - That provides
 - Unlike
 - Our project

Check your fundraising skills

Selling and influencing skills (on a scale of 1 to 5)

If you want to know your value selling skills, you might want to use this competence matrix and ask your boss, colleagues and customers to score your aptitude.

Value proposition

- Able to convey the essence in few words
- Explicates intrinsic, extrinsic and strategic value
- Links value offered to needs detected

Questioning

- Asks open questions
- Reveals essential info
- Leads to customer through questioning to solution

Argumentation

- Relates features and benefits to requirements
- Uses proofs
- Convincing

Objection handling

- Stress resistant
- Understands objections
- Rebuts with right arguments

Closing

- Collects yeses
- Leads the customer to the closing
- Asks for the order

Reinforcing

Thanks customer for order

Follow up on invoicing and payment

Looks after customer interests in post sales, delivery and implementation

Identifying and dealing with negotiation tactics

Understands purchaser behaviour

Creates common ground for win-win

Gets positive outcome for your non profit project

Selling value in stead of price

Uses price techniques

Masters discount game

Creates sufficient margin

3 THE STRUCTURE OF A FUND RAISING CONVERSATION

Introduction
Needs analysis
Argumentation
Objections
Closing

Opening of the conversation

The first 60 seconds of any meeting during which one person tries to convince another person are crucial. As the saying goes: you never get a second chance to make a good first impression.

Why is a good opening important?

To establish a friendly, non-threatening atmosphere, lower tension, and check the buying climate. Your greeting should be friendly and brief. Your appearance and smile should help establish a friendly atmosphere. Watch your prospect closely and you will recognize his/her behavioural style. The buying climate is usually very evident. It tells you where you should be on the sales model. You may already have a sale. Your prospective donor might already be positively tuned into you. On the other hand, the prospect may not be tuned in at all. He/she may either be very negative or just plain not listening to a word you are saying.

How to proceed?

These are the guidelines for an effective introduction:

- **Greeting:** To naturalize the atmosphere
- **IBS:** initial benefit statement: a power phrase that raises the attention of the donor customer

Agenda: To add value to the meeting and gain the interest of the Customer/prospect.

Agreement: Get commitment from the Customer to proceed to the meeting.

Initial Benefit Statement

How to get the donor's attention?

By directly appealing to their concerns, requirements, needs.

Some examples:

I would like to show you how our new solution can help you save costs.

What is keeping you awake at night?

The aim of this meeting is to clarify how we help you improve the productivity of your investments.

Improving the quality of your support portfolio, that is what we would like to discuss with you.

“Jerry Smith recommended I call you.” Anytime you can reference another name, you’ll find it a strong benefit statement because the person you’re calling is naturally going to be interested in what it’s about.

“I just received new information about how the new laws will be impacting foundations like yours.” People are busy, and if you have some information that is timely and important, then offering it to them can be viewed as interesting.



What if you could build your future and create the future?

The innovation accelerator

One generation's transformation is the next's status quo. In the near future, people may soon think it's strange that devices ever had to be "plugged in." To obtain that status, there needs to be "The Shift".

.....Alcatel-Lucent 

www.alcatel-lucent.com/careers



“Congratulations on the growth you’ve had the last couple of years. I’d like to share with you some information that I feel would allow you to continue growing your foundation for years to come.” This example plays off of the person’s ego and success, which is always going to be well received.

Initial benefit statements are the smart tool successful sales professionals use to create interest with key decision makers and influencers. With a little advance planning and effort, you can greatly enhance the results of your prospecting activity, gain a distinct competitive advantage, and crush objections.

Write some examples of your own:

.....

.....

.....

.....

Agenda

Every meeting with a customer/prospect/donor needs an objective. Probably, the customer is not tuned in with your objective. They may either be very negative or have their own objectives for this meeting. Therefore we have built a common frame of objectives, summarized in an agenda.

Important in making an effective agenda:

Headlines: Be general rather than specific. Develop a minimum of three headlines that you feel comfortable with. Be aware of the right level of abstraction to use. To be effective, an agenda point should evoke interest without being specific. It is extremely risky being specific at this point of the process, since we have not as yet uncovered any needs.

Add value: Why are these agenda points interesting for the Customer? To gain interest, many successful professionals use headlines to tantalize the customer. Example: ‘I would like to show you an exciting new service being introduced in our industry, which can save you 20% production time’.

Be very careful in adding value. Do not say anything that you cannot back up at some point during your presentation.

Make an agenda for your next meeting		
	Mr Bruno Denys, CEO of Application Engineers	
Objective for this meeting	To convince Mr Denys to go for a three yearly sponsorship of 5000 euro, thus giving the Cambodian Orphanage Little Hearts the funds to finance the building of a new dorm wing	
Agenda	Agenda point	Added Value for the Customer
	1. Explain the impact Little Hearts has on the orphanage population of Phnom Penh	Mr Denys will see that his investment will be spent in a reliable way and he can witness the effect it has on the lives of those vulnerable children
	2. Develop with Mr Denys a program where the staff of Application Engineers can contribute actively to the benefit of Little Hearts.	An employee supported CSR program is good for the cohesion of the staff and creates a strong sense of commitment and team building
	3. Agree on the funding amount and duration, put in place the process of reporting and follow up	Mr Denys has a transparent partner, a trustworthy CSR Project and he can communicate about this.

Make an agenda for your next meeting		
Customer	
Objective for this meeting	
Agenda	Agenda point	Added Value for the Customer
	1
	2
	3

Acceptance

Having heard the agenda points, your positive client is now prepared to continue the meeting or presentation. But we are not yet prepared to give one, since we have not yet uncovered any needs to deals with directly. We need our prospect’s participation to accomplish this discovery.

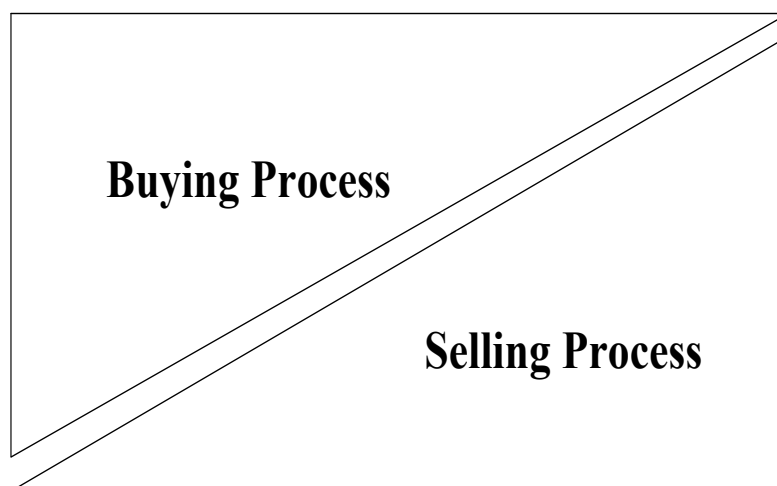
A question which has been used successfully by others to delay presenting until there are specific needs to deal with is:

‘Before we discuss this, may I ask you a few questions?’

Very rarely will a prospect refuse this request. This key question helps lower tension, primes the prospect for his/her participation, and delays the meeting until you have accumulated enough data. It should give you the ability to involve your prospect in the most critical area to be addressed.

Discovery

Matching the Buying and the Selling Cycle



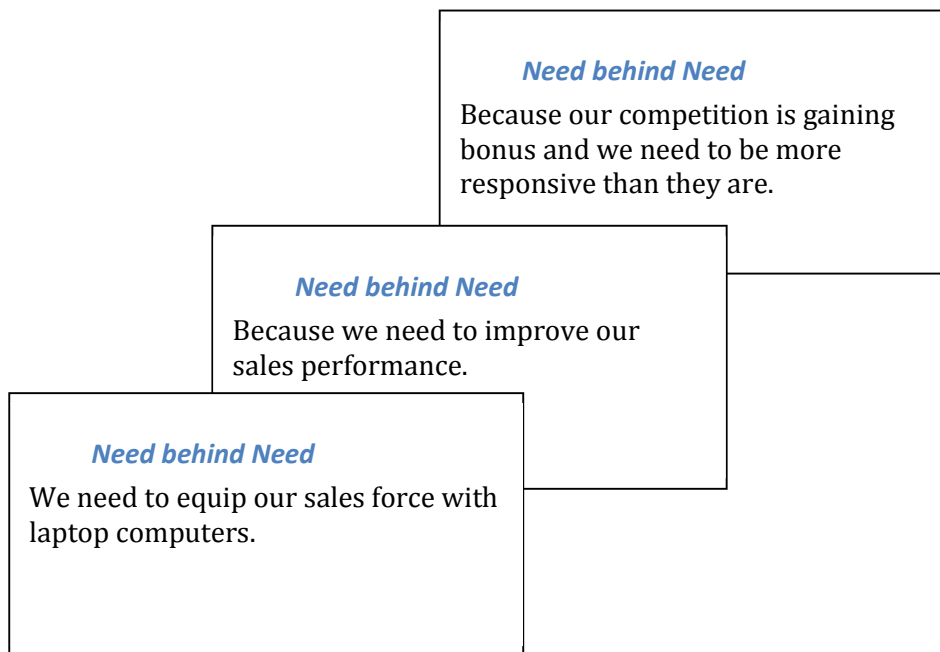
Discover the Need Behind the Need

No selling without a thorough understanding of the buying process. We need to find out the needs, the requirements of our customers. Therefore we need to be able to ask well directed questions.

