



The Value of a Handraiser 2.0

Presented by
Brantley Boyett and Zach Christensen

About the Presenters



Brantley Boyett

Co-Founder and President
Giving Docs

- Former attorney, practicing for over a decade before founding Giving Docs in 2015
- In 2017, partnered with Dan Ariely's behavioral science lab, the Center for Advanced Hindsight at Duke University
- Received JD and BFA in Economics at the University of Texas in Austin
- Teaches Law and Entrepreneurship at Duke University School of Law



Zach Christensen

Vice President Strategy, Innovation and
Marketing

- Over 20 years of experience in the nonprofit marketing and advertising industry
- Responsible for overseeing the strategy, creative direction and execution of a wide range of marketing campaigns and initiatives
- Leads a team of talented designers, writers, client strategists and marketing professionals
- Works to develop strategies and concepts that effectively communicate mission and drive donor engagement



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Today's Agenda

National
Standards and
How They Apply
to Handraisers

The Value of a
Handraiser

Identifying,
Cultivating &
Getting Prospects
to Raise their
Hands



What is a handraiser?

We define a handraiser as a person who has indicated their intention to leave a planned gift to an organization *but has not yet done so*.

Many organizations are sitting on hundreds or thousands of hand-raisers, but how does this factor into future revenue?

In this talk we argue that organizations could be devoting more resources to their handraiser pools.

We will also present a proposed framework for determining the value of the hand-raisers in an organization's pipeline, so that development professionals can better make the case for those resources.

—

The Rise Of The Handraiser:

Survey marketing and online estate planning tools have greatly increased the number of individuals who have indicated an intention to leave a legacy bequest

The “Handraiser” and The National Standards

Overview and Application to Handraiser Valuation

NACGP: NATIONAL STANDARDS FOR GIFT PLANNING SUCCESS (NSGPS)

National standards allow nonprofits to create and execute a strategy:

- Assess current gift planning program
- Identify areas that need strengthening
- Tools to leverage results
- Path to generate more deferred gifts and augment current gifts

NSGIPS ALLOWS US TO ADDRESS COMMON PAIN POINTS



- Lack of understanding of gift planning within board and C-Suite
 - Inconsistent gift planning support and investment
 - Lack of defined measures
 - Inconsistency with tracking 'success' institution by institution
-



THE STRUCTURE OF THE NATIONAL STANDARDS

There are 16 standards divided into three categories:

- Support From the Top for the Gift Planning Program
 - Ability and Capacity to Execute (Strong Operating Platform)
 - Donor-Centric Engagement and Management
-

Support from the Top
 Create policies, plans and metrics that encourage long-term investment in gift planning.
 STANDARD 1 The nonprofit has a current organizational strategic plan with a powerful, compelling vision for the future.
 STANDARD 2 The nonprofit has a strong internal business case for gift planning embraced by management and Board.
 STANDARD 3 Each member of the nonprofit's management team is committed to relationship-based, collaborative fundraising and sees gift planning as an integral part of the donor experience across all lines of fundraising.
 STANDARD 4 The nonprofit has clear policies to manage risk and ensure accountability to donors and the nonprofit and the public.
 STANDARD 5 Management sets clear and realistic goals, strategies, and tactics that are designed to encourage and recognize collaboration across all lines of fundraising.
 STANDARD 6 The nonprofit has fundraising metrics for individual staff and program focusing on activities and outcomes that drive success.
 STANDARD 7 The development team has an appropriate budget for staff, administrative support, marketing, travel, training, stewardship, and advisor cultivation for its size, structure, and goals.

Ability and Capacity to Execute
 Deploy people and data strategically to reach the right donors.
 STANDARD 8 The nonprofit prioritizes disciplined, comprehensive donor data management.
 STANDARD 9 The nonprofit has an active prospect management process to keep donor portfolios right-sized and current and to move donors through the identification, qualification, cultivation, solicitation, and stewardship cycle.
 STANDARD 10 The development staff has discipline and accountability around filing call reports and other forms of donor engagement.
 STANDARD 11 The nonprofit has qualified staff in place to drive and support the gift planning process.

