

HOW TO IDENTIFY QUALIFIED PROSPECTS

A For Impact Training Seminar

Date: Thursday, October 25 @ 3:00 - 4:15 ET

Toll Free: 800-377-8846

International: 302-709-8424

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Access Code: 80510607#

To ask questions during the
conference, email: wow@forimpact.org

Schedule:

2:50 - 3:00 Sign On

3:00 - 3:45 How to Identify Qualified Prospects

3:45 - 4:15 Q & A and Custom Strategy

Register for free Weekly Online Wow ideas at www.forimpact.org/membership

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Call Outline

2:50 - 3:00 Sign On

3:00 - 3:45 How To Identify Qualified Prospects

Introduction

Overview For Impact Message

Acres of Diamonds (story)

Prospect Focus

- Return on Energy
- Lions, Mice & Antelope (story)

Definition: Qualified Prospect

Process

1. Identify

- Sources
- Ideal Profile
- Ideal Profile examples

2. Prioritize

- Top-Down
- Master Prospect List

3. Strategize

Intro to the Sales Process

FAQs and Application

3:45 - 4:15 Open to Q&A and Custom Strategy

Acres of Diamonds

All we ever hear in our coaching and consulting with nonprofit organizations is, ***“How do we find new prospects???”*** Many of these top prospects are most likely ***“sitting right in front of you” ... right now!*** (Not literally, but pretty close!)

Russell H. Conwell wrote ***Acres of Diamonds*** which includes three stories very relevant to the search for prospects:

1. An old Persian farmer, who desperately wanted diamonds, sold his farm, collected his money, left his family and went off in search of diamonds and riches. The man who purchased the farm led his camel into the garden to drink and as the camel put his nose in the shallow water of the garden brook, he ended up discovering the diamond mine of Goolconda.
2. In 1947, a man who owned a ranch in Northern California heard there was gold being discovered in Southern California. He sold his ranch to a Colonel Sutter and went away to search for gold and riches and never came back. Colonel Sutter put a mill on that stream and one day discovered flakes of gold in the spill-off ... which started the California Gold Rush.
3. In Pennsylvania, another farmer sold his farm to go take a job with his cousin looking for coal oil in Canada. The story goes on but according to the county record, he sold his farm for \$833. The new owner found oil right on the farm, worth hundreds of millions of dollars.

Prospect Focus

Focus On Relationships!

It's all about your RETURN ON ENERGY

97 / 3

97% of the _____ comes from 3% of your _____

Think BIG!!

Think (even) BIGGER ... all the money in the world!

100 Million volunteer leaders / investors (US)

\$100 Billion opportunity (according to McKinsey)

\$100 Trillion transfer of wealth over the next 30 years

Definition: Qualified Prospect

A QUALIFIED PROSPECT HAS
BOTH CAPACITY AND RELATIONSHIP.

Relationship = (any of the following)

- To the organization (your case)
- To the cause
- To the project, priority or program
- Region
- People in the organization

Qualified Prospect: A Process

1. IDENTIFY

- 'LOW HANGING FRUIT' (GOLD, DIAMONDS & NEW PROSPECTS)
- IDEAL PROFILE
- REFERRALS

2. PRIORITIZE

- The KEY TO SALES SUCCESS: _____
- RATING = CAPACITY + RELATIONSHIP (TO OUR CAUSE)
- TOP 3
+ TOP 10
+ NEXT 20

33

(You only need 33 great relationships to completely change the way you do business!!!)

3. STRATEGIZE

- KNOWLEDGE BASE (Capacity, Relationship, Timing, Gift History, Philanthropic Profile)
- STRATEGY CHECKLIST (See appendix)
- PRESENTATION CHECKLIST (See appendix)

Ideal Profile

Action: Develop an ideal prospect profile and share with champions, board members, current investors and connectors to identify qualified prospects.

EXAMPLE I: Road of Life Prevention for Kids

Develops and shares a health curriculum for kids.