Every customer/donor need has a reason behind it. Usually that reason is another need, or a need behind the need, that represents a strategic goal the customer wants to accomplish.

It might help to think of the customer's range of needs as an onion. The first layers represents the need initially described by the customer. The next represents the reason for that initial need the need behind the need. By peeling away the layer of each need, the salesperson/fundraiser eventually uncovers the core, or strategic need.

The salesperson/fundraiser who understands the full range of the customer's needs is in a much better position to provide their product or service solution that helps the customer progress more efficiently and effectively toward achieving their organization's goals



Usually, a need behind the need falls into one of the three categories:

Financial: Improving monetary results or controlling costs.

Image: Maintaining or improving prestige.

Performance: Maintaining or improving productivity or enhancing impact

The question funnel

SPIN is a questioning technique that helps you to lead the customer to the solution you want to sell

Situation questions

What are you doing now in the area of...?

What's important to you in a relationship?

Who are your biggest Customers?

What is the value of the work in progress?

How long does it take to enter an order?

When do you get month end reports?

Problem questions

What concern does that cause you?
Which are the areas that can be improved?
Do you have system crashes?
Is your current supplier always on time?
How stable is your current environment?
What kind of quality problems have you had lately?

Implication questions

What will happen if the problem is not fixed?
What will happen if this situation deteriorates?
What is the consequence if things do not improve?
What is the impact of bad response time?
What will your Customers say if they can't reach you?
What is the impact on your staff's morale?

Need Pay off questions

Suppose we succeed in solving this issue, what would be the consequence for you?
Would it be helpful if we accelerated the delivery?
Would your customers be happier if they had a secure delivery?
Would it benefit you if your system had the highest availability?
An example of an IT solution based on Microsoft Sharepoint software

Collaboration

Enterprise Collaboration, Portals, Social Computing

Situation questions

What is the current situation in terms of information sharing?
What is the company policy with regard to information management?
How many workers need to have access to company specific information?
What are the international dimensions of info sharing in your company?
What are your plans re your intranet?
How do you plan to integrate information requirements from outside parties such as customers

Problem questions

What is the level of satisfaction of your knowledge workers with regard to the current information access and distribution?

Does the international scope of your organisation slow down information sharing?

What complaints have you had lately with regard to the speed of info retrieval?

What are the issues with regard to version management of important documents?

What is the feedback of your customers on your information distribution policy?

Implication questions

What is your assessment of the cost of information not being readily available for your employees?

What is the impact on customer satisfaction when up to date info is not transparently available?

How many customers how you lost because of inefficient info distribution?

How much time is lost on a daily basis with looking for certain documents?

To what extent does a non-efficient information sharing policy affect employee motivation?

What is the consequence for your internal and external reputation?

Need Pay Off questions

Suppose you had a well defined methodology for determining user requirements regarding collaboration, what would be the benefit for your organisation?

How would your knowledge workers react to a transparent and efficient information architecture?

What would be the benefit for your customers if they had a secure and efficient access to your new product information?

What would be the gain in efficiency if your international teams had immediate and synchronised access to key documents?

What would be the effect on employee morale if all these info distribution issues could be resolved through a user friendly and efficient process?

A non-profit question funnel

Situation questions

What is the mission of your foundation?

What projects do you support?

What funds do you allocate to the supported projects?

Who, besides you, decides on the selection of projects?

Which standard do you use to measure the impact of the projects you support?

Problem questions

How happy are you with the impact of the projects you currently support?

What concerns do you have with the way your donations are being used?

What kind of complaints do you get from beneficiaries of the projects you support?

What would you like to change about the way your recipients work today?

Do you have guarantees on the return of investment of the money you donate?

What is your exposure to corruption?

Implication questions

Is it possible to calculate the amount of money that has been wasted?

What happens when a project does not have enough impact?

What actions do you take when you receive a negative audit report?

Has the board acted upon negative audits of supported projects?

What happens if this lack of quality persists and spreads?

Need pay off questions

Suppose you worked with a partner that has a proven track record of accountability and impact, what would be the benefit for your foundation?

Suppose the quality of the supported projects could be measured by very strict standards, what would be the benefit for your foundation?

What if you didn't need to worry about the impact of your projects?

What would be the benefit for the the ultimate beneficiaries if they could rely on a trustworthy NGO?

What would be the effect on the morale of your staff if they knew that their good work was appreciated and rewarded?

Make your own non-profit questioning funnel

Situation Questions

Problem questions

Implication questions

Need pay off questions

Areas To Discover Areas To Discover

Through the whole discovery process you want to identify some critical information. In addition to your industry-specific areas, here is a list of the most critical areas to discover. They are in no particular order, but it is suggested that you use your best judgment with every Customer to determine what and how many questions to ask. (Asking too many questions can also get you in trouble.)

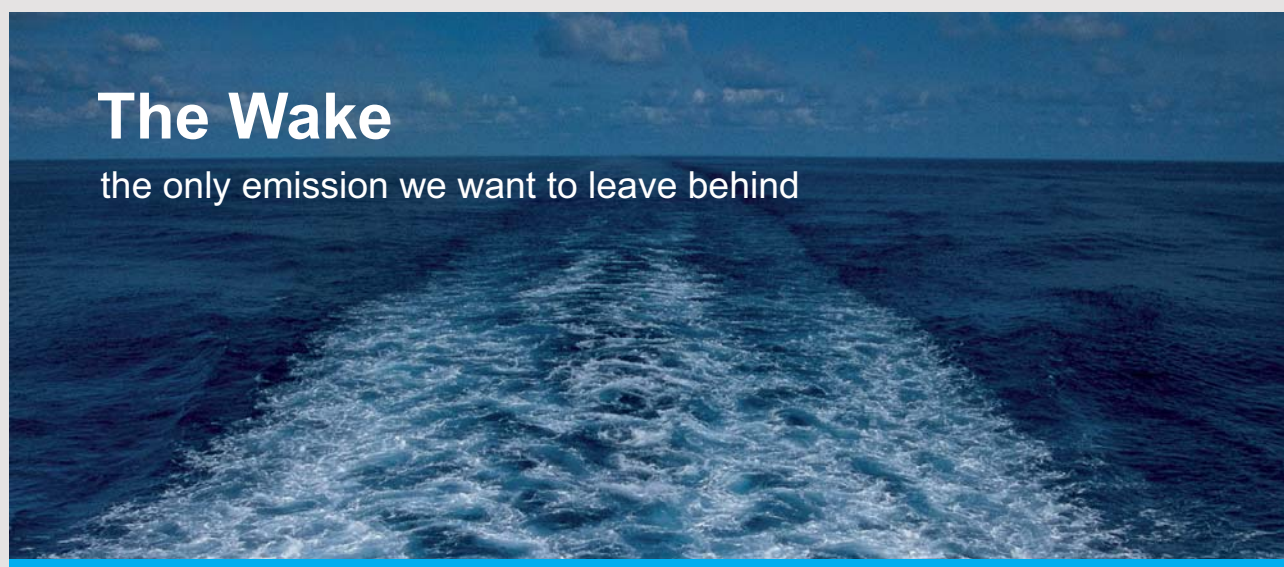
- Organizational Structure: additional locations or departments, management structure, etc.
- Decision-making Process: as it relates to your products and services.
- Financial Status or Condition: what is the budget?
- Technical Aspects: as they relate to your products and services.
- Their Customers: so you can understand their business better.