Donor-Centric Engagement and Management
 Connect supporters to your mission and create transformational donor experiences.
 STANDARD 12 The nonprofit has a compelling, visionary case for donor near-term and long-term organizational support.
 STANDARD 13 All donors and prospects are offered timely, accurate gift planning information to ethically maximize the donor's charitable impact and personal benefit.
 STANDARD 14 The nonprofit has a robust, well-stewardship plan across all lines of fundraising to engage donors in a meaningful way, building its donor relationships and maintaining a high donor rate.
 STANDARD 15 The nonprofit integrates gift plan messaging in all its marketing and all marketing messaging positions donors as partners/investors in mission and clearly acknowledges the donor's role in nonprofit's mission success.
 STANDARD 16 The nonprofit has a donor-centric that meets the needs of each donor.
 © 2023 National Association of Charitable Gift Planners

Which Standards Does Valuing Handraisers Help With?

#6: Support from the top
 The nonprofit has fundraising metrics for individual staff and program focuses on activities and outcomes that drive success.

Which Standards Does Valuing Handraisers Help With?

#8: The ability and capacity to execute

The nonprofit prioritizes disciplined, comprehensive donor data management.

Which Standards Does Valuing Handraisers Help With?

#9: The ability and capacity to execute

The nonprofit has an active prospect management process to keep donor portfolios right-sized and current and to move donors through the identification, qualification, cultivation, solicitation and stewardship cycle.

The Value of Handraiser

Planned Gift Officers are rewarded for closing.

They are less inclined to engage with someone who “just isn't ready right now”

Some planned gift officers may see less value in handraisers, but forward thinking leadership can incentivize the growth of the handraiser pipeline.

Not all handraisers are created equal.

Surveying has shown that these people remain valid prospects even when they haven't created a gift for many years after raising their hand.

But-one size fits all messaging doesn't work.

And a typical PGO interaction might not be a good fit either.

Ideally, an organization would have a handraiser specific outreach person who does not have PGO quotas.



How do organizations currently value handraisers? (most still don't)

We interviewed a number of planned giving professionals over the last 24 months, ranging from PGO to ED to consultant. A few have their own systems for valuing handraisers internally, and this discussion has inspired some to begin to do so.

