



Strategy Matters

Build the Relationships and the Money Will Follow is Bad Advice

Tales exist in every organization. Sometimes the founder tells the story about her personal relationships and her friends that support the cause. "No need to waste time researching prospects in the database," she assures you. She already knows everyone.

Other times, the board rejects a data-informed approach assuming it will be too expensive ("The staff just needs to work harder," says the Chair). These tales are bad for philanthropy and they keep teams from advancing. My personal least favorite tale is the one that starts, "build relationships and the money will follow..." (Often preceded by, "the staff just needs to work harder").

Of course, great philanthropy is built on great relationships: Relationships with extremely generous, philanthropic people. You can be the best relationship builder in the world but if you are engaging the wrong stakeholders you simply end up with a robust annual fund, not a class A major gift program.

At RCP we encourage a data-informed approach for all our clients that are preparing for campaigns even if they think they

know where leadership gifts will come from. Often, they are pleasantly surprised to learn there is additional capacity and intent where they weren't looking for it. Other times, they see that while the database is full of potential, they haven't converted the high-value prospects because they were focused elsewhere.

Prospect screening has evolved from an emphasis on wealth to a focus on philanthropy. This evolution allows us to view board connections, foundation involvement, and other philanthropic interests that could inform and fuel a campaign, a special appeal, or the annual fund. That is why making an effort to really know your donors shouldn't be reserved for campaigns. Before hiring, we encourage clients to be data-informed and reasonably certain they have the capacity in their database to warrant another FTE.

When you bring on a new chief fundraiser, why not do that deep data dive you've been putting off? Development professionals who are new to their positions have no assumptions about where the major gifts will or won't come from. In that first 90 days, you can decide if you want your new staff member informed by hearsay or objective data.