- Your competition: current purchasing patterns.
- Their competition: how they stack up against their competition.
- Personal likes and dislikes: as they apply to your products and services.
- Personal interests: outside of work.

Presentation of your project

When explaining the value of your project, you can use various formulas to impress your donor interlocutors. Here we can also learn from the regular commercial world. Your presentation can take the form a vision statement like

Our vision is to be a strategic partner with Perfecto Corporation, outpacing our competitors by helping them to continually improve their usage efficiency of steel based raw materials through jointly developing new formulations, better configurations, enhanced optimisation processes and simplified sourcing procedures.



The Wake


the only emission we want to leave behind

Low-speed Engines Medium-speed Engines Turbochargers Propellers Propulsion Packages PrimeServ

The design of eco-friendly marine power and propulsion solutions is crucial for MAN Diesel & Turbo. Power competencies are offered with the world's largest engine programme – having outputs spanning from 450 to 87,220 kW per engine. Get up front! Find out more at www.mandieselturbo.com

Engineering the Future – since 1758.

MAN Diesel & Turbo



Or, in Non Profit Terms

Solid International is a private foundation established in 2000 to help underprivileged people around the world by applying the experience and knowledge of the business world. The main office is situated in Switzerland with funding provided by business leaders and the private sector.

Or

Solid strives to achieve social and economic impact, improving the living conditions of the local population.

Solid employs a hybrid business model and combines commercial and social projects to achieve durability in the long run. Solid wants to be financially autonomous.

You can build a mission statement, like

Our mission is to become the category captain and leader for the 5 categories where we have a significant presence, through improving our market research and analysis capability so as to help the customer continually increase the profit return achieved on shelf space allocated and thereby we will become the preferred supplier in each category.

In Non-profit terms

Solid recognizes the basic right of every individual to live a decent life and seeks to provide opportunities to achieve this goal.

Or

The Salesian Institute is dedicated to improving the lives of South Africa's vulnerable children and youth at risk. For more than a century we have been providing education, shelter and emotional support for at-risk young people – a mission begun in the 19th century by Salesian order founder St. John Bosco, who made it his life's work to support children in need. It's a mission we are continuing today, adapted to the unique needs of South Africa's 21st century young people.

There are several concepts and techniques that are similar to the common definition of *value proposition*.

USP (Unique Selling Proposition).

USP is the most closely related concept. It's often considered synonymous with value proposition (especially in relation to copywriting). But it only focuses on what makes your product better than competing options. And that's just a part of a strong value proposition.

Head & Shoulders: "You get rid of dandruff."

Domino's Pizza: "You get fresh, hot pizza delivered to your door in 30 minutes or less – or it's free."

M&M's: "Melts in your mouth, not in your hand."

Apply this to your Non-Profit project

FAB (Feature-Advantage-Benefit).

FAB is a process that helps you figure out what *each* of your product's features *means* to your customers, which enables you to address their concerns, desires, wants, and needs. You start by listing your product's features (e.g., stainless steel as the material of a knife). Then consider what advantages it creates (it won't corrode). And finally turn that into the practical benefit (you don't need to buy a new knife every year).

The 11-inch MacBook Air now lasts up to 9 hours between charges and the 13-inch model lasts up to an incredible 12 hours. So from your morning coffee till your evening commute, you can work unplugged. When it's time to kick back and relax, you can get up to 8 hours of iTunes movie playback on the 11-inch model and up to 10 hours on the 13-inch model. And with up to 30 days of standby time, you can go away for weeks and pick up right where you left off

Apply this to your NPO project

POP-POD (Points of Parity – Points of Difference).

POP-POD is a process used to find differentiating factors between businesses. You start by finding "points of parity," or the factors you have *in common* with your competitors. And then you find "points of difference;" the aspects of your business that *differentiate* you from your competitors.

Marketers must decide at what level(s) to anchor the brand's points-of-differences. At the lowest level are brand attributes, at the next level are the brand's benefits, and at the top are the brand's values.

Thus marketers of **Dove soap** can talk about its attribute of one-quarter cleansing cream; or its benefit of softer skin; or its value, being more attractive. Attributes are typically the least desirable level to position. First, the buyer is more interested in benefits. Second, competitors can easily copy attributes. Third, the current attributes may become less desirable.

Research has shown, however, that brands can sometimes be successfully differentiated on seemingly irrelevant attributes if consumers infer the proper benefit. Procter & Gamble differentiates its Folger's instant coffee by its "flaked coffee crystals, "created through a "unique patented process. In reality, the shape of the coffee particles is irrelevant because the crystals immediately dissolve in the hot water. Saying that a brand of coffee is "mountain grown is irrelevant because most coffee is mountain grown.

What does this mean for your non-profit project?

UVP (Unique Value Proposition).

UVP sounds nearly the same as value proposition. But the strong focus on uniqueness makes it less useful (much like USP).

John Reese: Master of online traffic generation

Google: Find What You Want Quicker

Wordtracker: World's deepest, most thorough keyword research tool

Amazon: Low price, wide selection with added convenience anytime, anywhere

Your NPO project

Some other techniques to squeeze your value statement into short powerful sentences:

Venture Hacks' High-Concept Pitch

In *Made to Stick*, Dan and Chip Heath point to how high-concept pitches such as 'Jaws on a spaceship' (*Alien*) and 'Die Hard on a bus' (*Speed*) convince movie executives to invest vast sums of money in a project on the basis of almost no information.

In *Pitching Hacks* Nivi and Navel from Venture Hacks share examples of this technique applied to startups.

Template

[Proven industry example] for/of [new domain].

Sample(s)

A high-concept pitch distills a startup's vision into a single phrase or sentence.

Hollywood has perfected the art of the high-concept pitch:

“It’s Jaws in space!” (Alien)

“A serial killer who bases murders on the seven deadly sins!” (Se7en)

“A bus with a bomb!” (Guess.) “Snakes on a plane!” (“Bambi meets Terminator!” (Okay, we made this one up.)

Every startup should also have a high-concept pitch:

“Friendster for dogs.” (Dogster)

“Flickr for video.” (YouTube)

“We network networks.” (Cisco)

“The Firefox of media players.” (Songbird)

“Massively Multiplayer Online Learning.” (Grokit)

“The entrepreneurs behind the entrepreneurs.” (Sequoia Capital)

“Create your own social network.” (Ning)

‘Facebook for Brands’

Make your own High Concept Pitch

Steve Blank’s XYZ

Steve Blank, the godfather of Silicon Valley, writes that a Value Proposition is a ten-dollar phrase describing a company’s product or service. It’s the “what are you building and selling?” He suggests the following format for creating a *value proposition statement that other people understand*.

Template

“We help X do Y doing Z”.

Sample(s)

We help non-technical marketers discover return on investment in social media by turning engagement metrics into revenue metrics.

Valueselling.be helps its worldwide customers to improve their business results through leading edge sales training and in depth coaching on the job

Make your own XYZ**Vlaskovits & Cooper's CPS**

In their "*Cheat Sheet*" *Guide to Customer Development* Cooper and Vlaskovits use what they call a Customer-Problem-Solution presentation.

Template

Customer: _____ (who your customer is).

Problem: _____ (what problem you're solving for the customer).

Solution: _____ (what is your solution for the problem).

Sample(s)

Customer: My best customers are small and medium-sized business (SMB) markets.

Problem: They cannot easily measure campaign ROI because existing solutions are too expensive, complicated to deploy, display a dizzying array of non-actionable charts.

Solution: Low cost, easy to deploy analytics system designed for non-technical marketers who need actionable metrics.

Your example:**Dave McClure's Elevator Ride**

In his *How to Pitch a VC* presentation Dave McClure presents a 3-step check list for creating positioning statements.

Template

- Short, simple, memorable; what, how, why.
- 3 keywords or phrases
- KISS (no expert jargon)

Sample(s)

“Mint.com is the free, easy way to manage your money online.”

‘Valueselling.be is the most cost-effective partner to boost your sales.’

Your example**David Cowan’s Pitchcraft**

Although a more elaborative one David Cowan shares some useful guidelines in *Practicing the Art of Pitchcraft*. I’ve put together a summary.

Template

- Highlight the enormity of the problem you are tackling.
- Tell the audience up front what your company sells.
- Distill the differentiation down to one, easy-to-comprehend sentence.
- Establish credibility by sharing the pedigree of the entrepreneurs, customers, or the investors.

Sample(s)

One person dies of melanoma every 62 minutes.

