

## **“HIDDEN COSTS” ASSOCIATED WITH IMPLEMENTING THE BENEVON MODEL**

Groups preparing to come to our workshops often ask us this question: Besides the tuition and travel costs for the workshop, what other costs should we anticipate as we implement the model?

Let's look at both hard and soft costs as we consider each step of the model. Note that it is not necessary to add any new staff to implement the model in the first year.

### **Step One: The Point of Entry**

Most groups are surprised to find that Point of Entry Events have very little cost associated with them. You'll need three handouts—a Fact Sheet, a Wish List, and your standard brochure. These handouts can be reproduced relatively cheaply, especially considering you will be updating them and changing them from time to time.

The food at the Point of Entry is minimal, so there is no big meal expense to account for. There is no need to get carried away with a big breakfast or a box lunch. Unless you have your Point of Entry right over the lunch hour, people are not likely to eat much. Most groups quickly stop offering it. We recommend coffee or juice and cookies or donuts, at most.

Soft costs of putting on the Point of Entry are staff time. This includes time to prepare the Visionary Leader Talk, time for your CEO to attend the Point of Entry Events, and time for your other staff to take people on tours and give testimonial talks, all of which take them away from their regularly scheduled work.

### **Step Two: Follow Up**

Hard costs: Local and long-distance telephone calls and software to track feedback and data.

Soft costs: Staff time for your Team Leader to be making the calls and recording their notes in your database.

### **Step Three: Asking**

Ask Event hard costs: For the Ask Event, expect to pay \$20–\$40 per guest, including the cost of the audio visual equipment needed on the day of the event. For video production, expect to pay \$7,000–\$15,000 if you are paying market rates. Most of our groups have the cost of their video donated in full or in part.

Ask Event soft costs: Staff and volunteer time managing volunteer Table Captains; working with event venue staff; and preparing lists, nametags, handouts, and centerpieces. People tell us that this event is much simpler to put on than other events like golf tournaments and auctions, yet it still requires staff and volunteer time. What is the soft cost of worrying about the event? If you can quantify that, add it in here.

Asking one-on-one: This is probably the most cost-effective part of the model if the proper cultivation has been done leading up to the one-on-one Ask. We've had many stories of telephone asks, some yielding as much as \$1 million. The only costs are the cost of the phone call and the cost of inviting your donors to your office for a tour and possibly giving them lunch.

#### **Step Four: Introducing Others**

Hard costs: We recommend two Free Feel-Good Cultivation Events per year. These are not fancy galas or expensive dinners. They are held in conjunction with mission-focused events you are already planning to do, like a graduation ceremony at a school. The Free Feel-Good Cultivation Event includes a special reception for thirty minutes before the graduation, so it will require special food and drink. Nothing elaborate, and since these events are for a small, more selected group of your donors, the cost need not be too high. Should you decide you want to invite all of your donors to a special event like this, the cost would increase, Aim to have a corporation or foundation sponsor the entire event, keeping your hard costs to a minimum.

Soft costs: Staff time making verbal invitations, nudging others to make their verbal invitations, and following up. CEO time making follow-up calls and having regular follow-up lunches and meetings with donors and board members.

#### **Staff Time**

As for the amount of staff time needed to implement the model the first year, we say it takes a half-time staff person, plus a dedicated team of seven people—board, staff, and volunteers. By the second year, most of our groups add or reallocate staff so that they can have one full-time person dedicated to implementation, and by then they see the value of the cultivation process and are able to justify paying for that person.