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The Benevon Model for Sustainable Funding: A Step-by-Step Guide to Getting It Right

Introduction

I started Benevon with only one distinct intention: to give nonprofits a step-by-step process for attaining sustainable funding from individual donors.

Sixteen years later the Benevon staff and I have learned so much, and Benevon has earned a reputation for its success in working with all types and sizes of nonprofit organizations. In fact, so many people have heard of or been exposed to some part of the Benevon Model, it comes as no surprise that some would want to fit those pieces into their existing fundraising efforts.

Yet the Benevon Model for Sustainable Funding is a finely-tuned system of complex and interdependent processes, and to be successful, it must be implemented in its entirety, following the specific processes and formulas I will describe in this book.

This book synthesizes the most critical learnings of the Benevon Model and makes them available for first-time implementers. It is designed for small to mid-sized nonprofits who want to get started on their own and who want to do it right. While this will not take the place of working with Benevon directly, those who carefully follow the tried and tested directions in this book will not waste their time and will avoid the biggest mistakes of self-implementation.

Many parts of the Benevon Model are counterintuitive; that is, they seem exactly the opposite of what you might think works best. Why, for example, begin your Ask Event at the scheduled time if not everyone has taken their seats? Shouldn't you wait another 10 minutes to begin, being flexible with these people whom you are about to ask for support? The answer is no. You may think that doesn't make any sense, but 16 years of experience with more than a million guests at Ask Events has taught us that what works best is to begin at the scheduled time.

This book is based on the hard-won wisdom that only comes from painstaking and extensive work in the field. If you are willing to take on and follow the rules distilled from what we have learned, you will be rewarded with a breakthrough in sustainable funding for your organization.

Terry Axelrod

The Benevon Track Record	
Nonprofit organizations enrolled in the year-long Benevon 101 Workshop and Coaching Program since we began in 1996.	*4,000 teams from organizations of every size and type*
Each organization has a team of seven board members, staff, and volunteers who attend the Benevon 101 Workshop and Coaching Program, where we customize the Benevon Model for their organization and then coach them for a year to take the lead in implementing it successfully.	*28,000 trained individuals*
Each team puts on 20 or more Point of Entry Events for 10 to 15 guests each year.	*800,000 Point of Entry guests*
Each group puts on an annual Ask Event for approximately 250 people.	*More than 1,000,000 Ask Event guests*

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Chapter 1: The Power of Getting It Right

Even with the best of intentions and a lot of hard work, many nonprofit organizations find themselves stuck with a tired old-reality fundraising system that leaves them powerless to do much more than get by from year to year.

The Old Reality: Jumping on the Annual Fundraising Treadmill

Fundraising methods for nonprofits have not changed much in the last 50 years: write a grant proposal, put on a party, have board members write letters or call their friends for money. All of this worked well enough, one year at a time.

Raising $50,000 to $100,000 at a gala, auction, or golf tournament was plenty to get the job done for the coming year. Board members dutifully filled tables, sold tickets, and solicited the same friends who had solicited them earlier in the year for their favorite cause. They bucked up and did that dreaded fundraising thing, raising enough money to keep the doors open for another year.

It was a zero-sum game. The same big donors in the community giving roughly the same amount of money they gave the year before. But if you were to ask those donors to describe their deeper, long-term connection to the organization to which they wrote their check, most would tell you they barely remembered the name of the charity, or they would say, “I just did it because my friend asked me to.”

From the nonprofit’s point of view, the story was even more tiresome. Smart, eager development professionals jumped onto an already fast-moving treadmill of fundraising, never able to stop and challenge the fundamental assumptions. They inherited a juggling act of many disparate pieces and, with no alternative method to recommend, they fell in step with the status quo—writing grants, producing the next big event, urging board members to make calls and write letters.

Year-to-year “treadmill” fundraising was and is hard work. It has burnout written all over it. Is it any wonder that the average tenure of a development director is under two years? Or that the dream job of almost every development director is to work at a big university or private foundation?

The long-term impact of this approach on each organization is especially debilitating. Smart boards hire smart executive directors, who hire smart development directors, who turn over every two years. They never have the time to build long-term, sustainable relationships with donors, to engage them in the organization’s real work, or to give them the opportunity to make a lasting contribution to a mission they believe in.

