

# HEALTHCARE philanthropy

## AI and the future of philanthropy

Embracing technology  
for a more fulfilling donor  
experience

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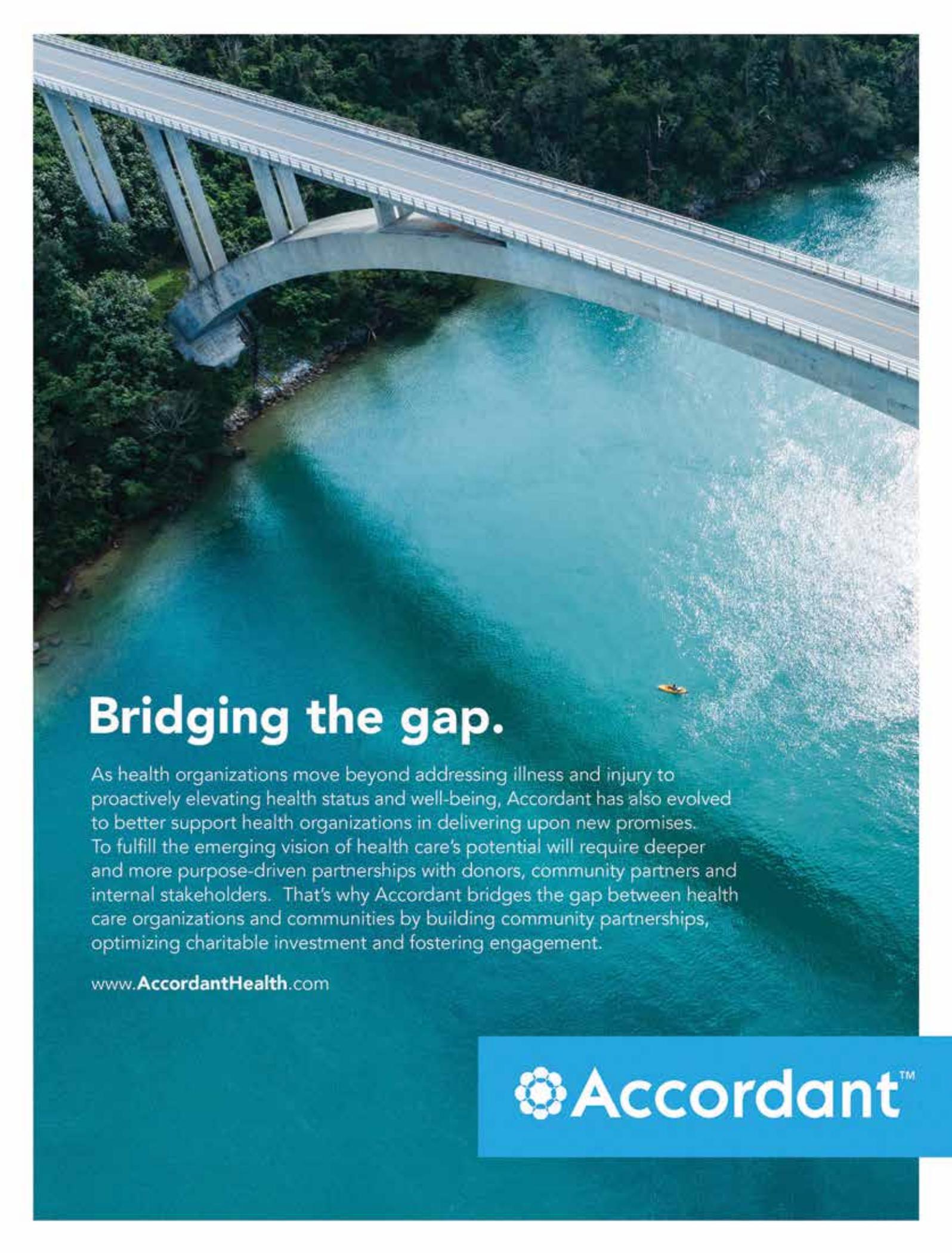
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# HEALTHCARE philanthropy

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The Association for Healthcare Philanthropy (AHP) is the health care development professionals' definitive source of thought leadership, connections to facilitate innovation, and tools to advance knowledge and elevate philanthropy. As the world's largest association for health care fundraising professionals, AHP represents 4,500 members who raise more than \$11 billion each year for community health services. Our mission is to inspire, educate and serve those transforming health care through philanthropy.

#### Healthcare Philanthropy mission:

*Healthcare Philanthropy* will be an authoritative resource for health care development professionals by providing a timely, informative and insightful collection of literature that will raise the standard of individual and organizational performance. Serving as the premier forum for health care philanthropy literature, *Healthcare Philanthropy* will educate, empower and inspire development professionals and, thereby, help strengthen the case for philanthropic support and the mission of AHP.





## AS I SEE IT

## Three key benefits of fundraising campaigns

This issue of the *Healthcare Philanthropy* is full of wide-ranging, innovative ideas. I'm constantly impressed by how health care philanthropy professionals are both strategic and creative while simultaneously focused on fostering key relationships with donors to inspire them to invest in our missions and our strategies.

I was recently asked to give a speech on campaigns to an audience of board members and chief executive officers of hospitals and health systems. I used it as an opportunity to engage them in a conversation about three key ways a fundraising campaign can actually help them achieve the larger goals they have for themselves and their organizations:

- **Sharing the vision:** Campaigns are a superb conduit for conveying the vision of the hospital and its future. When

you ask people to consider investing in your organization through a transformational gift, by necessity you have to convey your vision for the future not only of the organization but for the health and well-being of the community.

- **Brand building:** Campaigns also are an opportunity to build the organization's brand in a different way. The philanthropy team can and should work hand in hand with the marketing and communications department to align the messaging of the campaign to the brand architecture. But a campaign gives the marketing department an opportunity to tell the remarkable stories of your patients who have been so overwhelmed with gratitude for the care they and their families

have received that they have reached into their own pockets to help.

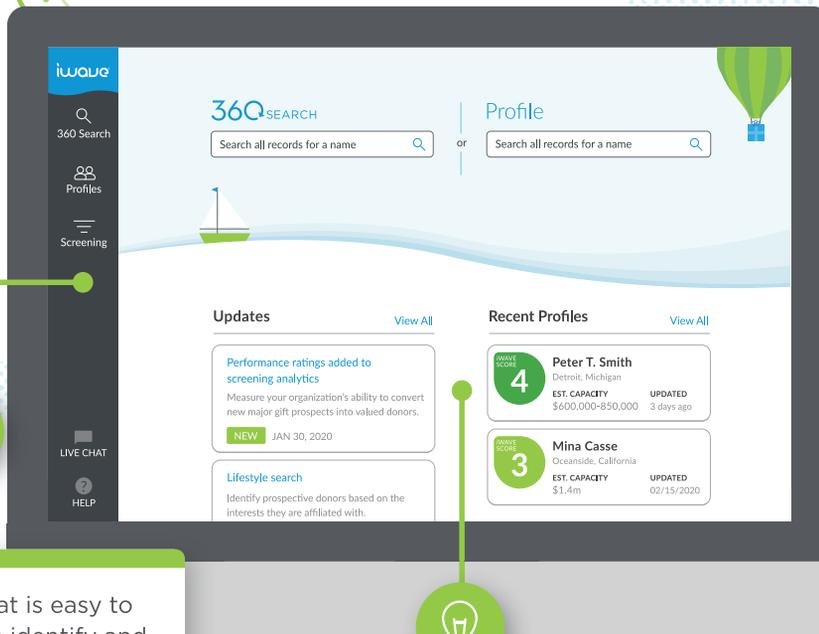
- **Deepening the relationship with the community:** Campaigns also push organizations out into the community, and aid development teams in meeting new people and connecting with different potential donors. A campaign is an opportunity to engage with a broader group of people and to connect them to the work of your organization. Even if they do not give to the campaign, you have expanded your pipeline for future conversations and learned about the interests of a broader group.

By showing our partners that their investment in philanthropy can return dividends across the mission and strategic direction of the organization and aid in our fundraising work, we may be able to engage them more deeply in partnership with our teams.

This work, and much more like it, will become part of the body of research and best practices that AHP intends to build out across the coming year through the AHPPrime membership that AHP Chair Randy Varju, MBA, FAHP, CFRE, shares in his column in this issue of the journal. I hope it helps as you work to engage all of your constituents in helping to achieve your goals. 

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By Randy Varju, MBA, FAHP, CFRE | Chair, AHP Board of Directors



## FROM THE CHAIR

# Introducing AHPrime

Central to this issue of *Healthcare Philanthropy* are questions of the power and the drawbacks of relying on data to inform our work in health care philanthropy. Data is essential to our work in so many ways:

- We work in an industry—health care—that is awash in data. To make a credible case for support, make an argument for strategic direction or hold our own at a table of our C-suite partners, we must harness our own data and share it in an accessible way.
- Our customer relationship management systems are filled with information about potential donors, spanning from demographics to wealth capacity. With so many data points, the real issue becomes how to separate the wheat from the chaff as we strive to identify even one more major gift.
- High-performing philanthropy shops show that a weekly moves management meeting with major gift officers is best practice in meeting and exceeding annual goals. Performance management data is critical to ensuring that these meetings are efficient and that risks are identified early.

As we all know, though, in order to make our data work for us, we must harness it to help direct our work and our strategy. We have to understand what it is telling us and then improve based on what we've learned.

For more than 35 years, AHP has contributed to the profession's understanding of our own performance with the *AHP Report on Giving* and Benchmarking Survey. Lately, however, members have challenged AHP to do more, and to do better.

In response to that feedback, I am thrilled to announce that AHP is launching a new membership called AHPrime, designed to gather the data, help us all visualize it and identify the key insights, and then give us the tools and best practices we need to affect change in our organizations. This membership has been built by members and fine-tuned with feedback from over 20 founding organizations that have generously given of their time to ensure it fits member needs. We're eager to share how AHPrime can help organizations become even higher performers. For more information, please visit [www.ahp.org/prime](http://www.ahp.org/prime). 



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# Demystifying writing for *Healthcare Philanthropy*

By Robert Nolan, FAHP, CFRE

Published twice a year, *Healthcare Philanthropy*, the journal of the Association for Healthcare Philanthropy (AHP), seeks to “be an authoritative resource . . . by providing a timely, informative and insightful collection of literature” that “will educate, empower and inspire development professionals.”<sup>1</sup> In a nutshell, *Healthcare Philanthropy* is the go-to published resource for health care fundraisers. To achieve that goal, AHP relies on you—our 4,500 members—to create, share and curate the information that goes into the journal. How does that happen? How can you participate in the production of the journal and increase the knowledge base in health care philanthropy?