We offer a dermatoscope app for iPhone that enables people to easily diagnose their skin, leveraging patented pattern recognition technology trusted by the World Health Organization.

Your example**Eric Sink’s Value Positioning**

Eric Sink writes that marketing is somewhat like an iceberg – the part sticking out of the water is highly visible. For this Eric suggests the following format for positioning.

Template

Superlative (“why choose this product”).

Label (“what is this product”).

Qualifiers (“who should choose this product”).

Sample(s)

The easiest operating system for netbook PCs.

The most secure payment gateway for mobile e-commerce.

Your example**Kawasaki’s VAD**

Guy Kawasaki takes a verb-application-differentiator approach in describing the startups that he’s working with.

Template

[verb; application; differentiator]

Sample(s)

Share PowerPoint and Keynote slides including audio (Slideshare).

Create and write blogs via email (Posterous).

Make VOIP calls easily and cheaply (JaJah).

9. Valueselling’s FA RP

Features – Advantages – Requirements – Proof

1. **Features** are **facts** about the product or service.
You need good product knowledge.

Example:

This MacBook Pro has a 13-inch display, a 2,3-GHz dual-core Intel Core i5, 4 GB, 1333 MHz as RAM, HD of 320 GB, 5400 rpm¹, Intel HD Graphics 300, 7 hour autonomy built in battery.

2. **Advantages** are what a Customer **can gain** from the features and to which extend these meet his/her requirements.

You need commercial language: “This means for you...!”

Example:

This Mac is an easy to use and easy to learn laptop. This computer boosts your productivity, it helps you with our presentations, gives access to the internet, and you can watch movies anytime anywhere.

3. **Requirements** are the Customer’s **needs** and **wants** which a product or service could fulfill.

You need: Me, Myself & I, Customer Information.

Example:

I need a robust and reliable laptop that is very mobile and versatile. It needs to be quick, easy to use, connectable. The looks of it are also important because I love design. It needs to have storage capacity to contain all my course material.

4. **Proofs** are the Customer’s **experiences** and **perceptions** on how the product or service will fulfill their needs and wants.

You need: Me, Myself & I, Customer Information.

Apple Computer sells 3 million of these devices every month, users are extremely satisfied, as you can read from testimonials in magazines such as Data News and PC magazine. Give it a try yourself. You will be at work in less than three minutes.




1. Features: what the product **is**.
2. Advantages: what the product **means** for the Customer.
3. Requirements: the extent to which it **complies** with the Customers needs and solves his/her problem.
4. Proof: conclusive **evidence** that the FAR are true.

Your FARP (with smileys)

Features	Advantages	Requirements	Proofs

You don't necessarily need to follow the sequence FARP, it is an acronym describing the mounting persuasiveness. You can start with the Requirements, then explain the Features and the Advantages and close with the Proof. You can also start with the Proof, then Features and link the Advantages to the Requirements.

FARP of a mobile telco solution

	:/		
Features	Advantages	Requirements	Proofs
Hardware and software	One stop shopping	Ease and speed of implementation	Bank ABC deployed in 6 months
Card application	More secure authentication	A secured, user friendly solution	Certification from MC
Support and integration	Enables new services	Lead the market by innovation	Surveys by user groups
Packaging options	Flexibility and compatibility	Cover all segments	Financial data

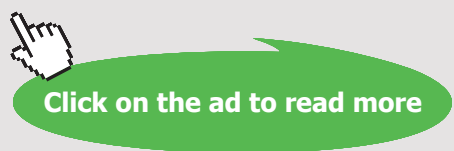
Little Hearts, orphanage in Phnom Penh

Features	Advantages	Requirements	Proofs
Orphanage with housing and school in Phnom Penh	Solid and reliable environment	Many babies are abandoned at birth	Check it out on http://www.littlehearts.be
80 children living in, and extra classes for 100 children from the neighborhood	Individualised care providing an outlook to a normal happy life	Poverty reigns and makes it impossible for these children to survive on their own	Talk to our staff
Founded by Jimmy and Tony	Long term view and commitment	A healthy trustworthy place to live, be fed and get schooling	Visit the orphanage
Managed by a dedicated and competent team	Professional approach	Outlook to a brighter future	Read our annual report

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FARP your own NPO project

Features	Advantages	Requirements	Proofs

FARP

Features	Advantages	Requirements	Proofs

Dealing with objections**What is an objection?**

When a customer raises an objection to you, like you are asking too much money, or I am happy with my current supplier, or I don't like your face, how does this make you feel?

Probably frustrated, angry, or powerless. You want to attack, or defend. It is quite difficult. You just want everybody to like you and your project.

And, you sometimes, secretly, think that your donor might be right when he says that you are too expensive.

You might be projecting your own objections on to the customer.

Maria, you might think that this is all quite expensive, and I wouldn't blame you if you did. It is a lot of money.

Was she going to mention price as a problem? You don't know that. This is what we call self-inflicted objections. Fundraisers create more objections than a donor can think of. Sales people hear objections all the time, so they start to project them onto their customers.

You might think that the competition has a better product.

Your people might need some time to get used to our product. It is not easy to use. We hear that all the time.

You need to listen very carefully to what your customer really says,. Take your time to let your customer explain what his or her objections are.

Helen: Peter, I am afraid that your product doesn't fit with our requirements. Besides, we had quite a few quality issues with your other products lately.

Peter: What exactly do you mean, Helen. Can you tell me something more about quality problems?

Now, here you need to make the distinction between an objection and a complaint,. An objection is basically a perception the customer has which prevents him from buying. It is like a mental blockage. A complaints however, that has to do with a real problem that occurred: something happened that should not have happened, or something did not happen that should have happened.

You deal with them in a different way. You use questions and arguments to rebut the objection. The complaint, however, needs to be solved. You listen, you apologise and you take measures so that it does not happen again.

Why do donors come with objections?

Suppose you are a donor, and you have a fundraiser in front of you. You are not willing to buy from him. Why would that be?

- *Because I don't see the benefit?*
- *Because I am happy with my current supplier?*
- *Because I have other worries, other priorities?*
- *Because I don't have the money.*
- *Because I don't need it.*
- *Because I get money under the table from the competitor.*
- *Because I expect a long learning curve with this new thing.*
- *Because I am resistant to change.*
- *Because I don't know what exactly I am going to get.*
- *Because I don't have the correct information?*

Plenty of reasons. Now, which of those reasons are impossible for you to deal with? If they really don't have the money?

You should see an objection as a request for information from the customer. It simply means that they have not fully understood the value of what you are bringing to them. It is an opportunity for you to adjust their perception and give them the correct information, it is your mission to enable them to change their perception.

How to deal with objections

The first step is of course to listen to the donor. You let him talk, let him explain his viewpoint completely.

You want to reduce the tension, by showing empathy. An empathy statement is a statement of understanding, not agreement or sympathy.

Maria: “Peter, I’m afraid you are asking too much money from us.”

Peter: “I can appreciate why you feel that way, Maria.”

The empathy statement is designed to acknowledge the real concern the donor has about the price, without agreeing and without becoming defensive.

For example The fundraiser says “Yes, it looks high, but...” and the fundraiser goes on to justify the feature and benefits already mentioned and challenges the intelligence of the donor. To be specific, **never use ‘but’ or ‘however’ when answering an objection.** Those two words have the effect of negating the statement immediately preceding them, and putting a barrier between the salesperson and the buyer. If you must use a conjunction, then use...‘**and**’.

Peter: “Your point is well taken, Maria. And I’ll address that issue”.

You must always see an objection as a request for information. Therefore you need to convert the objection into a question.

Peter: “It sounds as though you are asking: ‘What additional value will you be receiving for the additional cost?’”

Almost any objection that a buyer can offer can be restated as a question. If the donor agrees that they have asked a question, then they no longer perceive it as an objection. The donor is waiting for an answer to the question. After you respond, the donor can only go in one of two directions: ‘Yes, that’s the question’, or ‘No.’

If the buyer says no, you can gather more information:

Maria: “No, that is not the problem...”

Peter: “Oh, I see. Well could you tell me what your major problem is?”

Maria: “Well, what I want is...”

There it is! **The real concern.** The first one really wasn’t the issue. If we can satisfy this one, we probably have the deal.

About half of all the objections are false objections. How can you make the difference between a real and a false objection?

Here we use the supposing that-technique. Let's take the 'you are too expensive' example from a typical commercial exchange.

Maria: You are much too expensive, Peter.

Peter: I see. In what way do you think we are too expensive, Maria

Maria: You are more expensive than the competition.