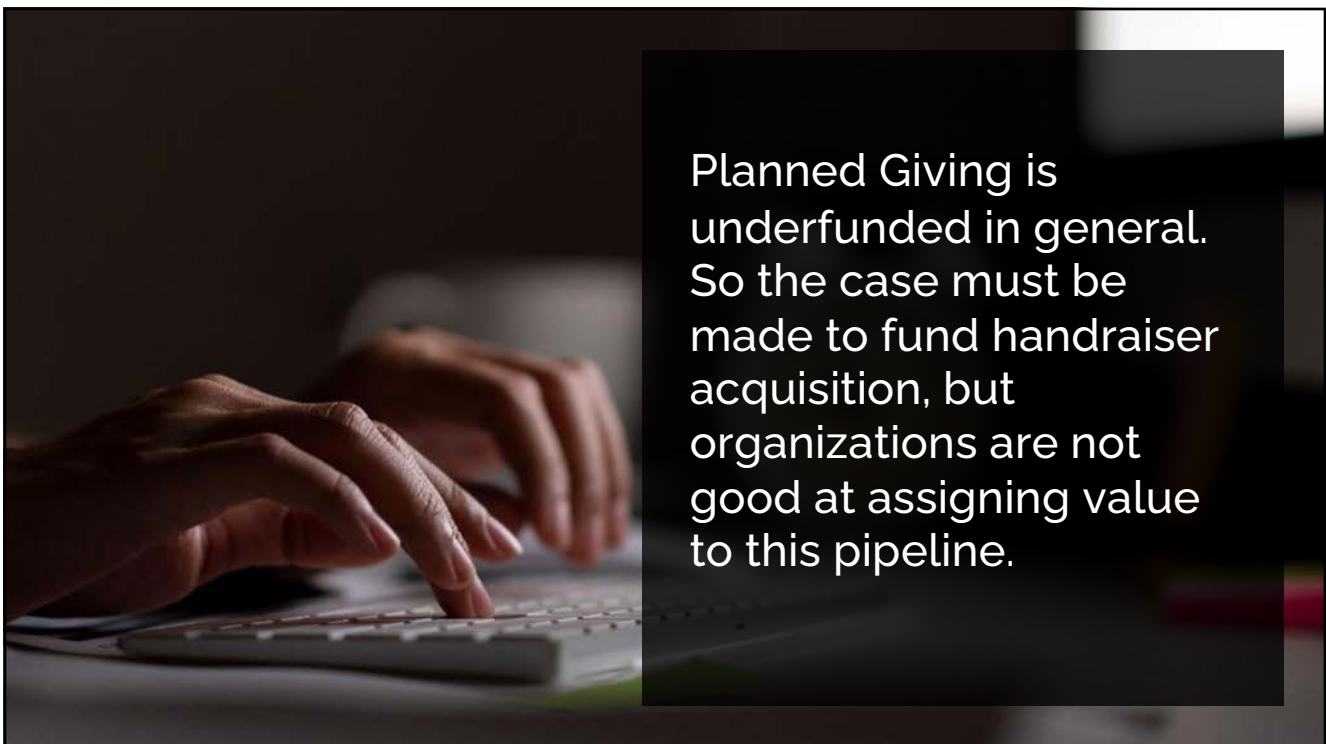
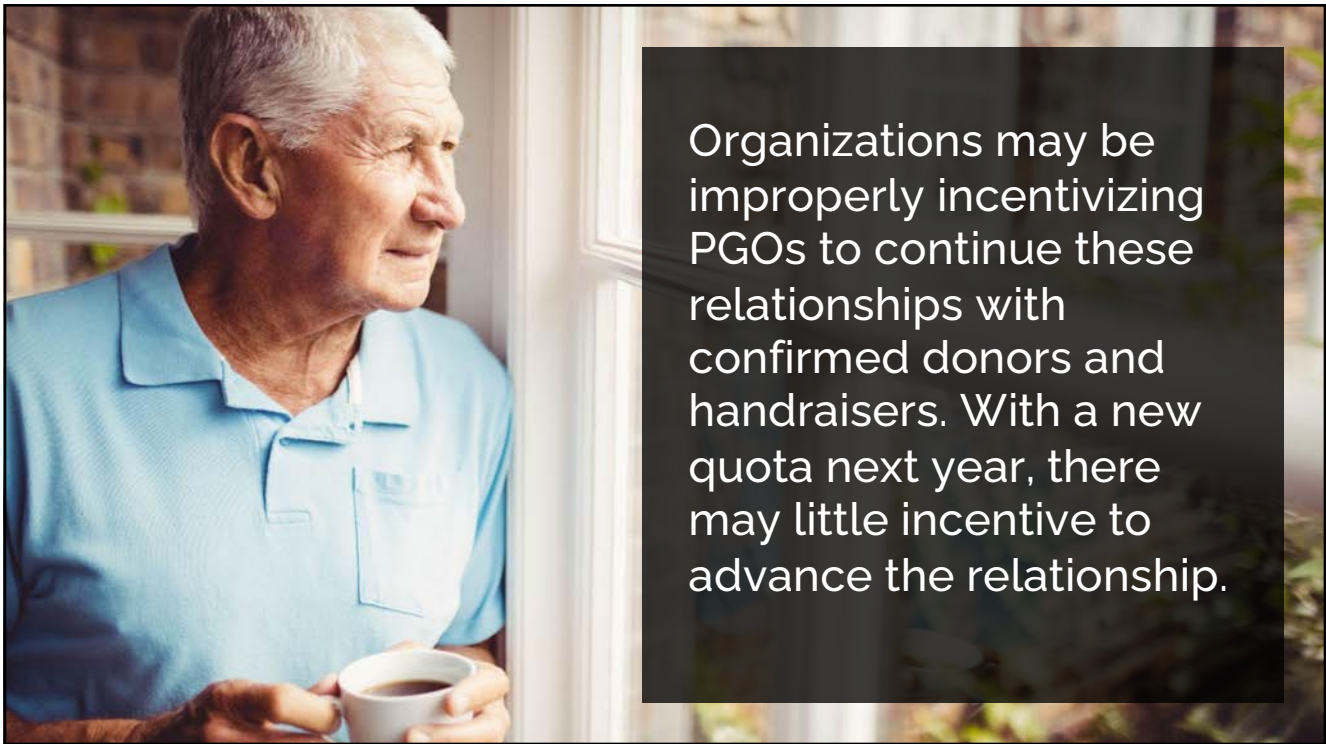
Development professionals have a pipeline of confirmed gifts.