As a peer-reviewed publication, *Healthcare Philanthropy* utilizes a group of professionally active health care fundraisers as part of the Journal Advisory Council. Currently consisting of 13 AHP members, the council meets several times a year to help spread awareness of the journal, identify and develop topics for articles and review submissions. The Journal Advisory Council is a cross section of development professionals representing health care organizations across the United States and Canada. Council members represent a variety of experience levels, from early to mid-career and senior executive and chief development officers. Roughly half of the council members have earned their CFRE credential, and several have achieved the FAHP designation. So, what does the council do?

Two times a year, a few months before the publication of each issue of *Healthcare Philanthropy*, the council gathers, usually by conference call, to brainstorm topics and issues of interest to the membership for consideration of development into articles for the journal. Council members will discuss topics they've been confronted with in their own work, as well as case studies, presentations at professional conferences or other articles or authors who have written on topics relevant to the field. Council members work to identify broad areas of interest as well as topics that might be particularly relevant or newsworthy in health care philanthropy. As the conversation progresses, council members provide feedback and direction to refine each topic and to suggest possible authors. As there is always

a gap between the initial development of an article and the publication date, the group is mindful of topics or news items that would be considerably out of date by the time the journal reaches the membership. Coming out of that meeting, council members have a working list of articles, topics and potential authors with whom to follow up.

The deadline for submissions typically follows eight weeks after the council meeting. Articles can be submitted to AHP any time throughout the year and will be held until the next submission deadline for review by the council, bringing us to the next step.

Upon receipt of the submitted articles, the members of the Journal Advisory Council review and evaluate each of the submissions specific to their relevance, reader interest and writing quality. The most highly rated articles are chosen for publication in the journal. Authors of articles that are not chosen may be asked to rework and resubmit their articles for a future issue; sometimes these authors are asked to consider if they would be willing to have their submission included in another AHP channel, like *AHP Connect*. Due to the more frequent publication of *AHP Connect* in an electronic format, some information may be better distributed in this manner.

After an article is accepted for publication, the editing process begins, with feedback provided by the advisory council. Comments and clarifications are provided to each author, and edits may be suggested or requested. Professional editors are brought in to the process from the journal's publisher to further refine the content. At the end of that process, the article is published in *Healthcare Philanthropy*.

In late summer of each year, the Journal Advisory Council reconvenes to review the articles published during the year to select an article to receive the AHP *Healthcare Philanthropy* Journal Award at the AHP International Conference's Si Seymour Dinner. The winning article in 2019 was “The Crisis Pivot: Fundraising Disaster Planning, Lessons Learned From the Camp Fire,” by Jolene Francis, CFRE. This article was timely and interesting and provided a wealth of information to consider in disaster planning in health

care philanthropy, even if the cause of the disaster is not a wildfire.

Full guidelines for submission are available on the AHP website, but here are some important points to consider<sup>2</sup>:

- All submissions must be original.
- Submissions with original research and examples are strongly encouraged.
- Case studies describing specific activities and campaigns are welcome but must be well documented and specific, including citations of metrics.
- Previously published materials or those under consideration by another publication will not be accepted.
- Being an AHP member is not required for submission of an article for consideration.
- Authors are not paid or reimbursed for expenses incurred in the development of content for the journal.
- All accepted manuscripts become the permanent property of AHP and may not be published elsewhere without the permission of the author and AHP.

Those authors whose submissions are published in the journal benefit from recognition as a subject matter expert in health care philanthropy, accrual of credit toward initial certification or recertification as

a CFRE and contribution to the knowledge base in our profession. AHP members interested in serving as a member of the AHP Journal Advisory Council can reach out to AHP by contacting AHP staff or the chair of the Journal Advisory Council, Robert Nolan, FAHP, CFRE, at [robert.nolan@luhs.org](mailto:robert.nolan@luhs.org).

Each AHP member has valuable information and experience to share. We hope that you will consider sharing your expertise with the membership. Members of the Journal Advisory Council (see page 3) are always available to assist in answering questions to help you develop an idea, and then an article, for *Healthcare Philanthropy*. <sup>AHP</sup>



**Robert Nolan, FAHP, CFRE**, is senior director, corporate and foundation relations, at Loyola University Health System's Office of Philanthropy, and is chair of the AHP Journal Advisory Council.

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# AI and the future of health care philanthropy

Leveraging artificial  
intelligence for more  
efficient—and more  
human-focused—  
fundraising

*“The fabric of society hangs on the balance between gratitude and greed.”—Leanne Kaiser Carlson, health care futurist*

Neuroscientific studies show evidence that gratitude may be “an intrinsic component of the human experience.”<sup>1</sup> In health care, the gratitude of a former patient or family is an effective indicator of whether a prospect is inclined to support a hospital or health care system. And, perhaps uniquely to health care, gratitude has been shown to be part of the healing process for many patients and families. These factors, combined with the reality of rising costs and decreasing reimbursements, mean that health care organizations are increasingly looking to philanthropic dollars as a need rather than a luxury. Counting philanthropic dollars as a “margin of excellence” means that any decreases in giving have an immediate and significant impact on the viability of efforts to advance medicine. Leveraging gratitude may be the key not only to giving patients and families an opportunity to have a more fulfilling posttreatment experience, but also to securing critical support for philanthropic causes in the health care sphere. Artificial intelligence (AI) can play a key role in capturing data to understand and utilize gratitude for the benefit of patients and families: past, present, and future.

### **Where philanthropy is and AI is going**

To recognize how AI can support successful, sustainable grateful patient (and general) giving to health care, it's important to first understand the current state of fundraising broadly and health care-directed fundraising in particular, as well as to have a general understanding of the trajectory of AI in the past 60 or so years.

Last year, donors in the United States contributed more than \$427 billion to philanthropic causes, 10 percent of which were health care related.<sup>2</sup> And even though 53 percent of Americans made a charitable gift,<sup>3</sup> a closer look at trends in the data give cause for reflection. Despite the massive leaps forward in technology over the past 40 years, philanthropy has continued to hover around 2 percent of the gross domestic product. Perhaps more unsettling

is that we have experienced a slow *decline* of individual giving from middle America.

Philanthropy is at an inflection point. If its trajectory is left unchecked, the implications for sustainable health care innovation and discovery will be serious at best and disastrous at worst. Though there are many likely causes, we believe that one of the main reasons that giving has stagnated is the

ranging from drone-supported organ delivery to more precise cranial computed tomography analysis (with error rates nearly 20 times *lower* than human readings) and precision therapies that are tuned to an individual's DNA. With all of these advances in health care delivery, there also is a renewed sense of excitement that the same technology can help reverse the recent downward trend

donor qualification is a mix of conversations and wealth screening. Both methods tend to be very inefficient and time consuming, particularly because these steps take place *before* a determination can be made on the prospective donors' inclination to give—in fact, more often than not, these laborious steps are taken as part of that process.

For health care, it is even more involved. Fundraisers must examine admissions, treatment outcomes, health care status, physician affinity and numerous other factors to identify good prospects. And that's before looking at wealth screening information. That is no small amount of work and is best handled by a team of people sifting through the data.

Without AI, this is an immensely high barrier of entry if you're starting a grateful patient program and an omnipresent challenge if one is already in place. AI, on the other hand, can be fed massive amounts of data, which it runs through an algorithm to determine propensity right up front. Fundraisers can be given a list of people who are already known to be likely donors, and they can build their wealth screens and qualifications off of better quality lists.

Lest we forget, philanthropy is a relationship-driven industry. Health care philanthropy is arguably one of the most sensitive, nuanced and rewarding forms of fundraising. But the relationship among patients, their care providers and the philanthropy team is based on trust. It is a sacred space that should never be taken for granted. The allure of using big data and AI technologies to quickly accelerate short-term revenue is appealing, but organizations should ensure that the long-term view of the patient relationship is *always* at the center

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## At each stage—prospect identification, qualification, cultivation and stewardship—AI holds the power to reinvent, prioritize, customize or enhance every aspect of fundraising.

fundraising sector's lack of efficient methods to identify, qualify, prioritize and engage prospective donors in meaningful ways. This is where philanthropy currently sits.

In 1955, in a grant submission entitled "A Proposal for the Dartmouth Summer Research Project on Artificial Intelligence," John McCarthy sought grant funding from the Rockefeller Foundation to explore work under the conjecture that "every aspect of learning or any other feature of intelligence can in principle be so precisely described that a machine can be made to simulate it." More than 60 years later, AI has transformed virtually every business sector, with health care at the top of the list.

A 2019 report from PricewaterhouseCoopers reviewed eight global business sectors and 300 use cases.<sup>4</sup> The researchers found that the application of AI in the health care sector has the highest rating among their AI Impact Index—

in philanthropic giving. And AI is ready to do just that.

### AI in health care philanthropy

According to Grant Thornton's "State of the Not-for-Profit Sector 2019" report,<sup>5</sup> the top recommendation for nonprofit organizations that want to keep ahead of the curve is to "use artificial intelligence to transform operations." The need for nonprofit organizations to work smarter by creating efficiencies and automating operational activities has never been more paramount. At each stage—prospect identification, qualification, cultivation and stewardship—AI holds the power to reinvent, prioritize, customize or enhance every aspect of what we've always known to be true about fundraising.

Take donor identification and qualification as just one example. While marginally successful, the most widespread means of

of the decision-making process.

AI has the capacity to give fundraisers a much fuller picture of *who* it is they're talking to compared to wealth screening alone. We would submit that, counterintuitively, artificial intelligence can be the catalyst to more human-focused fundraising. With AI tools in hand, the whole process not only becomes more efficient in general but, at its best, can also become more personal.

For an organization that has a robust grateful patient program, staff efforts can be more targeted and more efficient, reducing the overhead needed to turn grateful patients into giving ones. For grateful patient giving programs that are just launching, AI algorithms can give fundraisers a head start on making them a central piece of philanthropic programs as well as the patient experience.

### Not every AI is a good tool

While the private sector has significantly benefited from applying AI technologies in almost every business type over the past several decades, philanthropy has lagged far behind. Further, the nonprofit sector is inherently risk-averse; the classic measure of success is to spend as little as possible while generating the largest amount of philanthropic revenue for the mission's bottom line. But as AI technologies become more tested, affordable and easier to use, the level of interest in harnessing big data for the nonprofit sector is growing rapidly while also coming within financial reach for the average health care fundraising operation.