Peter: Now, suppose that the price were the same.

For who would you chose, for us or for the competition.

Maria: If the price were the same, then I might consider you. You guys really have a price disadvantage.

OK, now we know that we have a price problem, and that the customer is not buying from us because of the price.

The flow chart

(grafisch overzicht opnemen)

So we continue. We need to find out now if the objection constitutes a real disadvantage or whether it is a misunderstanding.

If it is a real disadvantage, you admit it and you look for compensations.

Peter: I understand your concern about the price, Maria. The difference is largely compensated by the superior quality and the long life span of our products. You might pay a bit more at the purchase, but you will benefit much longer. You wouldn't want to get stuck with cheap stuff that falls apart, would you? What do you think, Maria? Quality has its price. You people also bring value to your customers, don't you?

You come up with compensations, and you see if the customer appreciates them. What do you mean by misunderstanding? Very often, a customer has a wrong perception. They don't always compare apples with apples.

Maria: You are much more expensive than your competitors, Hugo.

Peter: What makes you say that, Maria.

Maria: I have their price list here.

Peter: Do their prices include the maintenance?

Maria: Er, let me have a look. No, apparently not.

Peter: Well, Maria, our prices include delivery and maintenance.

Maria: Well, that changes the picture drastically.

Useful rebuttals

Let us apply all this to the typical objections one gets when presenting a non-project to a potential donor.

I don't have time. Do contact us again some time next year.

Thank you for your feedback. I am sure you can spare 5 minutes for a project that is going to change the lives of so many people. You don't want to risk not being part of it.

We already have several projects that we support financially We're not going to take another one on board.

We appreciate your generosity and we are sure the NGOs you support are very grateful for your support. There is one thing about our project that you should be aware of. The impact we have is tremendous and I can prove it to you.

Your project doesn't meet our requirements We have very strict standards, and your organisation clearly doesn't adhere to those standards.

Thank you for sharing that information. Maybe there is some misunderstanding about the standards we apply. They are exactly the same as the ones you use. If you give me five minutes I can prove this to you with the most recent independent audits reports of 2015.

Our foundation has a different angle in terms of Corporate Social Responsibility.

That is interesting. Can you tell me what it is you do in the area of CSR?

We don't have the money. It's gone.

I am very sorry to hear that. Money is a vital resource in our line of business. We can explore alternative ways to finance projects with you however.

Well, that is a pity. Would you have money next year?

We are not convinced of the impact you say you have.

We absolutely share your concern with regard to impact. It is what this is all about, isn't it. Maybe you are not fully informed about the impact our projects have. We have objective, independent reports that say that we have, and I quote, a 'best in class' impact. I can share these reports with you.

You are already the 10th beggar today. We can't give to everyone!

You have my sympathy. I can imagine that you get fed up with people wanting something from you. Once you are known as a generous donor, our lot will chase you. In that sense, you are absolutely right in calling me one of the many beggars. There is, however, one very big difference that merits your attention. The thing is...

Your project will not appeal to our board.

Thanks for warning us. I am sure your board is very selective about the projects they support. Can you share with me who is actually on the board and involved in the decision making process?

I am not in a position to make any commitment whatsoever.

I appreciate your candor. Can you tell us who, beside you, is involved in the decision making process.

There is no convincing business case in your proposal. We don't see the added value.

Now, this is really the very first time anybody has told me that. I am intrigued by what you mean by 'added value.' Can you please expand on that?

Your organisation has a bad reputation as far as accountability and return on investment is concerned.

That is very interesting feedback. Can you tell me where this information comes from?

What is the return on investment for your organisation?

This is indeed the key question, and I thank you for raising it so directly. Let me explain what your colleague donors, who have been supporting us for many years now, appreciate about the return we create for them.

Types of Objections

Exercise

Make a list of the most frequently heard objections in column one. Agree on the best answer for each of those objections in column two.

Objection	Your best reply
1.	
2.	
3.	
4.	
5.	
6.	

Closing

Getting commitment

For the final step of the sales conversation we let fundraiser Peter and his Boss explain us the dos and don'ts of closing a project. Peter has just received a final no from a prospective donor. He goes to his Boss for advice and coaching.

Peter: Boss, I need help. I can't do it anymore. I have lost it. I can't close any more. I am quitting sales. I mean, what is a salesman who can't close a sale?

Boss: Calm down, Peter. Calm down. One failure doesn't make you a loser. Failures are ok as long as they don't become a habit.

Peter: What did I do wrong, Boss? I asked all the right questions. Maria explained what she needs and our solution is really the best fit to solve all her problems.

Boss: Now Peter. Let's look at it from her point of view. It is an important decision for her, isn't it?

Peter: Well, yes, it's a lot of money.

Boss: What will happen to her if she doesn't make the right decision?

Peter: That would be a catastrophe, for her and for her company. But I explained that there are no worries.

Boss: Not good enough, Peter.

Peter: You see, I have lost it.

Boss: She hasn't bought yet, Peter, because she doesn't have enough guarantees that she is making the right decision. Good selling is based on the concept of helping every customer to buy wisely, not to shove stuff down his throat.

Peter: Oops!

Boss: You made several mistakes in closing your deal, Peter.

Peter: Several?!

Boss: Your timing for the closing was bad; you were too pushy; you were too much focused on your closing and not on her buying; you had no understanding of buyer's remorse; and you had not revealed all objections.

Peter: you really want to bury me, don't you, boss?

Some psychology

Boss: Peter, let me tell you a few things about sales psychology.

Peter: I am all ears, Boss.

Boss: In the pre-sales phase, before you close a deal, how do you feel about the outcome?

Peter: I am uncertain, I don't know if I am going to win the deal.

Boss: Exactly. Now, how do you think the customer feels?

Peter: Maria is quite sure of herself. She is in control, she makes all the possible suppliers believe they have a chance. Yeah, she is quite certain.

Boss: Exactly, Peter. Very good. How do you feel when your customer has decided in your favor.

Peter: I am delighted. That gives me a tremendous kick. That's what we do it for, isn't it?

Boss: Sure, Peter. How do you think Maria feels when she has made her decision.

Peter: I can imagine that she will start worrying about the implementation, about the quality. She must feel quite insecure and uncertain.

Boss: This is what we call the imbalance of certainty. For the seller, the moment of closing is the culmination of all their efforts; for the buyer, the moment of closing is the beginning of lots of worries and headaches. The seller walks away delighted to cash in their commission, the buyer is on the point of no return where he loses control.

You understand, Peter. A purchase is always more important for the buyer than it is for the seller! There you have your buyer's remorse.

Technique number one

Peter: That is all very interesting, Boss. This mumbo jumbo psychology stuff. But how is this going to help me to close a sale?

Boss: You will be surprised by what I am going to tell you now, Peter, and I am sure you will never forget this.

Peter: Don't push your luck ,boss.

Boss: Listen very carefully, Peter.

The best way to close a deal is to act as if it already has been closed.

Peter: Eh?

Boss: The best way to close a deal is to act as if it already has been closed.

Peter: Sounds interesting, but how do you do that?

Boss: You don't talk about the possibility of buying but you talk about the benefits when using the product, or service.

Peter: Be more specific, Boss.

Boss: Do you know the difference between If and When in English, Peter.

Peter: I did go to school, Boss. If is a conditional, and when refers to a moment in time.

Boss: Exactly, Peter. You are a good pupil.

Do you understand the difference between these two sentences:

“Maria, if you buy this solution from us, that would be a good win-win deal for the both of us.” or

“Maria, when your people are improving their productivity, they can always count on our service people to support them.”

In the when-sentence, you focus on the post sales, on the implementation, on the actual benefits your customer will have.

Peter: Sounds neat. Let me give it a try.

Peter and Maria

Peter: Maria, what kind of training do you think we should give your people to make sure they make optimal use of this solution?

Maria: It is a big change. It differs a lot from what they know today. They will be needing intense classroom training and personal coaching on the job.

Peter: Maria, have you made an estimate of the real cost saving you will obtain in the first year of usage?

Maria: I am counting on 7% in my Total Cost of Ownership.

Peter: Well, Maria, similar customers I have achieved 10 percent. Now, when do you want to have the solution up and running?

Technique number two

Boss: Excellent, Peter. That didn't hurt, did it?

Peter: Quite smooth, boss. It went by itself. All I need to do now is to take care of the practicalities. Maria has bought.

Boss: That brings us to a second technique, which is useful in a situation like this.

Peter: Tell me, boss.

