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A successful planned giving program requires a sound infrastructure, an ongoing commitment to the promotion of planned gifts, and dependable and repeatable processes that support the cultivation and stewardship of existing donors. While these fundamentals can be expanded to include dozens of “must haves” for charitable organizations, PG Calc has identified seven key characteristics in particular.

### **1. The governing board understands what planned giving is and what having a planned giving program entails.**

A successful program begins with sufficient support from the top. Members of the governing board need to be acquainted with the fundamentals of planned giving, which include:

- Motivational factors – why and how donors make gifts
- Appropriate roles played by the board, staff, volunteers, and donor advisors
- Real metrics to judge success – what results the charity might expect and over what time frame

The board must then be willing to devote the attention and resources necessary to establish the program and make it thrive. Ideally, several members will be knowledgeable and enthusiastic enough to become “champions” for planned giving.

### **2. The governing board has consciously settled upon an appropriate scope for the program.**

With input from key staff members, the board should weigh the options available and then be realistic about what the charity can afford, not only to initiate, but also to sustain in the years to come. Planned giving programs that dazzle at first but fizzle shortly thereafter are a tragic waste of time and money.

Depending on what seems suitable, it can be far preferable for a program to start off slowly, perhaps with little more than a focus on bequests and other revocable deferred gifts, yet be poised for growth over time or at least able to mark time during difficult periods. Indeed, if a charity is starting from scratch, it is quite likely

that no money attributable to a focused planned giving effort will be received for five years (or even longer) after the effort has been launched.

### **3. The governing board has adopted suitable program policies and guidelines.**

At least with respect to gift acceptance policies, which are at the heart of a planned giving program, three essential questions must be answered:

- *What kinds of assets are acceptable?*
- *In what ways can gifts be structured?*
- *What purposes can be served by gifts?*

Related matters of policy will be whether the charity is willing to be the trustee of charitable trusts, whether it will seek and accept gifts for endowment, and who has what authority in what situations. Indeed, the organization may well wish to state definitively how questions are to be answered in some instances yet delineate how discretion may be applied in others.

### **4. Those responsible for operating the program have developed and implemented sound procedures for seeking, receiving, and administering planned gifts.**

To their detriment, some charities fail to distinguish between policies, which are the prerogative (and duty) of the board to declare, and procedures, which are properly the realm of staff activity. Boards that mire themselves in matters of procedure risk engaging in counterproductive micromanagement. Though procedures will draw upon the policies, they should be developed by those responsible for operating the program, in consultation with other relevant members of the charity's staff.

### **5. A comprehensive marketing plan is created, followed, and refined.**

A planned giving program can easily become stalled when marketing is sporadic or inconsistent. A charity needs a multi-year, multifaceted plan with one or more marketing activities in process at all times. Some techniques will produce the desired results, whereas others will not – market testing and focus groups can help identify and enhance the ones that work. To the extent possible, a charity should engage in open dialogue with its existing donors about their motivations for making a planned gift to that particular organization, and further, if any marketing from that

organization was particularly compelling to them.

**6. The principles of the program support the ability of donors to meet their objectives.**

That a planned giving program must be donor-friendly is an understatement. In everything the program does, whether donors are involved directly or not, their needs and wishes must be given emphasis. A donor-friendly program focuses on the donor's need to express philanthropic interests, not the charity's need for support. Finding the intersection between each donor's interests and the needs of the charity is the point of successful cultivation of prospects by development staff.

**7. All aspects of the program are reviewed and assessed on an ongoing basis, with adjustments made whenever necessary.**

Regardless of whether a planned giving program is of recent vintage or has been in existence for decades, those in charge of the program need to be alert to opportunities for innovation. Similarly, there is wisdom in periodically taking a fresh look at the way things have been done to see if the time has come to abandon some practice, revise some form, or revisit some facet of the program that perhaps may have outlived its usefulness. A successful program is dynamic: not simply responsive but proactive. A charity's board or executive staff should lead the effort in a review of policies, procedures, and marketing activity.

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