As with any new technology, there is a significant learning curve, something that nonprofit organizations have traditionally

been hesitant to embrace. Nonprofit organizations in general have a double-bottom line, and health care philanthropy has a triple-bottom line as philanthropic partnership represents a symbiotic relationship between the donor and patient experience. While AI promises to help support the increasing demands put upon health care philanthropy offices, out of fear of missing out there are many philanthropy teams scrambling to implement AI solutions quickly. In the rush, these teams remain unaware that not all AI tools are good. Unchecked, this scenario could do harm, so we advise philanthropy offices to use extreme caution and discernment when they evaluate whether or not an AI tool is right for their team.

In the absence of best practices or expert advice on how to determine if an AI solution is "good" or "bad," the single most important question a philanthropy office should ask is, "Does AI bring our fundraising organization closer in relationship with our donors and prospects?"<sup>6</sup> If a solution doesn't foster deeper connections, or if it trades gains in short-term revenue for long-term relationships, it's not a good tool. If you're going to add new tools to your toolkit, make sure they're the right ones.

### Embracing AI

The realities facing health care philanthropy pose challenges, but each new opportunity represents a chance to leverage advances in AI to create a more fulfilling donor experience and more sustainable, efficient lines of philanthropic revenue. As we step forward into this new era of health care philanthropy, caution is prudent—but it shouldn't be a roadblock. Ultimately, we exist in a relationship-driven sphere, and

if there are tools out there that can help us better serve and know our donors, we owe it to them and our organizations to leverage those tools.

It's an exciting time to be in philanthropy, especially in health care. Together—donors, fundraisers, health care providers and AI—we have the power to truly redefine what it means to practice compassionate, holistic and personalized medicine. 



**Nathan Chappell** is president of Futurus Group, an affiliate of Gobel Enterprises and a full-service consulting firm focused on artificial intelligence.



**James Green** is vice president and chief development officer for Trinity Health Mid-Atlantic.

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# Finding the perfect **novice**

How enlisting a mock prospective donor to assess energy, enthusiasm and empathy can help identify top talent



**F**or years, leaders in health care philanthropy have bemoaned the scarcity of experienced major gift officers. We struggle to find and keep top talent, especially gift officers who know health care.

### **Are we in a rut?**

Our search for the perfect candidate often begins with a common list of requirements, including a bachelor's degree, five-plus years of fundraising experience and a track record in securing major gifts. We also look for candidates who demonstrate discretion and sensitivity, can interact with high-level donors, are able to listen and work collaboratively, are proactive, have strong oral and written skills and can interact effectively with individuals of diverse backgrounds.

Strictly abiding by the first three criteria immediately narrows the pool, as does our tendency to size up candidates the same way we size up anyone we meet for the first time: by getting to know the candidate for a few minutes and then making a snap judgment.

We make things even tougher on ourselves when we default to such questions as, "Tell me about the largest gift you've closed?" or, "What is your experience in major gift fundraising?"

Using the methodology above, we've created a situation where we are looking for talented individuals who have already honed their health care fundraising skills under someone else's leadership.

*Perhaps it's time to rethink our typical strategy of searching for the "perfect candidate"? Instead, why not strive to find the "perfect novice"? Hiring a perfect novice offers the opportunity to nurture talent within our own shops, within the culture of our organizations, and informed by the philosophy and approach of health care philanthropy leaders. It means we can*



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Hiring a perfect novice offers the opportunity to nurture talent within our own shops, within the culture of our organizations, and informed by the philosophy and approach of health care philanthropy leaders.

infuse our field with new talent that we can mold into top performers.

**How to hire the perfect novice—a case study**  
At Virtua Health, we needed to expand our team. Virtua’s

human resources recruiter posted a basic job description that wouldn’t deter inexperienced applicants. After phone screening and resume review, we assembled a preliminary group of eight candidates, with the understanding that we would

reopen the search should this group not yield at least two promising finalists.

The chief philanthropy officer met with each candidate and used each interaction to observe listening skills and body language, and to discern whether the candidate displayed adaptability and openness to learning, as well as wisdom, life experience and a love for humankind.

Those conversations helped whittle the group down to four, which included a former attorney and a former electrical engineer, both of whom had become grant writers. The group also included a recent college graduate working in the mortgage industry and a veteran fundraising professional with no experience in health care philanthropy.

At this point, we could have

defaulted to a traditional approach and hired the person with the most experience. Instead, we invited our top four candidates to participate in mock qualification visits.

Each candidate received the following instructions from the chief philanthropy officer:

*To help us get to know you and your skills, I invite you to visit with Rachel Fournier. Rachel lives in South Jersey and cares deeply about this community. She has kindly agreed to spend an hour with you at Virtua corporate headquarters.*

*During your visit with Rachel, you should try to achieve the following:*

- *Get to know her story.*
- *Understand what her passions and interests are (they do not have to be Virtua related, or even health care related).*
- *Find out what organizations align to her personal values.*
- *Learn more about how she would like to have lasting impact by partnering with them.*

*You do not need to be an expert on Virtua to have this conversation with Rachel.*

*Please write a contact report of your visit with Rachel, being mindful that what you write should be appropriate for her to read, if she wishes. You should provide your confidential report, in a Word document, to me via email no more than two days after your visit.*

These simulated qualification visits were crucial in assessing the candidates more deeply.

## **From the viewpoint of mock prospective donor Rachel Fournier**

When Sarah contacted me and asked if I would be interested in participating as a “mock prospective donor” in a new methodology for identifying potential major gift officer talent, I was immediately intrigued. In my experience as a fundraising professional across diverse fields, I’ve lamented over the lack of talent, even in a thriving market like Philadelphia.

What Sarah proposed was completely new. I had never found myself in the unique position of sitting on the opposite side of the cultivation table as a donor to assess potential gift officer talent.

My career in fundraising came to an abrupt halt in 2015 after a diagnosis of stage IV breast cancer at the age of 38. I am now a nearly full-time patient. I came to our mock qualification visits with impressions and opinions gained both professionally and personally that I hoped would provide useful perspective on what qualities would make a novice health care major gift officer successful.

While each candidate had the same objectives, the dynamic of the conversation was fully contingent on each candidate’s management of the meeting. And those conversations—and, in turn, my impression of each candidate—would prove to be incredibly distinct. I intentionally did not approach the meetings with an agenda, preferring to let the candidates guide flow and content.

Each of the four candidates Sarah put forward had done background research and professionally prepared for our meeting. All were intelligent, thoughtful, kind people with

great potential. But my ultimate impression of these novice gift officers was guided by three questions:

1. Who led a conversation that left me feeling more energized and excited about my own life and contributions?
2. With whom was I left wanting a future conversation?
3. Which candidate created a dynamic that allowed me to reveal the best version of myself?

The advice of Jerry Panas has guided my career as a fundraising professional: Be energetic, resonate enthusiasm, demonstrate empathy. Suddenly I was experiencing those words through the lens of a patient, and a terminally ill one at that. Each candidate brought all three of these qualities to our meeting. But the nuances of our interactions influenced my answers to the questions above.

### *Energy*

My evaluation of the candidates centered not on which candidates were energetic, but on which candidates added to or depleted *my* energy, especially as someone who has been in active cancer treatment for five years. Successful candidates must be acutely aware of the energy in the interaction.

Two candidates opened the meeting with, “Tell me about yourself.” Giving the burden of carrying the meeting to me so early was exhausting. It also decreased the ability of the candidate to manage the flow of the interaction and ensure that their questions were answered.

Each meeting was scheduled for one hour. Two candidates completed the meeting and

achieved their objectives within that time. One candidate took much less time, but I felt the interaction was rushed and lacked some of the relationship-building strategies that foster warmth. The fourth candidate exceeded the allotted time by 30 minutes and referred most objectives to “a future meeting.” To be a successful gift officer, respecting time boundaries and effectively managing the time constraints offered by prospective donors matters.

### *Empathy*

My diagnosis of metastatic breast cancer was not information that was shared with the candidates prior to our meeting. I am very comfortable sharing my diagnosis and prognosis. They have dictated the course of my life over the past five years, thus also carried a lot of weight in our conversations. Sharing my diagnosis in the meeting was a major test of the gift officers’ ability to navigate a challenging subject. Who could show empathy for my story of being diagnosed with incurable cancer at 38 and still move forward with their questions, without letting their emotions get the better of them and derail the meeting? Conversely, who could allow me the space to share my personal story and the impact the diagnosis has had on my family in a way that felt satisfactory for me, while gently steering me back to their prepared questions? As we know, this skill is vital when working in a health care setting where a philanthropy officer is often an available audience for a patient relaying personal medical details.

The most successful novices were able to create a synergy by sharing high-level details of

their own health care experiences or those of a loved one to demonstrate their capacity to actively listen and understand my unique health care journey. Then, they were able to tactfully return to questions that would provide specific insight into my philanthropic inclinations.

Their validation of my experience led me to share a “grateful patient” story related to my diagnosis. Successful novices fostered an environment where I could candidly share my insights into provider relationships and health care delivery approaches. This ability to gently coax out personal opinions would be important for next steps for a major gift prospect in a health care setting.

### *Enthusiasm*

In this constructed interaction, the key element of success was creating an environment in just a few minutes that would lead to me sharing my giving priorities. All four candidates identified a social justice thread in my past giving and volunteerism. All identified my choice to seek out an economically and culturally diverse community in which to raise my children.

The candidates who gleaned the most information were those who showed enthusiasm for my experiences. If a candidate validated my passion, I felt motivated to share a richer story. For example, in one meeting I only shared that embracing different cultures is important to me. Another candidate, who showed greater interest, heard a detailed retelling of my experience taking a Syrian refugee family of six for immunizations and the challenges we overcame together when the interpreter that had

been promised never materialized. The outcome from a gift officer perspective is likely similar. They both learned what I cared about. But I felt much greater internal enthusiasm from telling the refugee story. I was given the opportunity to share a better version of myself. The enthusiasm the gift officer fostered created a desire for me to want to continue to be philanthropic and do good things for my community.