Boss: it is called the backward planning technique.

Peter: You mean taking a reverse order?

Boss: It's very simple really. You start at the end and you count back.

Peter: Can you be a bit more specific, boss.

Boss: I'll give you an example. Suppose you are selling a big computer system.

Peter: Which is what we do.

Boss: Or try to do.

Peter: Let's remain positive, boss.

Boss: So, you start by defining the moment when the new system needs to be fully operational, and then you define all the preceding steps: testing, installation, architecture, legal papers, contract signature. In doing so, you create a sense of urgency for the customer to make his decision.

Peter: Don't you think that is bit pushy, boss.

Boss: That depends on the way you do this, Peter. In fact, you are helping your customer to make up his mind.

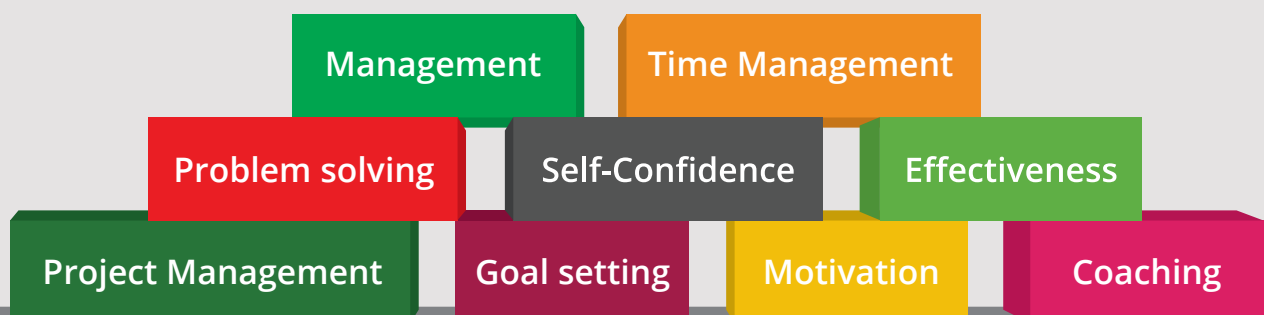
Peter Maria, here I come!

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Peter: So Maria, when do you want to have your system up and running?

Maria: We need to have it fully operational by the start of our next fiscal year.

Peter: So that is January 2007. Correct?

Maria: Indeed.

Peter: It will take two months of testing and finetuning before the system can be released for full operation. Correct?

Maria: Yes.

Peter: So, it needs to be ready for testing by November 1, 2006. In our experience the site prep and installation takes about a month. You agree?

Maria: Sounds fair.

Peter: That brings us to October 1. We need to have our hardware architecture, our software and our network design ready by then. That takes another three months. Especially the software bit. This brings us to July 1. But before we can start, all the legal papers and contractual issues need to be solved. With all these lawyers, that should keep us busy for another two months. So, we need your decision and signature by May 1.

Maria: But, Peter, we are already in mid May.

Peter: There is no time to waste, Maria.

Technique number three

Boss: Have you ever heard about the million dollar question, Peter?

Peter: No, but it sounds very attractive.

Boss: In every sales cycle, Peter, it is crucial that you know what your customer is thinking. Do they like your proposal, do they have certain objections?

Peter: I agree, boss. But very often they just let me talk, they nod, and in the end they just say no.

Boss: Correct Peter, some customers, especially professional purchasers think that buying and selling is like playing poker.

Peter: How do I get them to open up, Boss.

Boss: that's where the million \$ question comes into play.

Peter: Tell me, boss.

Boss: it goes like this: 'What do you like most about our solution?'

Peter: huh? Is that it?

Boss: It is very simple, but very powerful. It invites the customer to give direct feedback, to say why they would be inclined to buy. By asking this very simple question, you will get plenty of buying signals. Give it a try.

Peter: I have given you a presentation of our solution, Maria, based on our understanding of your requirements. Now that you have the full picture, what do you like most about our solution?

Maria: It is quite comprehensive. You have covered all the nuts and bolts, and I particularly like your set up and back up service.

Peter: Anything else you would like to mention?

Maria: Yes. I feel comfortable with your implementation plans. There is however a big concern.

Peter: And what might that be?

Maria: The stability of the software.

Peter: That is indeed a very important point, Maria, and I am glad that you raised it. Let me explain the process.

Technique number four

Boss: How do you feel now, Peter. Do you still think that you are a loser?

Peter: I feel much better, boss.

Boss: I have more for you, peter.

Peter: Give it to me, boss.

Boss: Peter, how much chance do you think you have of winning this deal?

Peter: Oops, boss. That's a difficult one. I would say one chance out of two. Fifty percent. What do you think?

Boss: It is not important what I think, nor what you think. It is important to know what Maria thinks.

Peter: Yes but, how? I mean, she won't tell me. She's also dealing with the competition. I mean, I can't just ask her.

Boss: Yes, you can, Peter. You can ask her. I call this the 'how much chance do we have' technique. Off you go.

Peter: Maria, we are very keen to work with you and all our people are very motivated for this project. What do you think our chances are?

Maria: You mean in percentage?

Peter: Yes.

Maria: Today, I would say that you have a 70% chance to win this deal.

Peter: What do we need to do to get to 100%, Maria.

Maria: The software bit, Peter. I am still not convinced that the software will be fault-free, and I am also concerned about your capabilities in helpdesk support.

Peter: That is very important, Maria. I will arrange a meeting with you and our top software people and the helpdesk manager, so they can directly answer all your questions and make the necessary adaptations. Is that ok with you, Maria?

Technique number five

Boss: Finally, Peter, I have one more closing technique for you.

Peter: Thanks, boss, but I have learnt a lot already.

Boss: Just one for the road, Peter. It is a technique you can use in various circumstances.

Peter: If you really have to, Boss.

Boss: Do you want the long or the short version?

Peter: Short one, please.

Boss: Well, that's it.

Peter: Huh?

Boss: I gave you the choice, between the long and the short version, and you chose the short. That's the choice technique. I'll give you some more examples:

“What day is better for delivery?”

“Which colours do you prefer on your initial drop?”

“Is Thursday or Friday best for delivery?”

“Will this be invoice or cash?”

Now, give it a try with Maria.

Peter: Maria, do you want an 8 to 5 help desk, or do you want a 24/24 cover? Maria: Our people need access round the clock, so there should be 24/24 cover.

Peter: As for the financing, do you want a renting or a leasing formula.

Maria: Our CFO prefers renting.

Boss: You see, helps you to close, doesn't it!

Summary

Boss: Let's summarize, Peter.

Peter: Summarizing is also a closing technique, boss.

Boss: Indeed, Peter.

These are the five techniques:

- act as if the deal has been closed
- the backward planning
- how much chance do we have
- what do you like most about our solution
- the choice technique

Assignment

Add a phrase to each closing technique

1. The Opinion Close

There are times when we are not sure if the time is appropriate for the order (or whatever the call objective may be). We may be uncertain whether or not we are truly observing buying signals. At these times it is appropriate to use an opinion close.

"Betty, do you feel this service will solve your delivery problems?"

"In your opinion, do you feel this will benefit your company?"

(Add a phrase)

2. Minor Point

Closing on a minor point involves asking your prospect for a very minor decision rather than the major one, which would be "Do you want to place the order?"

"What day is better for delivery?"

"Which colors do you prefer on your initial drop?"

(Add a phrase)

3. Alternate Choice

This technique offers your prospect choices – either one of which represents his agreement to purchase your product or service.

"Is Thursday or Friday best for delivery?"

"Will this be invoice or cash?"

(Add a phrase)

4. Summary

A summary close involves summing up the benefits the prospect will receive, followed by a minor point or alternate choice close.

“John, we agreed that...and...Shall we start with 5000 or 10000 pieces?”

(Add a phrase)

5. Direct

The direct close is just what it implies. It is a simple statement or question that asks for the order.

“Bill, I’ll rush this order right in for you.”

“Lois, I’ll call these specs right in.”