We call these Gifts Under Management.

They are not yet realized and have real management costs and responsibilities. GUM must receive gratitude and continued stewardship. Many desire a continued relationship with the organization until death. SOME donors will change their minds and the gift can disappear (not always due to mismanagement).



A legacy donor who is ignored may drop the gift from their plan. The same thing will happen with handraisers.



Our solution:

A framework for how to understand the monetary value of your handraiser pipeline

-Rooted in scientific and mathematical principles

**This is not a
one-size-fits-all
solution**

→ **Every organization is different**

Different donor affinities, different types of engagement, changing political climates, and unplanned events are just some of many examples of things that can throw predictions off.

→ **Accurately predicting the future is difficult**

That's why we use past performance as an indicator of future probability without declaring definitively how things turn out

Assumption #1:

A certain percentage of handraisers will convert to planned gifts each year.

- Some of these will be reported.
- Some of these will be unreported.

We've interviewed a number of organizations about the number of handraisers that convert each year—that number varies greatly, but we think a reasonable assumption is 3%.

(This is a conservative estimate based on the fact that no organization interviewed had visibility into greater than 50% of their gifts at the time they were received)

Source: [theguardian.com](https://www.theguardian.com)

Assumption #2: Attrition

A certain percentage of handraisers will change their mind about their interest in leaving a gift each year. This is opaque of course, as a handraiser would almost never alert the organization about this change. For the purposes of formula, we will conservatively assume 1% of handraisers change their mind about their relationship with the organization in any given year.



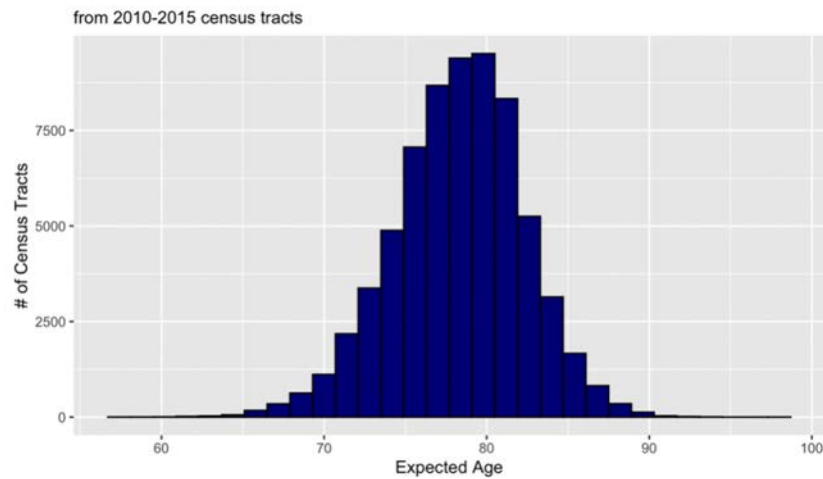
Assumption #3: Average Gift Size

Once again, average gift sizes vary widely from organization to organization. Many cause related charities average 40-50k per gift, while many higher education institutions average closer to 100k, some organizations have a much higher average than this. One from our poll reported 1MM+ AVERAGE.

For the purposes of this exercise, we will assume that the average gift is 100k, which seems to be a reasonable average from our polling..



Life Expectancy in the U.S.



Assumption #4: Average time someone will remain a handraiser

- Average life expectancy in the U.S. currently = 79
- Average age a donor first raises their hand = 69–based on national poll (plug your own number in here–this varies)
- So the average handraiser will be a handraiser (before factoring in attrition) for 10 years if they never create a gift



How we value gifts now

Take the average value of last years realized planned gift.

Apply that number to this years known gift commitments.

Put those gifts in the pipeline of gifts under management, with continued stewardship and cultivation of major gifts.

Based on how we value gifts now, we can create an algebraic equation to determine the value of a handraiser today.

(Years until gifts realize(average)) X annual conversion rate of handraisers/years until gifts realize X annual attrition of handraisers X annual gift average



*Expected Value of Handraiser = P[Gift Committed this Year] * P[Retention over Y Years] * Gift Amount*

- P[Gift Committed this Year] = 0.3 = 3%
- P[Retention over Y Years] = $(1 - \text{Attrition Rate})^Y = (1 - .01)^{23} = 0.7936 = 79.36\%$ chance Handraiser is not lost to attrition before death
 - This statistic calculates the probability that the Handraiser will change their mind about leaving a gift
- Y = Years until gift realization = 23
 - In this example, Y = 23 years.