### *The ultimate lesson*

What I learned from sitting on the other side of the table is that the success of the interaction wasn’t solely based on the candidates demonstrating energy, empathy or enthusiasm in themselves, because they all did. The most successful novice candidate was the one who brought out those three qualities in me. They fostered an interpersonal dynamic that replenished my own energy, had me enthusiastically telling my past successes and allowed me to share moments I’ve demonstrated true empathy through volunteerism, advocacy and philanthropy. The novice gift officers with the most promise left me feeling enthusiastic about how much I have left to give, thus leaving me longing to see the gift officer again.

To me, it didn’t matter what degrees the candidates had, or how many years of experience. What mattered was how I felt about myself at the end of our meeting. What mattered is that I felt I had the opportunity to share my own professional successes, that I have navigated grueling cancer treatments admirably, that my children are good people, that I’ve brought some good into the world through my volunteering.

And that energized me to want to contribute in more meaningful ways, with the major gift officer as a conduit and partner. The successful novice left me feeling like I had more to do and more to give, and looking forward to our next conversation to start the wheels in motion to do so.

### *The final step—call reports*

After the meetings, the candidates submitted their contact reports. It was a novel experience to read call reports about myself. They were essential in forming overall impressions on each candidate's capacity to be successful in a major gift officer role. The call report style of each candidate was distinct, ranging from a ringing endorsement of my personality and strengths (I couldn't read it without tearing up) to a calculated action plan explaining where I could best be used to further organizational objectives.

It was in the call reports that Sarah and I were able to see which candidates were most prepared to begin successful careers as health care major gift officers. While the content of each personal qualification meeting had been quite similar, there were broad discrepancies in the ability to process the conversations and translate them into actionable next steps for the benefit of the Virtua Health system. One call report is brimming with the candidate's personal praise on who I am as a person and how I have responded to my diagnosis. Another report is written completely absent of my qualities or their own judgements. Somewhere in the middle would likely better inform a stand-alone call report.

Only one candidate captured

how best to utilize me from a fund development perspective, suggesting ideas for advocacy or as a speaker on breast cancer issues. The remaining candidates didn't venture a next step, likely demonstrating their own need for more major gift coaching and experience.

### **Positive results**

We were fortunate to work together in this exciting way. As a result of this experience, Virtua hired one of the top four candidates—and this individual has quickly developed productive relationships with key physicians. As a result, our new team member has a growing portfolio of prospects and, with ongoing education (including attending the Madison Institute in 2020), is on track to become a confident and successful producer. Now that this new hire is in place, our entire philanthropy team is providing coaching and support to ensure our "perfect novice" has a smooth immersion into the world

of health care philanthropy.

The lessons we learned were powerful, and we hope this story will inspire our peers to be creative and even a little daring in how they identify new talent to join our ranks. Using mock qualification visits, with a carefully selected person to play the role of "prospect," is a helpful way to do so. 



**Sarah Fawcett-Lee, CFRE**, is senior vice president and chief philanthropy officer at Virtua Health. She is associate dean for the Elements of Major Gifts

Track at AHP's Madison Institute. Her career in health care philanthropy began in 2002, having worked in fundraising for other sectors of the nonprofit industry since 1991.



**Rachel Fournier, MPA**, is a fundraising and government relations professional who, following her diagnosis of stage IV breast cancer in 2015, is now

on sabbatical to advocate for improved metastatic breast cancer treatment. She has worked for the Franklin Institute and St. Mary Medical Center, both in Pennsylvania, and for MaineGeneral Health.



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# The power of **blended gifts** in the Second Golden Age of Philanthropy

Development professionals must become adept at partnering with donors' advisory teams and crafting appropriate gift solutions

**A**t the 1995 Partnership for Philanthropic Planning Annual Conference, Robert Sharpe Jr. gave a keynote address identifying and proposing a new frontier in the philanthropic space—“blended giving.” At the time, the oldest members of the baby-boomer generation were just 55 years old, established in their chief earning years and settling into their prime giving years. Sharpe observed that baby boomers were likely to begin confronting challenges, including older retirement ages and living longer than their parents—thus potentially running out of retirement income—while also likely being economically responsible for them.<sup>1</sup>

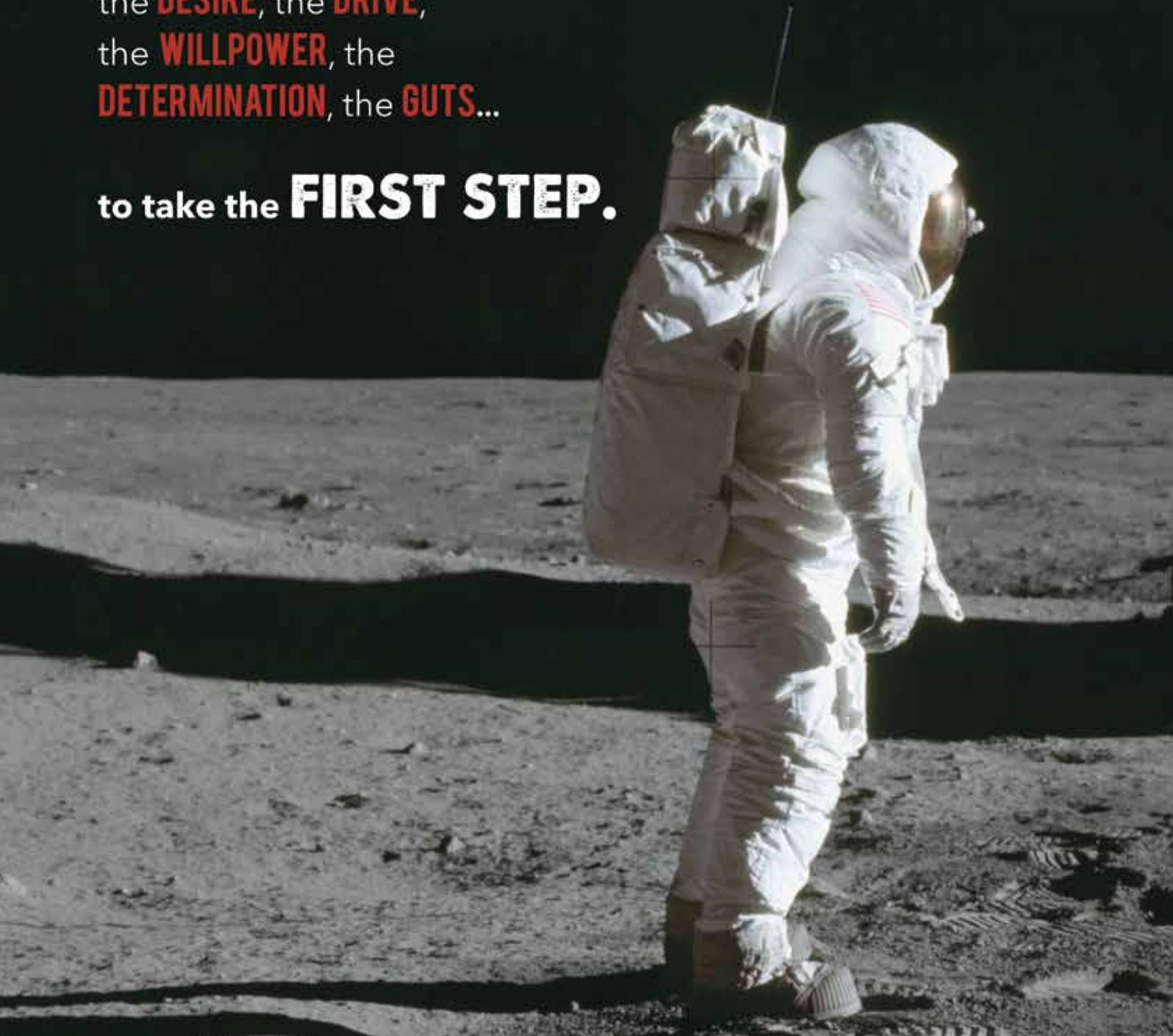


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... In 2011, nearly \$1 trillion in assets changed hands. That number is conservatively estimated to exceed \$2.5 trillion annually before the end of the 2020 decade.

Sharpe coined the term “blended gift” to predict that boomers would “be more inclined to make larger charitable gifts differently than previous generations... .”<sup>1</sup> Sharpe wrote:

*“Industry experts predicted that [boomers’] gifts would be comprised of a number of varieties. Some gifts would be outright immediate transfers of cash and other assets, while others would be deferred for a number of years or until the death of one or more individuals. Other gifts would be structured as combinations of current and deferred gifts, with the focus on the total value of the gift.”<sup>1</sup>*

In 2018, Pew reported there were more than 67 million

boomers in the United States. More than half of them are now in their retirement years<sup>2</sup>, a time when focuses shift from wealth building to wealth preservation. Concurrently, families (heirs), financial planners, accountants, etc., typically begin more assertive discussions around estate planning to ensure a lifetime of earnings and assets are passed down in agreement with the owner’s final wishes. Purposeful estate planning has never been more critical for any previous generation than for the boomers.<sup>3</sup>

A 2015 study by the consulting firm Accenture examined the wealth owned by the boomer generation and conservatively estimated that sum to be over \$30 trillion. Accenture predicted the bulk of that money will begin

being transferred or otherwise inherited in 2031.<sup>4</sup> The study identified that at its height, in excess of \$3 trillion per year will be transferred to Generation X and millennials. An eye-opening amount of assets is already changing hands today, however. Accenture’s study revealed that in 2011 nearly \$1 trillion in assets changed hands. That number is conservatively estimated to exceed \$2.5 trillion annually before the end of the 2020 decade.<sup>5</sup>

Accenture concluded boomers will be very different than their parents in the following ways:

- Boomers are more likely to work into their retirement years.
- Boomers will likely distribute their wealth differently and have shown an interest in transferring assets during their lifetime versus after death.
- Boomers will continue to maintain strong relationships with professional advisors, reflecting those their parents kept.<sup>5</sup>

The merging of unprecedented wealth, proximity to transfer and the needs of the demographic have put the country in position to experience the Second Golden Age of Philanthropy.<sup>6</sup> Following the example of 19th century titans such as Andrew Carnegie and John D. Rockefeller, the argument has been made that the 21st century will be dominated by “philanthrocapitalists” like Jeff Bezos, Mark Zuckerberg, and Bill Gates.<sup>6</sup> However, the opportunity to change the landscape of charitable giving by the boomer generation dwarfs the combined fortunes of Forbes’ Billionaires List by a factor of four.<sup>7</sup> The philanthropy industry has never seen an opportunity like the one that will continue

to reveal itself through 2031 and beyond.<sup>8</sup> Planned giving expertise and experts are going to play an essential role in expanding the sophistication of development shops in every nonprofit sector, and blended gift concepts are going to be the development world's greatest resource for realizing gifts of exponentially larger size and impact. The success of the fundraising industry during this period will hinge not only on the efforts of fundraising shops to make efforts in educating their teams on how to utilize blended giving strategies, but also in the efforts of fundraisers to strategically partner with the advisory teams of their donors to thoughtfully participate in crafting giving solutions for financial challenges and goals.