(Add a phrase)

Meeting with Bruno Denys, CEO of Application Engineers



Groundwork	Achieved
<p>1. Main objective of that contact: <i>To get a Yes for a 3 year funding program of 5000 euro per year to finance the operations of Little Hearts, the Cambodian orphanage.</i></p> <p>Sub-objective(s) <i>To get a buy in for the employee support program that will organise regular events during the year for Little Hearts. The AE staff would adopt Little Hearts as their pet project.</i></p> <p>Retreat objective(s) <i>If no, then get a referral to another corporation that might want to support Little Hearts.</i></p>	
<p>2. The information we need to retrieve: <i>The financial strength of AE, the number of staff, the projects they currently support.</i></p>	
<p>3. The questions we want to ask:</p> <ul style="list-style-type: none"> • <i>What is your policy regarding corporate social responsibility?</i> • <i>How much money do you allocate to the supported projects?</i> • <i>How would AE benefit from supporting a reliable, trustworthy project with a real impact such as Little Hearts?</i> 	
<p>4. The message we want to convey:</p> <ul style="list-style-type: none"> • <i>Little Hearts is a wonderful project that helps orphans out of poverty and it is managed in a competent and transparent way. It needs your support and the support of your staff</i> <p>Arguments in order to achieve this:</p> <ul style="list-style-type: none"> • <i>It is a sure investment in a CSR project with proven impact</i> • <i>Your staff is composed of young people with young children. They will relate to this issue.</i> • <i>It will enhance your reputation as a good company with human values and it will help you to attract good new people.</i> • <i>The sum invested is tax deductible.</i> 	

<p>5. Likely objections:</p> <ul style="list-style-type: none">• <i>We already have three CSR programs in place</i>• <i>A commitment for 5000 euro for three years is heavy</i>• <i>Our staff doesn't relate to problems very far from them in South East Asia</i>• <i>Your timing is not good. All decisions for 2016 have been taken. We might consider it for 2017.</i>
<p>6. Decisions which the customer has to take:</p> <ul style="list-style-type: none">• <i>To get an agreement on the funding amount and period</i>• <i>To agree on a date to roll out a support program for the AE staff.</i>• <i>To agree on a press release announcing the donorship</i>
<p>7. To be well prepared, I also require:</p> <ul style="list-style-type: none">• <i>A strong presentation of the project.</i>• <i>Contact data to get in touch with local management</i>• <i>A copy of the external audit report.</i>
<p>8. Action after the contact with the customer: (what / by whom / deadline? / short-term plan)</p> <ul style="list-style-type: none">• TBD
<p>9. Information for the Customer File:</p> <ul style="list-style-type: none">• TBD

Meeting with a high level donor



<i>Groundwork</i>	<i>Achieved</i>
<p>10.</p> <p>Main objective of that contact:</p> <p>_____</p> <p>_____</p> <p>Sub-objective(s)</p> <p>_____</p> <p>_____</p> <p>Retreat objective(s)</p> <p>_____</p> <p>_____</p>	
<p>11. The information we need to retrieve:</p> <ul style="list-style-type: none"> • _____ 	
<p>12. The questions we want to ask:</p> <ul style="list-style-type: none"> • _____ • _____ • _____ • _____ 	
<p>13. The message we want to convey:</p> <ul style="list-style-type: none"> • _____ <p>Arguments in order to achieve this:</p> <ul style="list-style-type: none"> • _____ • _____ • _____ 	

Likely objections:	My reaction:
<ul style="list-style-type: none"> • • • • • 	
14. Decisions which the customer has to take:	
<ul style="list-style-type: none"> • • • 	
15. To be well prepared, I also require:	
<ul style="list-style-type: none"> • 	
16. Action after the contact with the customer: (what / by whom / deadline? / short-term plan)	
<ul style="list-style-type: none"> • 	
17. Information for the Customer File:	
<ul style="list-style-type: none"> • • • 	

Interpersonal styles

Who are you and how do you communicate? What kind of person is the person you are talking? And how can you adapt your communication style so that you can have a better impact on your interlocutor?

Have a look at yourself. Which of the below character traits are typical of you? Circle the two words in each of the fifteen lines that best describe you are you are in relation to other people.

	W	X	Y	Z
1.	Task-oriented	Challenging	People-oriented	Calm
2.	Formal	Risk-taker	Warm	Careful
3.	Self-controlled	Competitive	Outgoing	Adaptable
4.	Serious	Tells	Playful	Asks
5.	Industrious	Active	Sociable	Gentle
6.	Logical	Dominant	Friendly	Trusting
7.	Systematic	Confident	Spontaneous	Modest
8.	Organised	Persuasive	Free-wheeling	Reasonable
9.	Efficient	Independent	Idealistic	Co-operative
10.	Practical	Extroverted	Creative	Thoughtful
11.	Diligent	Enthusiastic	Youthful	Supportive
12.	Thorough	Assertive	Excitable	Tactful
13.	Deliberate	Masterful	Compassionate	Receptive
14.	Detail-oriented	Emphatic	Easy-going	Consistent
15.	Productive	Urgent	Responsive	Patient

Tally Section

Count the number of words circled in each column and write the totals below:

Number of W's Number of Y's

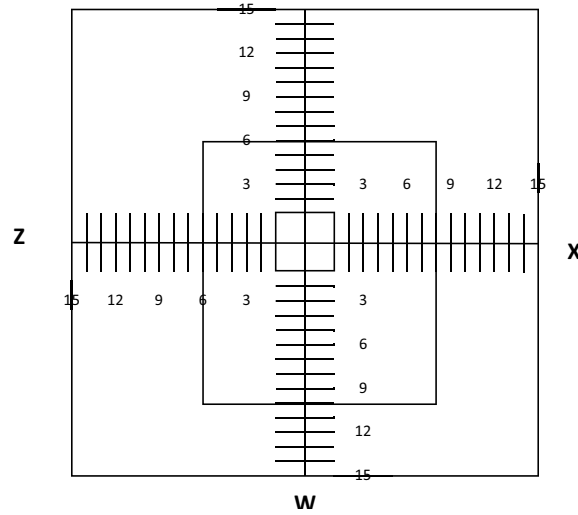
Number of X's Number of Z's

Plotting the interpersonal influence style

Take each of your four totals for W, X, Y and Z from the Tally Section and mark them on the appropriate axis. Then make a rectangle by drawing straight lines horizontally and vertically through the plotted points.

Example: W10 Y6

X8 Z6



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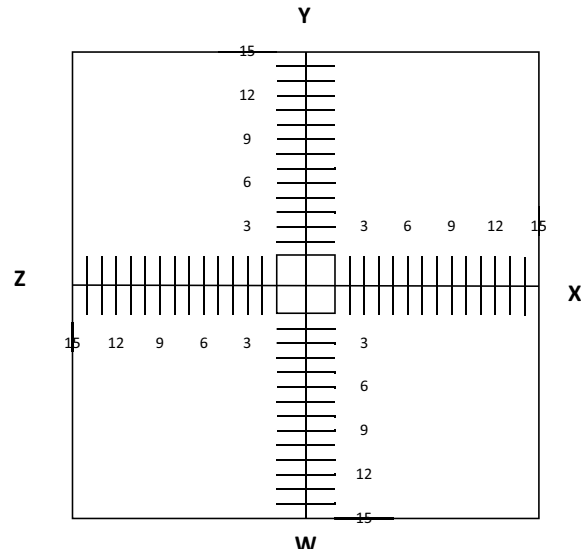


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Then lightly shade the largest rectangle in one of the four areas formed by your line and axis. The area in which the largest rectangle rests will determine the style of interpersonal influence for the person scored.

Graph of interpersonal influence style



Notes:

