Closing Time

Fundraisers have a responsibility to close gifts. It's not always easy. It can take hard work to close a gift, particularly larger gifts that oftentimes come with greater complexities.

The calendar year can be a tool to help us close gifts because some donors wait until year-end to make their charitable commitments. Fiscal year-end is also an opportune time to close gifts, if your fiscal year does not coincide with calendar year-end. Fiscal year-end motivates fundraisers to close gifts since we hope to close as many gifts as possible to help our organization reach its fundraising goals and objectives for the fiscal year. Most donors understand the importance of a fiscal year-end for a non-profit organization and many will try to cooperate with our request and its timing. Ultimately, both donors and we value these contributions since they can be put to work for our organization and help people and the world for the better.

There comes a time to close a gift when it is neither the fiscal nor calendar year-end. How do we know that it is the appropriate time to close a gift? One indication is that you may have had discussions with the donor about the gift, its purpose and what the donor hopes to accomplish with your organization with their gift commitment. Another indicator is that you've clarified the size of the gift, how the gift will be given – whether outright, deferred or a combination of the two. The donor has decided whether the gift will be made outright or over a period of years. Once we arrive at this point, it's time to document the gift. It is necessary to do so because a verbal promise is insufficient.

Someone may tell us sincerely that they want to make a gift but if we don't close the gift, we run the risk of that gift never being fulfilled as stated. Because donors have unique circumstances, their lives are ever-changing. If we wait too long to bring the gift commitment to conclusion, the well-intentioned donor may change their mind and either delay, decrease the size of the pledge or not make the gift at all.

Closing a gift is the most difficult part of the solicitation process. Our donors can be terribly busy and oftentimes, while they want to make a gift commitment they may be traveling a great deal or so preoccupied in their business pursuits that the competition for their time and attention is intense. While they are willing, they are just so incredibly preoccupied, it's difficult for us to close their gift. If it's a more complex gift, the donor may have attorneys, financial advisors and/or accountants involved. They may have a foundation board, a corporate board or family members with whom they must engage before they finalize their gift. Sometimes we underestimate what is required of a donor to put together the gift. We may be asked to liaison with those they are working with to assist them with making the gift. We must work with all these challenges as representatives of our organizations, and closing such gifts are not always easy but it is our job to do so.

Here are four simple strategies that I have used to close gifts. I hope they are helpful.

First, you may want to remind the donor of what motivated their desires to make a gift in the first place. Focus upon the purpose and future impact of the gift. Use stories and vivid descriptions. Tell them what their commitment will enable your institution to accomplish. Make it as clear as possible.

Second, describe to the donor how their gift can be catalytic and motivate others to give generously in turn. I would explain to the donor that, with their permission, I will challenge others to step up and make a gift like their own. It is powerful to use the examples of the gifts of others to influence and challenge additional prospective donors. This can help create an expectation for the prospective donor to do likewise. One gift begets another. When a donor realizes that their gift is also an act of leadership for your organization, they may find this to be quite compelling.

Third, draw upon others to help you close a gift. Is there a volunteer that helped make introductions for you with the donor in the first place whom you could redeploy to help you? Is there an executive or team member of your organization with whom you work or an influential board member? Such leaders can help bring a gift to resolution.

Fourth, I've asked the donor to take an intermediate step to bring their gift commitment to closure. For example, if the gift under consideration is rather complex, it might necessitate the donor to revisit their estate plans which could lengthen the time to close the gift. If their intention is clear, many times I have asked them to put their intentions in writing, even though details remain to be ironed out. I explain that by doing so, with their permission, I can leverage their intentions when speaking with others.

To make this as easy as possible, I propose to send an email to them summarizing their intentions as I understand them to be. By confirming the email is an accurate summary of their gift intentions, this email exchange serves as an acceptable document that empowers our organization to record the pledge and reference the commitment when engaging with other prospects. This is very powerful method and many donors agree to help in this way. And, in turn our institution can use a new story of yet another donor stepping up to make something great happen.

These four strategies work. I encourage you to think about them and put them to use to close gifts. It is greatly satisfying when a gift is finalized. It is our job, whether it is easy or taxing, to close gifts for the benefit of the donor, and for the benefit of our organization and the fulfillment of its mission.
There is no need to feel like you are being a pest when you are being persistent. It gets frustrating when a gift doesn't close as quickly as you hope. Stick with it!