### **Understanding the wealth and spending habits of a generation**

The financial world has put considerable reflection into both what assets make up the wealth of the boomer generation and how it came to be. In 2015, JPMorgan Chase published a study by analysts Ben Mandel and Livia Wu detailing answers to both of these inquiries. Their findings led them to summarize the boomer generation by coining the term “financial exceptionalism.”<sup>9</sup>

The study revealed median household net worth for boomers to be roughly \$250,000—a number JPMorgan Chase describes as unprecedented. Of greater interest is the composition of the assets totaling that sum: Approximately 75 percent is nonliquid. Of nonliquid assets, 85 percent is real estate in the form of primary homes and rental/vacation properties. The

remaining balance is largely comprised of vehicles, business equity and nonresidential property. JPMorgan Chase concluded that significantly larger holdings of real estate was a key factor in establishing boomers as the most affluent generation in American history at their respective retirement age.

Further, Mandel and Wu postulated that boomers will have considerable spending power in retirement thanks to the combined appreciation of assets, along with retirement plans and pension programs. The caveat to this is the projected extended lifespans of boomers into the 2030 decade and beyond. Is there a point where resources begin waning? Will this affect spending habits, and how will boomers respond? At present, boomers are spending nearly \$550 billion annually.<sup>10</sup> How sustainable is that level of expenditure in retirement? What about funding end-of-life care, among other interests?

### **Philanthropic partnerships, education and planning**

It is estimated boomers control approximately 70 percent of the country's disposable income.<sup>11</sup> In 2018, Edgewise published a report identifying the average age of donors is the United States is 64, meaning boomers are currently the most philanthropic demographic with their resources.<sup>12</sup> Edgewise also found that 52 percent of boomers feel they make the most impact donating cash to their championed causes versus volunteering.

It is important to recall Accenture's conclusion that boomers will continue to utilize the advisor model in regard to

professional services. Boomers seek the input and opinions of others to aid them in making decisions. Recall also their wealth is largely made up of nonliquid assets; however, those who are philanthropic prefer to give cash/liquid assets. It is noteworthy that boomers will likely have to liquidate portions of their assets to maintain standards of living to which they are accustomed. It is likely these assets will be highly appreciated in value, with potential tax liabilities looming over liquidation. Evolving our notions of planned giving to that of a problem-solving tool as much as a giving vehicle can help address these and other concerns.

Evangelizing the gospel of planned giving must permeate three specific classes of people to fully take hold in the mind of the broader giving community.

First, the philanthropy community must formally educate broader swaths of its own ranks, including major and annual gift officers. We must effectively communicate to our constituent bases the powers and abilities they possess to make complex asset transfers and be better for it altruistically and, potentially, financially. A key step in realizing the success of both initiatives is partnering front-line fundraisers, specifically major and annual giving officers, with planned giving officers when engaging prospects in giving conversations.<sup>13</sup> The outcomes from these partnerships have already demonstrated the following:

- Greater efficiency in generating return on investment with donors.
- Greater donor confidence in the organization.
- Stronger relationships between

the donor and the beneficiary agency.

Next, fundraisers must forge genuine relationships with the influencers and advisors of the constituency—for example, accountants and estate planners. The fundraising community must make a stronger collective effort to earn a seat and have a voice at the tables of donor advisors when financial decisions are being made. Planned giving base knowledge and strategies are significantly lacking in advisor circles at large. Engaging these groups has and will afford us the opportunity to demonstrate how planned giving can effectively serve the interests of not only the donor, but also their advisor, in many scenarios.

The first and most straightforward opportunity to engage professional service providers is to invite them to local planned giving community forums and roundtable presentations. Including them in learning alongside professional fundraisers creates organic networking opportunities where natural relationships can develop in a nonthreatening capacity. Additionally, personalized engagements in the form of one-to-one meetings or smaller team gatherings will further foster the exchange of ideas around customer service, the needs of clients/donors and the expertise each party possesses.

Generation X and millennials have starkly different relationships with professional advisors and services than those of their boomer parents. While the economic conditions millennials are living through offer different challenges than those their parents confronted between their mid-20s and 30s, millennials are saving

and investing—but not with a conventional advisor or wealth manager. Nearly 70 percent of millennials reported not working with a professional advisor in any capacity, though 55 percent of all millennials reported being open to working with their parents' advisors. Finally, only 20 percent of millennials reported having met their parents' financial teams.<sup>14</sup>

As the fundraising industry has evolved and become more sophisticated in understanding how donors behave, a key lesson learned has circled around the inclusion of family in giving discussions, where appropriate. Knowing and understanding family dynamics, particularly in the context of significant and/or complex gifting of assets, and including the appropriate parties in the moment or at a future time, has greatly assisted in creating transparency around the donor's intentions, values and wishes while also assisting in managing the expectations of heirs.<sup>15</sup> Transparency of this kind enables heirs to provide meaningful feedback, including voicing concerns, and creates a space to discuss the development and/or continuation of family legacy planning, which may include additional and/or future gifts. The inclusion of the donor's professional advisory team—accountants, wealth managers, attorneys, etc.—is critical to the success of these “family board meetings” to help instill confidence in a donor's heirs that sound counsel has been contributed to whatever action is being explored. Such meetings also enable introductions to extended family and/or heirs of the client/donor to their advisory teams for the purpose of continuing professional relationships with the

next generation or generations of the family.

The inclusion of professional advisors in charitable giving discussions and providing opportunities for internal networking within a family also are important for the preservation of wealth.<sup>16</sup> A study examining intergenerational wealth transfers determined that up to 70 percent of wealth transfers globally resulted in reckless dissipation of the inheritance. Driving this phenomenon was the lack of preparation of heirs “for the multiple kinds of responsibilities they would face when having to take over the reins.”<sup>15</sup> The study concluded this type of wealth loss was preventable with a proper team of advisors helping an heir manage an inheritance, regardless of size.

The final audience to evangelize the opportunities planned giving vehicles can provide is the constituency itself. Education of this group must be multifaceted and include high-level, plain English explanations of vehicles, outcomes and the benefits of using planned giving strategies. To do so, planned giving programs should have their own distinct branding within the agency and development office so as to distinguish them from other giving channels, including annual fund and major gifts outlets. This is critical, considering the primary methodology boomers are familiar and comfortable with for making gifts revolves around cash donations.

When engaging donors directly, keen fundraisers will utilize both their emotional intelligence and their investigative skills to pose appropriate questions to the donor, such as, “What are your goals for your estate?” “Are there

challenges you are facing with your estate?” “How do you feel about your assets?” and “How do you feel about your income?” Once the information has been gathered, the fundraiser can begin exploring the donor’s interest and comfort by proposing solutions to the opportunities the donor has just disclosed.<sup>17</sup> These types of open-ended questions are critical to partnering with boomers and identifying planned giving tools to offer noncash giving solutions for their needs. The following case study illustrates how such gifts may come to fruition.

### **Case study: “Cash-poor” Donor X**

Donor X is a local supporter of the community hospital and was recently approached about making a gift to the health system. During the initial meeting, Donor X revealed he has significant interest in supporting the system but doesn’t know how to make a gift because he describes himself as “cash poor,” with limited discretionary spending ability. He explains he grew up in a working-class home and is afraid of running out of money, so he’s most comfortable continuing to make modest annual gifts, as he has in the past. Through further discussion of Donor X’s assets, he reveals he has multiple highly appreciated rental properties in his portfolio as well as a retirement account from which he is taking required minimum distributions. How can Donor X make a gift to the community hospital?

#### *Proposed solution*

Propose to Donor X that he gift the hospital one of his properties that he’s currently using as rental and place it into a charitable remainder unitrust (CRUT).

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## Having a clear and comprehensive gift acceptance policy in place is imperative to having a strong, donor-centric planned giving program—and a successful fundraising operation.

The sale of the property within the trust would minimize or offset capital gains and also give him a sizeable tax deduction to use in the tax year of the sale and up to five additional years after, or until the deduction is exhausted. The CRUT will pay him income—likely more than he was receiving using the property as a rental, depending on his age and payout percentage—and leave the remainderman to the hospital upon his death. Additionally, propose to Donor X he name the hospital as beneficiary of the retirement account upon his death and perhaps consider making individual retirement account (IRA) rollover gifts from his required minimum distributions (RMDs) if his comfort with his cash flow permits.

#### *Outcome*

Donor X agrees to fund the gift as proposed. He gifts one appreciated asset in the form of a rental property and receives an increased stream of income per month from the CRUT over what he was making previously. He no longer has to maintain the property nor concern himself with managing tenants. Next, he bypasses the income of his IRA and has his financial planner

send the RMD straight to the hospital’s foundation to make his annual gift. Finally, he fills out a beneficiary designation form making the hospital foundation the beneficiary of his IRA. Donor X has made three different substantial gifts to charity, is now receiving more income from his investments, has bypassed retirement income and has left his retirement account to the hospital. He also has bypassed capital gains on the property and received a tax deduction.

Institutional readiness to accommodate and receive both current and deferred gifts, including those of nonliquid assets, is a significant hurdle to overcome. Some of the questions that must be addressed by charities wanting to receive such gifts include the following:

- How will the charity recognize the gift?
- How will the components of the gift be valued?
- Will there be naming opportunities for the gift?
- Does the gift comply with the charity’s gift acceptance policy?<sup>18</sup>

Understanding the implications of the answers to these questions is crucial because they affect the donor as much as they do

the charity. Having a clear and comprehensive gift acceptance policy in place is imperative to having a strong, donor-centric planned giving program—and a successful fundraising operation.<sup>19</sup>

## Flexibility and transformation

In 2015, the consulting firm Age Wave partnered with Merrill Lynch Wealth Management to project the amount of generosity the nonprofit sector could expect to see as boomers exit the workforce and begin transferring their wealth to their heirs. The study determined that more than \$8 trillion is expected in donations over the next 20 years.<sup>20</sup> Amortizing that figure, it averages more than \$400 billion per year from boomers alone.