A Calculator for Valuing Handraisers

www.givingdocs.com/handraiservalue

VALUE OF YOUR HANDRAISERS

A framework for how to understand the monetary value of your fundraiser pipeline - rooted in scientific and mathematical principles.

Handraiser Age	55	Result Your fundraisers are 78.57% likely to stay engaged with your organization over their lifetime. Handraiser Value \$2,257*
Conversion Rate	3 %	
Attrition Rate	1 %	
Gift Amount	\$100,000	
Acquisition Cost	\$100	
Life Expectancy Estimate	79	

Considerations with the calculator

- Are we using the right number for number for gift valuation? Should it be PVFB? Something else?
- May need another line for post-acquisition costs
- Most organizations just don't have good data for determining the assumptions to input—but they are getting better!

National Handraiser Poll Results:

Over the past year we have conducted this poll both online and in person with just over 200 respondents:

Question 1: Does your organization track handraisers in your organizational pipeline?

83% say that their organization tracks handraisers in their organizational pipeline.

National Handraiser Poll Results:

Question 2: How many Handraisers does your organization have in the pipeline?

0-100	57%
100-1000	28%
1000-10,000	11%
10,000+	2%
(blank)	2%

National Handraiser Poll Results:

Question 3: What is the average age of a handraiser at your organization?

More than half of all organizations were unsure of the answer or provided a wide range. Of the organizations that provided an average age they ranged between 48 and 80 and the average age was **69**.

National Handraiser Poll Results:

Question 4: What is the average bequest size at your organization?

Average bequest size ranged greatly for the organizations represented in this survey from \$5,000 all the way to \$1M. The average across all organizations reporting a bequest size was \$131,000 and the median was \$82,500.

National Handraiser Poll Results:

Question 5: Does your organization currently *any value* to the handraisers in your pipeline?

Taking this year's respondents only, 29% of organizations ascribe a value to handraisers in their pipeline, where as 68% of organizations don't. This is an improvement, but also skewed towards people who would self select to take this poll. The industry average is likely much much lower.

Takeaway 1: Handraisers have a real value to the organization that is often going unrecognized.

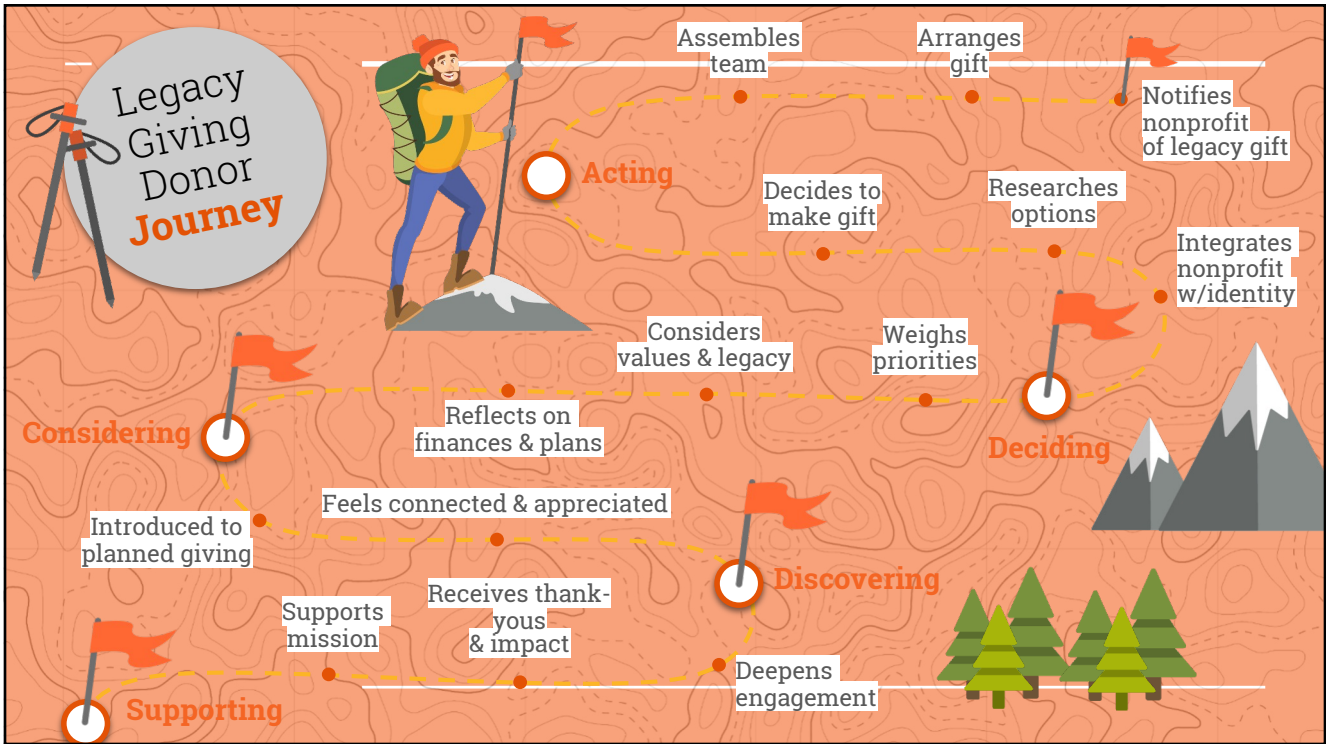
Takeaway 2: How those handraisers are valued will be vary greatly from organization to organization.