The New Reality: Building a System of Sustainable Funding

Like the old system of fundraising, the new system of sustainable funding relies heavily on relationships. In the old reality, board members and volunteers prevailed on friends to buy tickets, sponsor tables at special events, write checks, or make grants. But eventually they moved on to the board of another nonprofit organization, taking their relationships with them.

What if those same precious relationships could be used differently? Rather than rushing to the “Ask,” using the old strong-arm solicitation approach of the past, what if your board members and volunteers used that same trusted relationship to invite their friends and colleagues to your organization’s engaging and compelling one-hour Point of Entry Events and let the guests decide for themselves if your work mattered enough to them to get involved?

That is precisely what happened during the two years I worked as the first development director at an urban academy in Seattle, where I began to develop the Benevon Model.

Our board members all truly loved the school and had joined the board because they really cared. They had each already spent time at the school and had listened to and responded to the powerful vision of the school’s founders.

So once we created and began to hold our introductory tours, now called Point of Entry Events, on a regular basis, the board members happily invited friends to attend, often joining them for the tour and then

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taking their friends to breakfast or lunch afterwards. Eventually, the board members realized they could trust me to take good care of their friends, so they invited them to the Point of Entry Events without joining the tours themselves.

I remember the first time one of their guests, Martin, fell in love with the school. As he was leaving his first Point of Entry Event, Martin turned and said to me, “This was amazing! How do I get on the board here?” When I called our board chair, John, to tell him what his friend had said, he was stunned. “He actually said that? Do you know how great that makes me feel? To think that someone of Martin’s caliber fell in love with the school in his own right and could carry on the leadership of our board—that is remarkable!” Martin, like many others after him, joined the board and provided strong leadership for many years.

Compare that outcome to the old approach. John could have taken Martin out for lunch and asked him to write a check to this great inner-city school. Martin would have obliged dutifully. End of story. Or perhaps John and his wife could have invited Martin and his wife to join them at an annual gala or golf tournament, where there would be even less of a connection with the school’s mission.

Instead, we cultivated the relationship with Martin after the Point of Entry Event. I made a Five-Step Follow-Up Call three days later and asked him what he thought of the school and the tour. How else might he like to become involved? Was there anyone he might like to invite to attend a tour?

The result was that Martin became what we now call an Ambassador, inviting first his family and then his business associates to tour the school. As we followed up with his friends and family, many of them got involved with the school, and Martin became more involved as well. He was a
Table Captain at our first Free One-Hour Ask Event about nine months later; seven of his nine guests had already attended Point of Entry Events. Three of them joined our Multiple-Year Giving Society, pledging $1,000 a year for each of the next five years. One other guest, in addition to Martin himself, pledged $5,000 a year for five years.

That one referral—based strictly on John’s relationship with Martin—led to pledges totaling $65,000. And the ripple effect was just beginning. Martin sat on the board of a private foundation, ran a company, and had many other relationships with people he was excited to introduce to the school. Each of our board members was discovering the same thing: it was far more effective to invite their friends and colleagues to a Point of Entry Event, to merely make the introduction and leave it to their guest to choose to become involved or not, than it was to ask them to write a check to the school.

Because they had attended the Point of Entry Events many times themselves, board members knew their friends would be inspired and educated about the school in that hour, whether or not they ever chose to become involved. They also knew that after the Follow-Up Call I would “bless and release” those guests who did not want to become involved, so there would be no awkwardness the next time they saw their friend. At that point, it would be the organization’s job to develop an ongoing relationship between the donor and the school, and ultimately for asking for money if that was appropriate.

The first year, we did that asking at the Ask Event. The people who came to the Ask Event were the same people who had already attended the Points of Entry and had specifically expressed interest in staying involved with the organization. They knew they were going to be asked for money. In fact, many wondered why no one had asked them sooner.

Those relationships between board members, volunteers, staff, and their friends and colleagues had been used to build new relationships between potential donors and the organization itself. Now it would be up to the staff to develop and manage those relationships skillfully, over time, involving volunteers as appropriate, to cultivate each major donor and grow a strong major-gifts program.

Now It Is Your Turn: Getting It Right

Perhaps you have never heard of the Benevon Model and have been hired as the new development director for a nonprofit organization that believes they have been implementing the Benevon Model correctly, yet they are only doing one piece of it: the Free One-Hour Ask Event. Your assignment is to put on a successful Ask Event three months from now.