In 2018, total philanthropic support from givers of all ages in the United States topped \$410 billion for the first time.<sup>21</sup> With more than 75 percent of boomer wealth contained in appreciated assets, the fundraising industry must prepare itself for the gifting of those assets—as the opportunity to double philanthropic gifting in the country is fast approaching. The utilization of planned giving strategies will be the conduit to enabling gifts of complex assets and realizing the giving potential of the boomer generation.

Blended giving solutions will afford boomers the ability to immediately support their favorite causes through outright giving, supplement their income with tax-advantaged giving vehicles and leave charitable legacies for their heirs to follow through testamentary giving. With \$8 trillion estimated to be given to charity by 2040, it begs the question: How much more can be raised if even 10 percent of boomer donors are shown how to

impact their favorite charity through employing blended giving strategies?

The fundraising industry is about to enter a transformational era of charitable giving, and it will demand more from professional fundraisers than at any other time in American history. Purposeful professional development, forging deliberate partnerships with the advisors of our constituency and listening more intently to the passions and needs of our constituents are the keys to realizing the opportunity before us. Consider how health care alone may be impacted and what problems we may be blessed to address in profound ways with blended giving solutions: access to care, physician shortages, population health and disease prevention, research, cancer, longevity, etc. The question we in the industry must ask ourselves and each other is a simple one: Are we up to the task? 



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# Connecting patient care and philanthropy

Best practices for high-profile patients translate into improved care for all

**A**t Cedars-Sinai, our mission has always been clear: Be a blessing for those in need. While this broader mission has always steered our organization's goals and directives, facilitating the day-to-day operations of a large-scale nonprofit academic medical center often involves unseen challenges and opportunities to provide a better model of care for a wide range of patients.

It's no secret that Cedars-Sinai Medical Center is located in the Los Angeles neighborhood of Beverly Hills. Due to our location, reputation and proximity to the entertainment industry, part of our day-to-day operations involves caring for high-profile patients. The patient relations program at Cedars-Sinai was first initiated in 1942 in an effort to assist public figures. The program was formalized in 1977 and expanded to assist Cedars-Sinai board members and donors.

Today, services provided by patient relations have evolved to support our mission of providing quality care to all Cedars-Sinai patients, which includes not only major donors and high-profile patients, but all members of our community.

## **How best to serve high-profile patients**

If all patients have a right to the best medical care and treatment options

metamorworks/Getty Images



available, why develop additional practices specifically for high-profile patients? Hospital organizations should consider having a designated patient relations program or protocol in place to serve this patient population for three important reasons:

**1. Ensuring patient privacy and safety:** When a public figure needs medical care, their privacy is of the utmost concern. Whether this person is a well-known actor or a world leader, they are entitled to the same privacy protections as any patient under the Health Insurance Portability and Accountability Act. In some cases, additional precautions are needed to ensure the privacy of these high-profile patients while they are undergoing medical care. While the safety of our patients is always important, for high-profile patients, extra security measures may need to be enacted to maintain privacy and safety.

**2. Preparing physicians and hospital staff:** For those working in patient relations, it's our duty to work with physicians and other members of the interdisciplinary team to ensure that a high-profile patient's treatment goes smoothly as we achieve excellent health outcomes. We've found that having a plan in place that accommodates the specific needs of the high-profile patient is the best way to ensure that they receive the best treatment experience.

**3. Improving the patient experience for all:** While



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At Cedars-Sinai, the perspective and experience provided by RNs are essential to keeping our patient relations program a success.

patient relations offers services to major donors, high-profile patients and public figures, this is only part of our program. Patient relations encompasses a wide range of services for patients and the general population, providing assistance for nonmedical needs and requests. One of our program's functions is to utilize patient feedback to enhance the patient experience, which is a key aspect of patient care.

### **Benefits of RN leadership within patient relations**

Since the mid-1970s, the patient relations program at Cedars-Sinai

has been led by registered nurses (RNs). This unique aspect of the program has resulted in a more personal, individualized approach to meeting the needs of donors, public figures, high-profile patients and others who need assistance.

While many academic medical centers have a patient relations program, few require that RNs hold the leadership roles within the department. At Cedars-Sinai, the perspective and experience provided by RNs are essential to keeping our patient relations program a success. RNs are trained to provide medical care to patients, but their roles extend far

beyond their bedside duties. RNs are relied upon for their medical expertise, their critical thinking, their communication skills, their efficiency and their ability to care, comfort, console and listen to patients and their loved ones.

Within patient relations, RNs are a much-needed resource. Because RNs are part of our medical center's interdisciplinary team, it is easier for them to understand the plan of care for a patient and reinforce the treatment recommendations for patients who need assistance from patient relations. RNs are well-trained to deal with crisis situations, unexpected challenges and the rapidly changing treatment needs of patients with life-threatening conditions.

While not all academic medical centers may have the resources to staff their patient relations department with RNs, the benefits of utilizing the judgment and input of RNs can strengthen this program and help an organization achieve its goals.

### **Building a solid partnership between patient relations and development**

Our development and patient relations departments are both designed to advance our organization's mission, elevating the patient experience while also protecting patient care. At Cedars-Sinai, the relationship between development and patient relations is a collaborative partnership.

One tenet of this partnership is that if a donor also is a patient, they are a patient first. At least three-quarters of our major donors will first reach out to a member of the development team when they need medical care or

assistance. In these cases, both patient relations and development have an opportunity to facilitate the patient/donor's care needs to ensure they receive the best possible patient experience, deepening the strong relationship between patients and our organization.

We've identified several best practices for building a successful partnership between development and patient relations:

- 1. Transparency:** When anyone gives a major gift to Cedars-Sinai, the benefits they receive as part of their generous contribution are clearly outlined in our donor benefit policy, which is available to the public.
- 2. Sharing knowledge with patient consent:** Major donors receiving medical care at Cedars-Sinai may wish to connect with a member of our development team with whom they have already established a relationship. Patient relations assists in this process, ensuring patient privacy is protected at all times. If requested by the major donor, the development team can share useful knowledge about the patient's personal preferences or provide helpful background information that further improves the patient experience.
- 3. Streamlining the process for grateful patients:** In some instances, a patient becomes a major gift donor after receiving excellent treatment from our clinical care team. Our grateful patients who express an interest in becoming a major donor are referred to patient relations, who assist in connecting these patients with development.

### **Creating a culture of gratitude**

At Cedars-Sinai, we believe in creating a culture of gratitude. This mindset not only reflects our mission, it also broadens our understanding of what it means to provide the best treatment and patient care.

Without our patient relations and development programs, we would be missing a valuable and necessary element of patient care. Our patient relations department ensures that patients come away feeling that they were truly cared for, which can translate to an expression of gratitude. We rely on major contributions from grateful patients to fund our medical research, which in turn can prevent disease and save lives.

When a patient has the desire and capacity to give a major contribution to Cedars-Sinai, it is extraordinary what this act of generosity can do. We often find that patients feel an amazing sense of joy when they decide to donate to an organization that they passionately believe has helped them—in some cases, even saved their life or the life of a loved one.

As much as we appreciate our major donors, we are more grateful that we can extend their acts of gratitude to serve all our patients in our community. 



**Lidia Toledo, MSN, MSHCM, RN-BSN, CNS, CPHQ**, is director, patient relations at Cedars-Sinai in Los Angeles.



**Paola Villar Werstler** is executive director, development, at Cedars-Sinai in Los Angeles.



# Be an **influential** storyteller

How to hook your audience in presentations and conversations

**T**he first time I stood in front of an audience, I made every presenting mistake you can make. I was boring, confusing, rambling and easily forgotten. Eyes glazed over, pens clicked and toes tapped while I tried to deliver what I thought was an important message.

I realized if I was going to help my audiences act on my recommendations, I was going to have to figure out how to connect with them first. So, I spent years studying and applying the methods of storytellers, stand-up comedians and motivational speakers. The results have proven to me that messages don't truly connect because they're important—they connect because they're memorable.

I've been a speaker and writer for 10 years, and I've identified methods to reframe challenging subjects to engage strangers in open and hopeful conversations. With a little preparation, you can make the depressing uplifting, the boring engaging and the overwhelming actionable. I'm happy to share some of the lessons I've learned from giving more than 800 speeches and coaching many message-driven professionals—whether presenting to an audience of thousands or pitching to an audience of one.

### **Telling your story**

A director from an educational nonprofit approached me when she was asked to speak on a panel in front of an audience of grant-awarding foundations. She wanted to create a connection with the audience through what she shared in her very first answer—the dreaded, often-unfocused and strangely time-consuming round of opening introductions.

Here is what we came up with:

*"I'm Sarah and I'm glad to be here. Out of curiosity, how many of you felt like you were totally prepared for life after school? Me neither. I'm actually the first in my family to go to college, which meant from an early age I had to find mentors to guide me. I found some at school, and by watching 'Full House.' But in my pursuit of a bigger life, I often felt alone.*

*"That's why I'm so passionate about the work we do at {OUR ORGANIZATION}. We provide internships and mentoring for thousands of students every year, so they don't have to prepare for their future alone.*

*"I'm glad to be here to share ways you can support the impact we're having."*

The result of this pitch was immediate interest from the room, the bulk of the questions directed at her. Ultimately, a large grant was awarded to her organization. Success!

We can break this pitch down



apichon\_lee/Getty Images

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## To craft a story you can use in your work, remember that great stories are short, relevant, relatable and clear.

into a 4-3-2 model: four great communication qualities, a three-part story structure, and two points of connection.

### Four great communication qualities

All memorable communicators utilize storytelling. There's simply no greater tool in your health care fundraising arsenal, and the great news is that storytelling is a totally learnable skill. A story is a

container for meaning. It's a way of injecting a message into someone else's brain without them knowing it. In other words, a story is a lesson in disguise.

A Guardian study found that after a presentation, 5 percent of attendees could recall a statistic that was shared, but 63 percent of attendees could recall a story that was told. Stories result in amazing retention. Stories should not be designed just to

fill time or distract from your point; they can actually help the listener better remember your presentation. Storytelling enhances your message.

To craft a story you can use in your work, remember that great stories are short, relevant, relatable and clear. Here are the questions I ask clients to create those elements for inclusion in a story:

- **Short:** What is the most succinct way you can describe the work of your health care organization? In other words, what is one focus you have or one example of a program you run? Limit yourself—the human brain is much too busy to instinctively try to remember a lengthy list of programs and initiatives. You also want to limit the time you are speaking in a one-on-one donor

interaction so you can gauge your donor's interest level.