Takeaway 3: This valuation should be factored into the overall GUM of the organization, and fundraisers should get credit for this pipeline.

Identifying, Cultivating & Getting Prospects to Raise Their Hands

Donor Journey

Supporting	Discovering	Considering	Deciding	Acting
①	This work is important			
②	This organization is capable			
③	This organization is trustworthy			
④	I am connected to this work			
⑤	An estate gift is a smart choice			
⑥	People like me do things like this			
⑦	I need to share my intentions			



Prompting Donor Action

YES, I'M INTERESTED!

Please send my **FREE Personal Estate Planning Kit** so I can get organized and ensure my values live on.
Reason: The Personal Book allows you to inventory assets in our spot.

I'm considering making a gift through my will. Please contact me.

I've already chosen to carry on my compassion for my neighbors in need through a gift in my will. Please send me the benefits of joining others in the Hope Brigade.

IS YOUR INFORMATION CORRECT?

Name _____
 Name 2 _____
 Address 1 _____
 City, State, Zip _____

Mobile _____
 Email _____
 Title _____
 State/Province/ID _____
 Country _____
 Street Code _____

Division Name • Division Address • Division City, State, Zip

Place Stamp Here

ATTN: DANE DUVAL
 NCI

**THE SALVATION ARMY
 NORTH AND CENTRAL ILLINOIS DIVISION
 OFFICE OF PLANNED GIVING
 5040 NORTH PULASKI ROAD
 CHICAGO IL 60630-2788**

USCNC0001141502

VDI: SIGNATURES

Division Contact
 Division Title
 Division Name in Signature Only

P.S. Get your **Personal Estate Planning Kit** today to start your new year organized and ready for the future. Request your **FREE** gift now using the enclosed reply card!

Knowledge Is Power

Safeguard Your Online Estate

How much do you rely on digital devices in your daily life? You likely browse the latest headlines online, share family photos through social media and check your email on a cell phone. Now imagine what will happen to your digital footprint after you're gone. Will your loved ones have access to your accounts to pay bills or monitor your social networks?

As online banking, communicating and shopping become the norm, we create more logins and passwords than we can possibly remember. Think about it: How many times have you needed to recover your own password?

Estimates show that the average internet user has around 20 accounts requiring credentials. A few put the number closer to 90 accounts, and that number is growing every year. Before your pile of passwords gets out of hand, take the time to clean up your digital estate.

Probate courts have established procedures to distribute physical items, but some states do not yet have laws governing the management and inheritance of online property. Unless you make specific plans, your digital assets stand a good chance of disappearing entirely. More importantly, creating a record can help loved ones settle your estate after you're gone.

Get started by tracking your digital accounts using the worksheet in this kit. While recording your passwords, take the time to review them to ensure they are unique and cannot be easily hacked.