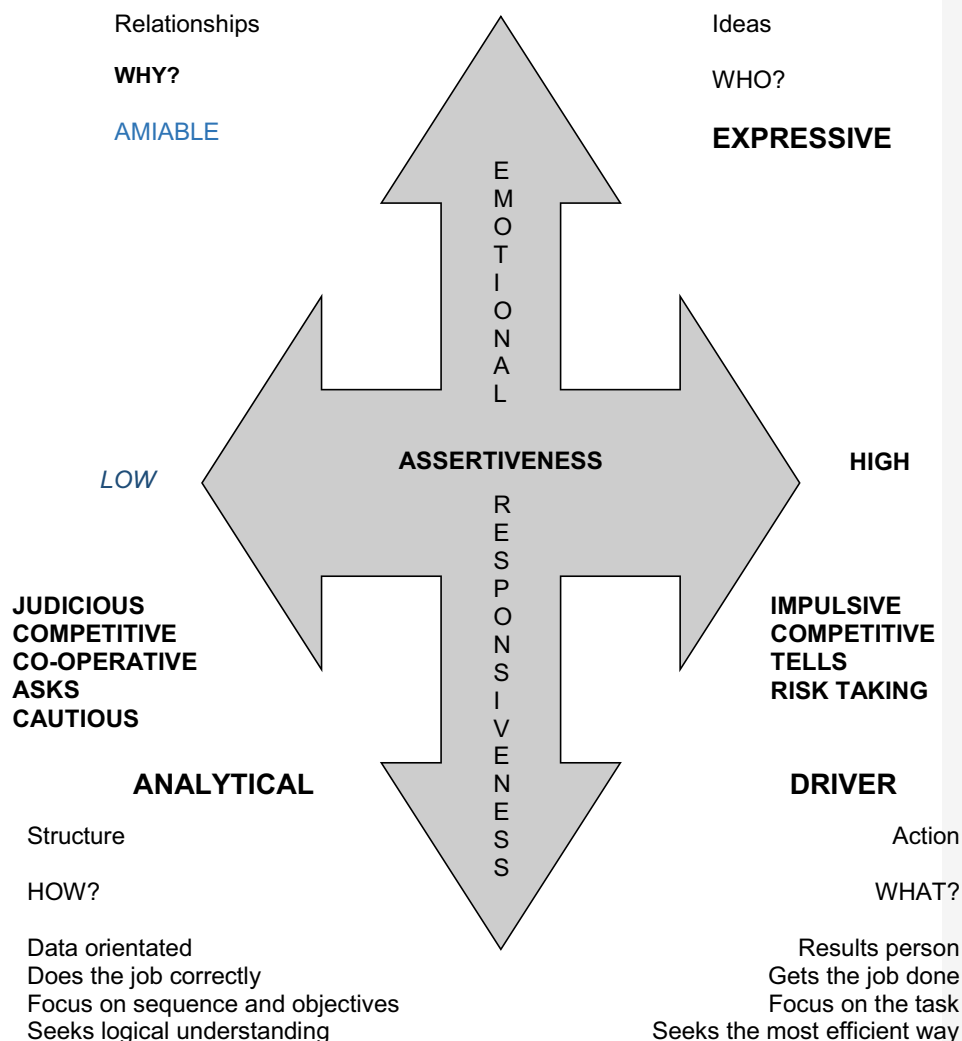
YOUR NAME:

4 INTERPERSONAL STYLES

Supportive Person
 Works co-operatively
 Focus on process
 Seek informality

**SPONTANEOUS
 SHARES FEELINGS
 SOCIABLE
 APPROACHABLE
 PEOPLE FOCUSED**

Intuitive Person
 Works with enthusiasm
 Long-term (vision)
 orientated
 Seeks stimulation



<p>Amiable</p> <p>Gentle Co-operative Agreeable Asks Trusting Loyal Reasonable Thoughtful Supportive Tactful Patient Modest Calm Receptive Listens</p>	<p>High</p> <p>E M O T I O N A L</p>	<p>Expressive</p> <p>Sociable People oriented Playful Responsive Creative Intuitive Idealistic Approachable Free wheeling Excitable Compassionate Impulsive Friendly Youthful Warm</p>
<p>Low Assertiveness High</p>		
<p>Task oriented Industrious Organised Practical Efficient Perfectionist Data and detail oriented Deliberate Productive Systematic Serious Self controlled Logical Formal Thinks sequentially</p> <p>Analytical</p>	<p>R E S P O N S I V E N E S S</p> <p>Low</p>	<p>Active Dominant Challenging Takes risks Competitive Authoritative Independent Enthusiastic Emphatic Urgent Tells Persuasive Controls Time conscious Results oriented</p> <p>Driver</p>

Perceived Strengths And Weaknesses Of The Styles

	Perceived strengths	Perceived weaknesses
Driver (control focus)	Get results Determined Tough-minded Decisive Efficient Takes charge Likes responsibility Active	Sometimes too quickly Push Severe Dominating/autocratic Harsh Demanding Spreads themselves Thinly
Expressive (social focus)	Personable Stimulating Enthusiastic Dramatic Inspiring Charismatic A "visionary"	Opinionated Manipulated Excitable – subject to outbursts Reacting Promotional Moody Too superficial
Amiable (support focus)	Supportive Respectful Willing Dependable Personable Trusting Cooperative Loyal	Conforming Retiring Non-committal Undisciplined Emotional Put themselves down Resistant to change
Analytical (technical focus)	Industrious Persistent Serious Vigilant Organised Orderly Reliable Thoughtful Can work alone	Uncommunicative Indecisive Cool Exacting Impersonal Too serious Avoids trouble and conflict

Typical Reaction To Common Situations

Situation	Driver	Expressive	Amiable	Analytical
Style when under pressure	Autocratic Dictatorial	Impulsive Overlooks details Wants applause	Avoids change Avoids conflict	Avoids change Lost in detail Avoids responsibility
They are motivated by	Results	Applause	Stability and security	Structure Organisation Predictability
Basic fear	Failure	Rejection	Insecurity Change	Uncertainty Conflict Trouble
For their development they need to	Listen	Check	Reach	Decide
Let them save	Time	Effort	Relationships	Face
Needs a climate that	Allows them to build own structure	Inspires them to their goals	Lets them suggest	Provides them with details
Take time to be	Efficient	Stimulating	Agreeable	Accurate
Will need support for their	Conclusions and actions	Dreams and intuition	Relationships and feelings	Principles and thinking
They need answers to	What	Who	Why	How
For their decisions they need	Challenges and incentives	Options and possibilities	Support and assurance	Evidence and method
Focus on their	Being in control	Being social	Being supportive	Being technical

How To Achieve Better Communication With The Styles

Amiable

- Give attention and support
- Be agreeable to them – hate conflict
- Be gentle – do not be aggressive
- Give them ideas

- Ask questions
- Make suggestions
- Ask them how they are
- Relate to them
- Like informality
- Their relationship with you is important – devastated when relationships break down
- Feelings are easily hurt
- Worry what people think of them – so reassure them – lots of feedback
- If you want them to do something tell them why
- When they have to make a decision give them assurances and guarantees

Expressive

- Do not take their outbursts too seriously
- Speak out – tell them straight
- Like to know where they stand
- Give them applause, well done for success
- Like stimulation
- Help them to learn from past mistakes
- Like to use minimum of effort
- Not interested in how much effort you put in, they will think that it's a waste of time
- They need to be inspired to achieve their goals
- Seek stimulation – do not operate well without it
- Give their intuitions support – listen to their dreams however crazy – once that is done, they will move on happily
- If you want them to do something – they will want to know who is involved

Driver

- Be direct – tough and unemotional, they get embarrassed by shows of feeling
- Produce the results, these are important
- Make statements more
- Do not waste their time
- Concentrate on the task
- Must be allowed to work in their own way
- Will provide their own structure
- You must be efficient and professional in your dealings with them
- Support their actions and conclusions
- If you want them to do something, they will want to know what is involved
- To help them decide – give options and what could happen, then leave them alone

Analytical

- Give them space – when they are worried leave them alone
- Just be there – they will ask if they need you
- Ask questions
- Important for them to be busy – give them plenty to do
- Concentrate more on what is to be done
- Help them with decisions – provide evidence and what they will get out of it
- Important to them to be highly regarded
- They cannot cope with a loss of face
- If that happens, their world can crumble
- Give them details – they will be happy
- Must be accurate with them – no embellishments
- Give support to their principles and their thinking
- If you want them to do something, they will ask how you want it to be done

Conclusion

Think about those people close to you who are different, who react differently, who behave differently.

What do you think are their preferred styles?

How do their styles of behaviour manifest, especially when pressurised?

What are some specific behaviours you need to employ, so as to meet their needs and so as to have a better rapport?

In case you accompany a junior fundraiser to donor meetings, here are some coaching guidelines

Giving:

1. Do It Now
2. Keep It Private
3. Recognise The Positives
4. Focus On Performance
5. Make It Two Way
6. Adopt The Appropriate Style
7. Agree An Action Plan
8. Use Active Listening Skills
9. Consider Questioning Techniques
10. Relate To Competencies / Behaviours / Numbers

I have also included some tried and tested rules for receiving feedback.

Receiving:

1. Always welcome positive feedback
2. Invite feedback regularly (it's not so painful after the first few times!)
3. Thank them for the feedback!! (Yes – very hard)
4. Always listen to what is being said, don't jump to conclusions
5. Try to understand why you are receiving feedback
6. Try not to be defensive or justify what you have done
7. If you do not understand what is being said, ask for clarification of what is meant
8. Ask them to give examples of your behaviour which give rise to the feedback
9. Look for solutions, or give suggestions – ask them for suggestions
10. Agree what happens next

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