- **Relevant:** How did you first become passionate about the work you do? Use an experience you had that's nearer to the interest level of your listener, rather than now that you have advanced much further into the subject. Also, is your message stripped of all jargon? I'll never forget when a health care organization showed me their AFE list (acronym for everything). Abbreviations intended to save time run the risk of creating a distraction, even a feeling of exclusion, for listeners unfamiliar with their meaning.
- **Relatable:** What is the most human and expert way you can describe yourself and your hospital or health system? We connect most powerfully to people we know, like and trust. We know and like you because we see your humanity, and we trust you because we see your expertise.
- **Clear:** What is the No. 1 action you want your listener or donor to take? To donate? Care? Remember? Start there and work your way backward. Ask yourself if your recommended action is specific, measurable and realistic. One small action is infinitely more valuable than no action at all. Address both of these questions, and you'll have your listener's undivided attention.

Now, let's take your answers to these questions and craft your pitch into a *story*.

### Three-part story structure

Let's check in with what we already know intuitively: Every story has a beginning, a middle and an end. But to get more

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## To connect your personal story to your health care organization's mission, choose a universal theme both have in common.

value from these familiar terms, let's think of them as a hook, a scene and a point.

### *The beginning is the hook*

The hook is a sentence or powerful question that draws you in and gets you to nod because it's a statement about you. You are the hook. Most people don't do this. Most of the time we get right into our information, leaving the listener to wonder idly about your personality and qualifications as a source. They may connect much less to your message as a result. Before your audience listens to what you say, they listen to who you are.

### *Hook—personal story*

*"I'm Sarah and I'm glad to be here. Out of curiosity, how many of you felt like you were totally prepared for life after school? Me neither. I'm actually the first in my family to go to college, which meant from an early age I had to find mentors to guide me. I found some at school, and by watching 'Full House.' But in my pursuit of a bigger life, I often felt alone."*

To help this director's confidence, we crafted an easy-to-answer question up top that got a reaction and immediately set her at ease. You wouldn't

use a question like this in a conversation, but into a microphone it works very well—as long as it's presented naturally. She also emphasized "totally" to further nudge the intended reaction, which is people saying, "Nope, I was definitely not ready."

One more thing: Her transparency enabled her to link her personal story to her organization story through the universal theme of feeling alone. To connect your personal story to your health care organization's mission, choose a universal theme both have in common—for example, "alone," "challenges," "hope" or "kindness."

### *The middle is the scene*

The scene is the shortest and most visual version of the story you want to tell. This is where the hard work comes in because you have to cut every detail that is unnecessary, even if it's good. (Tip: Another person listening as an editor will help you find these cuts faster than you can.) You really want to trim any time- and brain-consuming information here to a few sentences.

### *Scene—organization summary*

*"That's why I'm so passionate about the work we do at*

{OUR ORGANIZATION}.  
We provide internships and mentoring for thousands of students every year, so they don't have to prepare for their future alone."

Next, she wanted to list all of the organization's programs. I challenged her to choose no more than two examples since, as I mentioned earlier, the human brain is notoriously weak at recalling and retaining a verbal list of more than a few items. This is especially important when presenting around health care, where terms can be unfamiliar and explanations dense.

Lastly, her natural tendency to be modest about the organization's impact felt counterproductive to me. I challenged her to emphasize the scale of the impact with the line: "We provide internship opportunities to thousands of students every year."

Modesty has its place, but not in your statement of impact. It's good to get outside your comfort zone with this.

#### *The end is the point*

This is the action you really want the listener or donor to take from the opening introduction. For example: "That's how I came to see that by supporting this cause, you're actually part of the work we're doing." If I just say that on its own, it sort of floats out of the listener's brain. But if you say it in a story, you give the listener context. And when the point comes organically from the story, the listener is much more receptive and less likely to feel defensive or distracted.

#### *Point—next action*

*"I'm glad to be here to share ways*

*you can support the impact we're having."*

At the time she was there to answer questions, but by being so relatable she was approached by lots of attendees for follow-up conversations. During these interactions, she was ready with a next event they could attend, a link for donating or a way to continue the conversation.

### **Two points of connection**

Let's think of the connection this director made in her introduction as the "human/expert combination."

Often when we meet a potential donor, we share our expertise—perhaps a job title, the number of years we've been in health care fundraising or an example of the extent of our knowledge. We don't share our humanity—something humble about ourselves. This would be something that's relatable and not designed to impress. If you only check either the human box or the expert box, you create a half-connection with your audience. But if you share both, you won't be strangers anymore.

I encouraged her to share something personal she wasn't entirely comfortable revealing, namely that she was from generational poverty. In our brainstorming on this, I felt a connection with her as soon as she used the phrase "first in my family." I also felt empathy for the obvious challenges that experience added to her life. It was very humanizing. As an expert, you need to reveal your humanity *intentionally* because it might not come across otherwise.

This is a deeply held value of mine: Everyone you know

is a success and a mess. Even the most together person you know is killing it one way, and in another way feels like a kid in grown-up's clothes.

Which brings me to a really important challenge: You're going to have to get outside your comfort zone and tell your story in a new way. But the results you'll get from doing so will be worth it.

Oh, and one more thing: When I said my client practiced this, you might think she ran it through a few times. No, she practiced it over and over, 25 times or more. Because it was vulnerable for her to share this information publicly, she rehearsed it until it felt comfortable for her to say aloud. It's important to drill your pitch numerous times so you can master the emotion of your message. The repetition also allows you to sound off-the-cuff, which is the best way to share emotional data in a meaningful way. These rehearsals will allow you to make the most of your next opportunity.

The work you do matters, and to do more of that work in the world you need to tell your health care organization's story in a way that inspires your audience to listen, get involved and eagerly await opportunities to tell your story to others. 



**Colin Ryan** is a nationally in-demand, award-winning comedic financial speaker, and presentation coach.

He has spoken to more than 500,000 students and adults, and his stories have been featured on PBS, NPR, *The Moth Radio Hour*, and in *Reader's Digest*.



# Four opportunities to boost your organization to **high performance**

Insights from representatives of 2019's most successful health care philanthropy programs

**F**or the past seven years, AHP has recognized its high performers in the *AHP Report on Giving* for both the United States and Canada. These organizations represent the top 25 percent in net fundraising returns. Every year as we publish the *AHP Report on Giving*, we showcase insights we can learn from our high performers and ask them how we might model their practices to help elevate the performance of the entire profession.



matdesign24/Getty Images

It is with that lens that AHP is excited to share thoughts from five of our high performers on the secrets to their successes.

## 1. Experiment with your major gifts program.

Every year, the most frequently cited key to high performance is a significant emphasis on major gifts. This year we asked high performers what building a successful major gifts program looked like for their shop and which factors might have influenced their outcomes, including the size of their organization, the maturity of their staff and their overall donor base. Here's what the high performers shared.

Many high performers attributed their major gift success to great prospect research. First-year high performer Sunnybrook Foundation in Toronto, Ontario, has just implemented professional prospect research, and the foundation is already reaping dividends. "We've learned that you get out what you put in. We



Jon Dellandrea, president and chief executive officer, Sunnybrook Foundation



Mark Larkin, CFRE, president, Boca Raton Regional Hospital Foundation

spend a lot of time, and money, in prospect research," explains Jon Dellandrea, president and chief executive officer.

Prospect research has helped Dellandrea and his team uncover new donors and cases of "invisible wealth" within their current donor base. "How do you pay close attention to the response you get from community giving? You don't want someone to be robotically opening mail and depositing the check. You want them to research where the donor is from, what their average neighborhood salary is, etc."

Compared to strong prospect research efforts, simply changing your perspective on major gifts also can be an effective catalyst to your performance. "You don't need to start by hiring a major gift person. If you do not focus on major gifts, don't try to change everyone overnight into a major gifts fundraiser. Believe me, I have tried and failed miserably," states Mark Larkin,

CFRE, president of four-time high performer Boca Raton Regional Hospital Foundation. "Pick your best event you do. Start meeting with people who have been supportive of you and who hold wealth, and explore with them how you would like to grow your event. Not everyone is going to jump right in and give you a significant gift. However, do not get discouraged meeting with multiple people and sharing ideas. Someone will say, 'I can do that.'"

## 2. Approach strategic goal setting with creativity and agility.

Regardless of your level of experience or maturity as an organization, the health care philanthropy industry forces organizations to anticipate change and navigate potential obstacles with rational and innovative solutions. Keeping up can be challenging since we are already used to pushing as hard as we can with limited resources,



Christy Holtby, CFRE, vice president of strategic partnerships and annual giving, University Hospital Foundation

but we can take some inspiration from our six-time high performer, University Hospital Foundation in Edmonton, Alberta.

The University Hospital Foundation has been proactive in thinking about new ways to top its performance each year. “There’s more that we need to focus on than revenue,” explains Christy Holtby, CFRE,

insights to implement.

“To us, the best solutions are outside-the-box solutions,” says Holtby. “If that means going outside the industry to recruit the best people and find the best ideas, that’s what we do. It’s really cool to work with people who see philanthropy through a different lens. We see the role of health care philanthropy as pushing the boundaries of

strategic goals and specific donor interests.

“We don’t find many conflicts with our donors because of our transparent communication,” says Tom Protrack, president. “Most of our donors are very invested in supporting the mission even if the projects we discuss are not directly related to their personal passions.”

Beebe Medical Foundation has found other ways to use genuine messages in its marketing campaigns, including its “Celebrate Excellent Care” program, which highlights patient stories weekly for the local community. These stories give grateful patients a platform to tell their stories and the opportunity to show gratitude toward the nurses and physicians who care for them, increasing the chances that they will show other forms of gratitude to the organization in the future.

In 2019, the Canadian government made cuts to social services, including health care. Sunnybrook Foundation made an effort to ensure donors were educated on what these changes meant for their province and how the cuts might affect health care delivery. “Health care is top of mind for many Canadians. We’ve seen positive changes in their public awareness of the need for philanthropy to augment provincial funding, giving us the opportunity to focus our messaging on the importance of philanthropy to our mission and organization,” Dellandrea says.

The increased focus on messaging also has given Sunnybrook Foundation the opportunity to use personalization as a tool, focusing on specific programs that interest each donor. Staff

“We don’t find many conflicts with our donors because of our transparent communication. Most of our donors are very invested in supporting the mission even if the projects we discuss are not directly related to their personal passions.”