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Or perhaps you are already familiar with the Benevon Model and have been hired by an organization that is not using this model at all. Their annual gala is coming up in the spring, the holiday mailing needs to go out next, and four grant deadlines are rapidly approaching. Your marching orders from the executive director are, “Please save the day and do it all.” You care deeply about the work of this organization and, even though you are planning to work here for only a year or two, you want to use that time to free them of the old-reality fundraising treadmill and build a lasting legacy of sustainable funding. Your goal is to leave them with the Benevon Model firmly in place.

You want to do it right. You are one person with the best of intentions.

Be forewarned: you are embarking on a process that is fundamentally different from the way fundraising has always been done. And like a bold explorer venturing out to discover new lands, there is much unknown territory ahead.

Many other smart, good people before you have tried this. Here is what those who have been successful would tell you:

1. *Assemble a great team.* Do not try this alone. You need a team. Take the time at the beginning to get others on board with the model and form a working team of seven to eight board members, staff, and volunteers. Have them all watch the Benevon video or read this book so they understand the larger implications of what they will be setting out to accomplish. Ask them to make a one-year commitment to work with you to implement the entire model successfully.

Make sure they know this is not just about putting on an Ask Event. In fact, the Benevon Model is not about events; it is a systematic process for engaging and developing relationships with individual donors who will want to support your organization for the long term.

2. *Insist on full-team participation.* Do not let the Benevon Model or the process of implementing it become staff-driven. Yes, the executive director and development staff need to be fully committed to this approach, but without equal involvement from board members and volunteers, it will never work, so take the time to educate them and get them on board. If you find that the staff is doing all of the inviting of guests to Point of Entry Events, you are on the wrong track.

3. *Preserve the integrity of the Benevon Model.* Make sure all your team members understand the complete Benevon Model and agree to follow it exactly as it is designed *without getting creative*. At first, your team may not understand the significance of never deviating from or improvising on the Benevon Model. Over the first year, especially, there will be innumerable temptations to modify and tweak the model, even if ever so slightly, yet in ways that can derail your entire implementation.

Granted, we all like to be creative, we all have good ideas, and we certainly are always on the lookout for shortcuts. But the Benevon Model is a whole and complete system, as precise as the system a professional organization would use for managing accounting or human resources. No matter how well-intentioned you and your team members are, you cannot know the subtleties and many counterintuitive aspects of the Benevon Model. We have tested and refined every aspect and detail of the model with more than 4,000 nonprofit teams over more than 16 years.

4. *Prepare thoroughly for the Ask.* Do not rush into the Ask Event, or into one-on-one Asks for Leadership or Challenge Gifts. You must allow for 9 to 12 months of successful Point of Entry Events before your first Ask Event.

5. *Implement every formula.* Finally, follow all the formulas we have worked out for you in the Benevon Model:

- Two Point of Entry Events per month with 10 to 15 people in attendance.
- 100% of Ask Event Table Captains have served as successful Ambassadors in the prior 12 months, having at least 10 guests attend Points of Entry.
- At least 40% of Ask Event guests have attended a Point of Entry Event in the prior 12 months.
- 10% of Ask Event guests join the Multiple-Year Giving Society newly each year.
- Multiple-Year Giving Society: the minimum gift level to join is $1,000 a year for five-year pledge; levels are either: $1,000, $5,000, and $10,000 or $1,000, $10,000, and $25,000, all for five years.

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- Expect 40% to 50% of Ask Event guests to make a gift of any amount. Expect remaining guests to give nothing.
- Have a Challenge or Leadership Gift of at least $5,000 to announce at the first Ask Event.
- Benevon's definition of a successful Ask Event: take your final actual number of Ask Event guests, divide by two, and multiply by $1,000 to get your expected total (e.g., an Ask Event with 200 people should raise a minimum of $100,000 in cash and pledges).

If you and your team are not seriously committed to following these five basic rules and implementing the Benevon Model according to the 12 steps laid out in this book, I strongly recommend that you stop reading now.

Implementing the Benevon Model takes time, money, hard work, and a commitment to getting it right. Without a firm, long-term commitment—especially when the going gets tough—your board and donors will confuse this model with the fundraising fad of the day and change courses when they hit the first speed bump.

If you choose to keep reading, however, you will have in your hands a step-by-step guide to getting it right the first time and building a lasting legacy for your organization.

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