Your Best Defense: 4 Protection Tips

- 1. Store your passwords using online management programs that can encrypt and store this information securely.** Keeping the passwords on a USB stick in a locked location could prevent an online hacker from accessing this important information directly from your computer.
- 2. Find a safe place to store this information.** Because you will could become public record where filed, you should not include the list of your digital accounts in your will. Instead, store your worksheet with your will in a safe, easily accessible location such as a fireproof safe. Make sure your executor has access or share the location of this list with a trusted loved one.
- 3. Make a plan for your digital assets.** Each asset may need to be handled differently. Create a guide outlining what happens with each one.
- 4. Consult with your estate planning attorney.** State laws differ in this area. Your attorney will draft an estate plan that addresses your digital assets.

Creating the Perfect Password

Follow these guidelines to tighten your passwords:

Do

- + Use at least 12 characters
- + Use at least one lowercase letter, uppercase letter, numbers and symbols. Make sure the numbers and symbols are separate. (1!@n0mB!q!5)

Don't

- Use complete words such as friend, dog, golf, etc.
- Use acronyms, such as CEO
- Include personal information that can be easily found on social media or elsewhere online, such as your occupation or family
- Use sequential numbers, such as 123456
- Substitute letters with characters (straight, door, etc.)
- Repeat a previous password or change only one variable


TIP: Create a password using the first letter of each word in a casual phrase that is easy to remember. Example: The01M!z!n!g! (The lawn will need to be mowed two times before it rains.) In the long run, nothing beats a hard copy of your records.

16% Education

13% Equality

13% Climate

you slice the data, one thing is certain: **We are thankful** that compassionate and thoughtful supporters like you choose CARE.



SAN FRANCISCO SYMPHONY
MICHAEL TILSON THOMAS - MUSIC DIRECTOR

Create the Future of the
SAN FRANCISCO SYMPHONY
in a Simple and Powerful Way

FAST FEEDBACK

Please complete and return today. Thank you!

I have included the Symphony as a beneficiary in my will or other estate plans and am interested in being included in the 70@70 Bequest Campaign.	YES	NOT AT THIS TIME
	<input type="checkbox"/>	<input type="checkbox"/>
I am interested in learning more about including the San Francisco Symphony as a beneficiary in my estate plans.	<input type="checkbox"/>	<input type="checkbox"/>
I would like to receive a copy of the FREE brochure <i>Your Personal Guide to Gift Planning</i> .	<input type="checkbox"/>	<input type="checkbox"/>
I have enclosed \$_____ to support the Symphony today.	<input type="checkbox"/>	<input type="checkbox"/>

THANK YOU
for supporting symphonic music in the Bay Area!

Name—Please print. _____

Telephone _____ Email _____

Address _____

City, State ZIP _____

We respect your privacy! Information collected here will be kept strictly confidential. It will not be sold, rented, loaned or otherwise disclosed, and it will not be used in ways to which you have not consented.

Need Another Reason

When you join the Pierre Monteux Society in a drawing to win two seats to a special concert in the Music Room followed by MTT conducting a concert of the 2014–15 season on Saturday, June 24, 2015, at 8:00 p.m.

Give Forward to Future Audiences With a Special 70th Birthday Gift to MTT and the Symphony

You can create your lasting impact on the Symphony as a participant in our 70@70 Bequest Campaign. It's a simple and powerful way to perpetuate your special connection to the Symphony and provide treasured musical experiences for future audiences and students.

- **Name the Symphony as a beneficiary** for any amount in a will, trust, IRA, financial account or insurance policy. This costs you nothing in your lifetime, you control your assets and you can modify your gift if your circumstances change.
- **Increase retirement income** by converting appreciated assets or assets with low interest rates into a life income plan. Receive payments for life and tax benefits. What remains in the plan will be directed to future strategic initiatives that bring music to others.

In this milestone season of MTT's 70th birthday, the Pierre Monteux Society aims to add 70 new legacy gifts in recognition of the Symphony and Michael Tilson Thomas' contribution to cultural life in the Bay Area.

Thank You!

We look forward to creating a partnership with you that continues bringing classical music to the Bay Area.

SFSYMPHONY.PLANMYGIFT.ORG



Your legacy belongs here

"Adelphi—this institution and this community—has made an indelible mark on me. It is my honor to include Adelphi in my estate plans and to give back to the University that has given so much to me. I hope you will join me as a member of the Ruth S. Harley Society."