—Tom Protrack, president, Beebe Medical Foundation

vice president of strategic partnerships and annual giving. The organization has moved away from proclaiming a great year of fundraising as “the best year ever” and instead is thinking about how to make it “the most impactful year ever.”

Holtby and her team have used this mantra to tackle larger questions that are facing the province of Alberta. Traditional methods of prospect research aren’t an option, owing to Alberta’s restrictions on patient data. Because of this, the University Hospital Foundation has looked outside of health care to explore tactics in other industries in the hope of finding

knowledge and care. We have to be prepared to do that ourselves to remain creative and agile as we move forward.”

### **3. Maintain clear and honest communications with your community.**

Being transparent about accomplishments and downfalls seems like a simple enough objective for an organization. However, being cognizant of the complexities of your community and the relationships within it is extremely important. Staff members at first-time high performer Beebe Medical Foundation in Lewes, Delaware, have found a way to balance their

## A Letter from iWave President and CEO, Ross Beattie

Although the world is more connected than ever before, it can still be difficult for nonprofits to know who to ask, when to ask, and how much to ask for when raising major gifts.

iWave is changing this story. With a vision of enabling every nonprofit regardless of size or sector with access to fundraising intelligence, our team has been working for nearly 30 years to understand the challenges nonprofits face and how to overcome them. Though part of the equation is providing a best-in-class platform we also believe that it involves ensuring the success of our clients by providing a leading-edge customer experience.

With an agile development process that leverages client and industry insights, iWave is committed to continuously bring value, expertise, and insight to our nonprofit, education, and healthcare organization partners. In March, iWave launched a new fundraising platform that is built on next-generation architecture and features a fresh modern design and intuitive layout as a testament to this commitment. The new

platform sets a new standard in the industry allowing nonprofit professionals to more easily and efficiently identify, prioritize, and cultivate donors to raise more major gifts.

What's equally important is the focus we put on every single client. Our proactive approach to customer satisfaction and success has led us to create an additional department for Client Success that provides frequent check-ins, offers more onboarding, and enables more proactive support for a growing client base.

We believe that the future of fundraising must include both the tools to easily and efficiently identify, prioritize, and cultivate new donors and a commitment to helping ensure the success of researchers and fundraisers through comprehensive and proactive customer success.

We look forward to continuing to work with the nonprofit community throughout 2020 and into the future!

Ross Beattie,  
President and CEO, iWave



members have personalized communications even as they remind donors of their history, including the accomplishment of conducting the first Canadian investigation into using deep brain stimulation for treatment-resistant post-traumatic stress disorder patients. These sorts of communications, wrapped in a personalized message, have increased the organization's fundraising effectiveness.

On the other hand, regular messages in the press can shine a spotlight on health care that results in negative publicity. These situations can represent an opportunity for philanthropy. Four-time high performer QEII Health Sciences Centre Foundation in Halifax, Nova Scotia, evolved its messaging to help change the narrative to one more favorable to health care.

"Issues around health care are very close to everyone in one way or another, and regardless of the growth of the health care industry, factors like the media will always be a hurdle," explains Bill Bean, president and chief executive officer. "Many of our donors have trouble understanding the need for philanthropy, since over half of our province's budget is allocated to health care. In our communications, we shifted the conversation back to our mission, and how we leverage philanthropy to get us from good to great. I love to respond to donors and have this conversation with them because it's important to take control of that narrative through education."

### 4. Build a strong team dynamic.

Tackling a broad goal to make changes to your team dynamic

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The best advice can come from those who share similar experiences. You will be part of a group of fellow executives allowing you to build relationships, share insights, and talk through organizational or philanthropic challenges. The Roundtables will meet twice a year in person.

## BEST PRACTICES RESEARCH

After analyzing the data, we'll provide research, toolkits, white papers, and presentations designed for your team to learn from and use to accelerate success in your own organization.

## ALL-IN ROSTER ACCESS

Your entire organization's staff—including board members—will have access to all of AHPPrime's membership benefits, ensuring your team is learning and growing together.

## SPEAKERS BUREAU

Gather your team because AHPPrime will provide you with a one-day, best practices presentation at your organization delivered by a member of the AHP Speakers Bureau. The Bureau is made up of AHP board members, staff, and other experts in the profession.

If you're interested in learning more about AHPPrime and the benefits it can bring to your organization, please email Maddy Morris: [maddy@ahp.org](mailto:maddy@ahp.org).

may start with smaller steps like tweaking your existing strategy. For the last few years of her leadership, Judy Aliquo, CFRE, retired president and chief executive officer of Beebe Medical Foundation, worked with her executive team to shift the foundation's values to become more donor-centric.

"This was a huge change for the foundation. Turnover is necessary to craft an ideal team of high performers that build strong relationships with donors, even if this means encouraging lower performers to find what they're actually passionate about," says Aliquo. "We've been holding people accountable and embracing change and hardship. We started hosting celebratory events, like our monthly breakfasts, to keep our team celebrating success and gelling



Judy Aliquo, CFRE, retired president and chief executive officer, Beebe Medical Foundation

well with each other."

Turnover often is a hard truth in health care philanthropy, so the work of building a strong team requires adjusting to shifting dynamics to integrate new staff members. "Eventually, you will get to a point where it becomes very clear the impact major gifts have on your fundraising efforts. With these results, you can make the case with confidence to hire more staff focused only on major gifts," explains Boca Raton Regional Hospital Foundation's Larkin. "However, do not go on a hiring frenzy unless you or your team is consistently cultivating and closing major gifts. It is naive to think you can hire a group of major gift officers and expect them to be productive. You should do your homework. Make a plan; what systems do you need to track and understand their performance?"

### Personalizing your approach

No two journeys to high

performance are alike, and it takes perseverance and dedication to work toward advancing your philanthropy in an efficient way. The 2019 *AHP Report on Giving* gives you access to benchmarks for key fundraising metrics, such as data points like return on investment and cost to raise a dollar, net fundraising revenue and funds raised per full-time employee—all of which can be used to inform your strategy, identify areas for improvement and plan with your board and your C-suite partners.

This report is available now for both the United States and Canada by visiting [www.ahp.org/rog](http://www.ahp.org/rog). To learn more about the rest of AHP's high performers and how they stacked up to their peers, visit [www.ahp.org/highperformers](http://www.ahp.org/highperformers). 



Jasmine Jones is manager, research and insights, at AHP.

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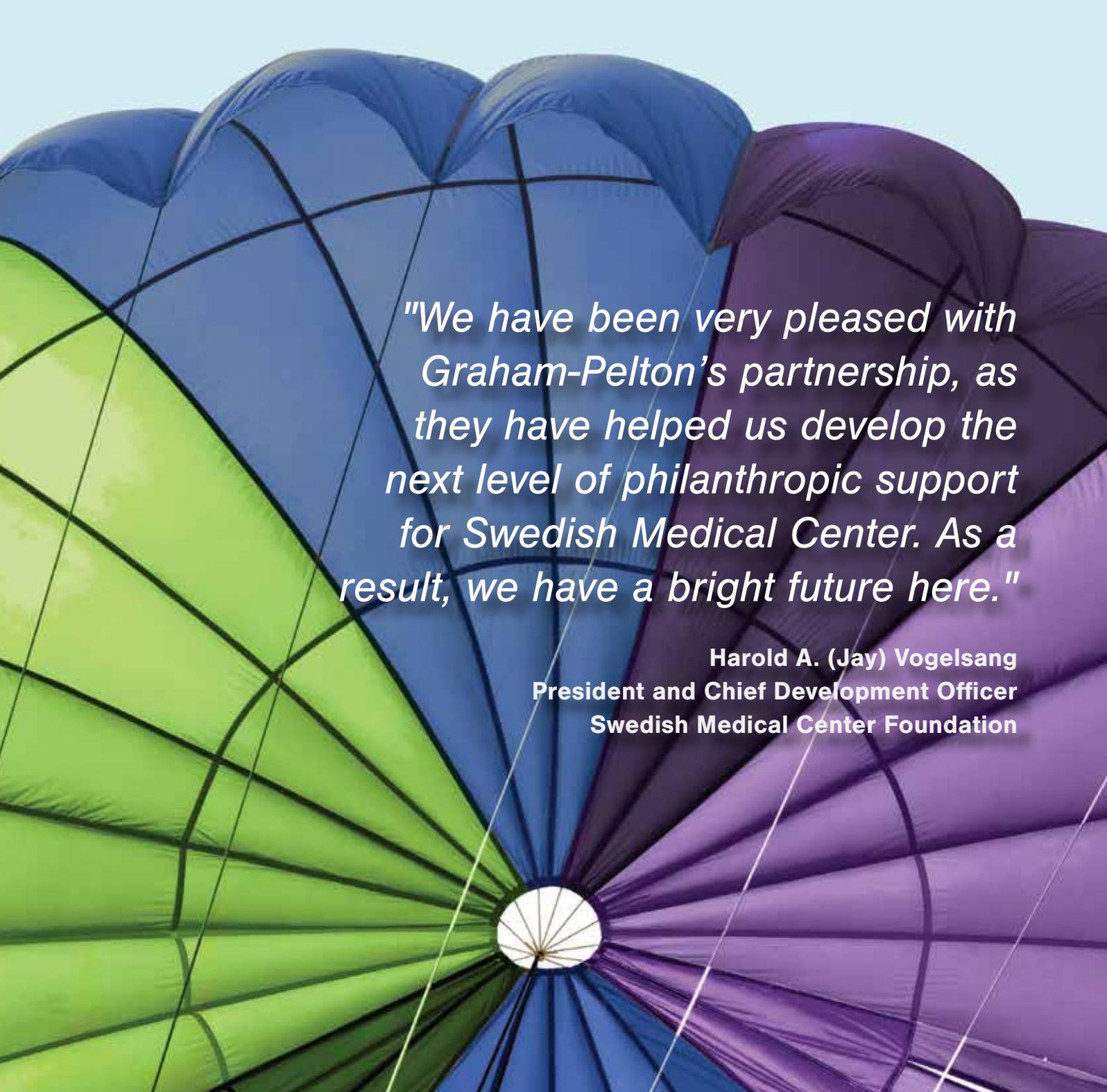
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*"We have been very pleased with Graham-Pelton's partnership, as they have helped us develop the next level of philanthropic support for Swedish Medical Center. As a result, we have a bright future here."*

**Harold A. (Jay) Vogelsang**  
President and Chief Development Officer  
Swedish Medical Center Foundation

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