—Dr. ROBERT A. SCOTT
President of Adelphi University
Member of the Ruth S. Harley Society since 2005



June 2015

Dear Friend,

Over the course of my last and 15th year as president, I have been giving thought to the legacy I will leave at Adelphi. It is my honor to include Adelphi in my estate plans, and to give back to the University that has given so much to me. Have you thought about the legacy you might leave at Adelphi?

If you had a professor at Adelphi whose career ambitions, your legacy belongs here.

If you received a generous scholarship or Adelphi degree, your legacy belongs here.

If you boldly and proudly represent Adelphi on the sidelines for the Panthers.

If you were a student leader who or organization that broadened the horizons of Adelphi.

If you found your passion at Adelphi, your legacy belongs here.

When you reflect on your years at Adelphi, the experiences you enjoyed, and the people you met, your legacy belongs here.

Today I ask you to join me as a member of the Ruth S. Harley Society.

Your legacy belongs here.

Sincerely,

Dr. Robert A. Scott
President of Adelphi University
Member of the Ruth S. Harley Society since 2005



YOU ARE CORDIALLY INVITED TO JOIN DR. ROBERT A. SCOTT BY ENROLLING AS A MEMBER OF THE RUTH S. HARLEY SOCIETY FOR PLANNED GIVING.

THE FAVOR OF YOUR REPLY IS REQUESTED BEFORE JUNE 29, 2015.

— Accepts with pleasure. Please have a University representative contact me about joining the Ruth S. Harley Society for planned giving.

— I have already included Adelphi University in my estate plans. Please have a University representative contact me to officially enroll in the Ruth S. Harley Society for planned giving.

— Declines with regrets.

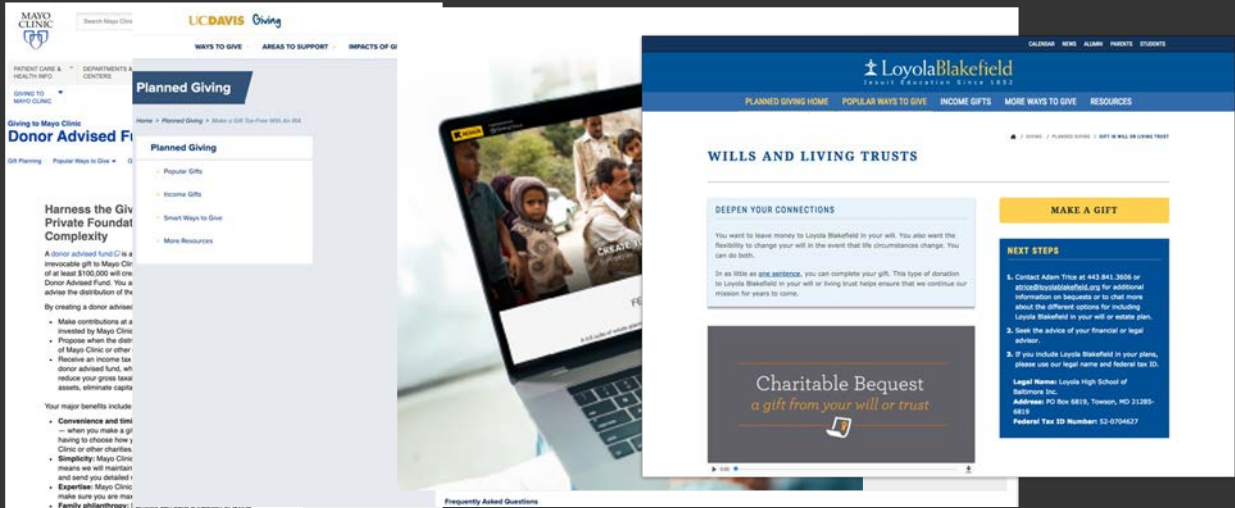
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Define Your Legacy

ADELPHI UNIVERSITY

One South Avenue | P.O. Box 701 | Garden City, NY 11530-0701
p 516.877.5250 | f 516.877.6899 | adelphi.edu/giving

Give Them Options



Understand the Donor
Journey
Be Creative
Provide Options

Q&A



Brantley Boyett

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Additional Questions

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Webinar Resources

Recording
Presentation handouts

www.stelter.com/webinars

www.givingdocs.com/handraiservalue

Thank you!