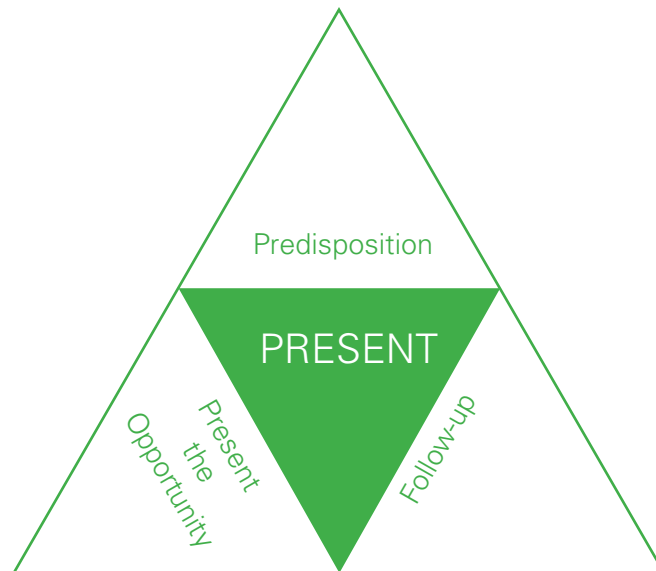
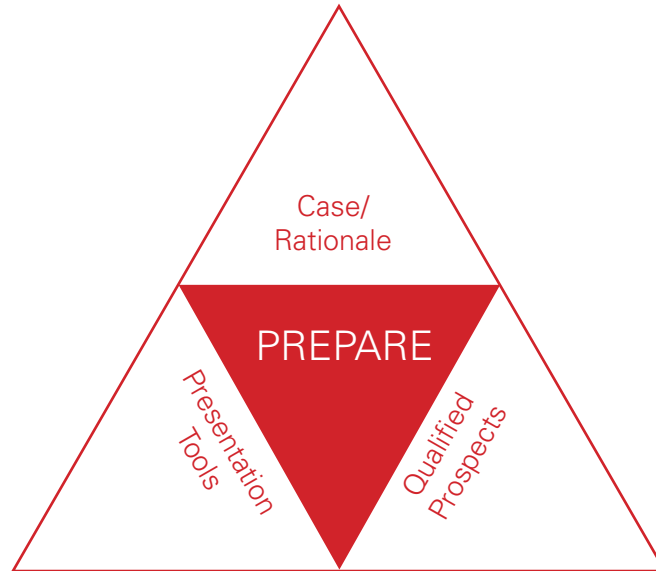
- Has capacity
- Entrepreneur (ROL is a start-up)
- Directly impacted by cancer - possibly a child with cancer
- Cause issues: Kids, Education, Cancer, Health / Child obesity
- Project-related ties:
 - Technology (ROL uses open source to share solution)
 - Publishers (ROL publishes curriculum)

EXAMPLE II: Appalachia College Access

Helps high-school graduates get to college (first generation)

- Has capacity
- Ties to Appalachia but probably living somewhere else
- First-generation college
- Female or entrepreneur (overcoming hurdles)
- Could be identified by relationship with colleges
- Cause issues: Kids, Education, Workforce Development, Minority or disadvantaged populations.

For Impact Sales Process



F.A.Q.

Q. What do we have to do before we can ask for money?

Keywords: Prospect Strategy, Cultivation, Discovery, Predisposition

Q. Is a good strategy to “ask the person to be on our board”?

Keywords: Role of the board, Prospect Strategy

Q. What if we don't know our best prospects? Are they still good prospects?

Keywords: Qualified Prospect Definition, Natural Partners, 2° of Separation

Q. Where is the best place to find out information about the prospect? How should we use wealth screening engines? How much prospect research should we do?

Keywords: Prospect Strategy

Q. How do we know when to ask?

Keywords: Attitude, Prospect Strategy

F.A.Q. con't.

Q. How do we incorporate giving history into building our master prospect list?

Issues: Sales

Q. How much should we ask for?

Keywords: Master Prospect List, Funding Plan

Q. How should we handle 'donor-management' strategy and a 'donor-management database?'

Keywords: Simplicity, Focus, Relationships

Q. Who should we go to first?

Keywords: Master Prospect List

Glossary

Capacity:

The financial ability to make a high-level gift. Generally speaking, we use a scale of 1-5 with 5 being the ability make a \$1,000,000+ gift. Capacity is not a measure of what you believe the prospect will give. It is what the prospect could give if timing and relationship were perfect.

Note: Measures of capacity are subjective and you should always go with your highest rating.

Master Prospect List:

A list of your most important prospects (including current relationships) in descending order of importance. Rating factors such as capacity and relationship determine the position on the list. Factors such as personal relationship and accessibility do not weigh heavily on the list. Having a Master Prospect List helps you determine where and how you should focus your energy. Your Master Prospect List also helps you determine the dollar amount of 'the Ask'. By definition, your number one prospect should have the top ask.

Natural Partner:

A person who can help you open the door (predisposition) to visit with a prospect. This does not have to be a board member (and often is not).

Predisposition:

Everything you do in advance of the presentation so that you are not making a 'cold call'. You are predisposing them to the prospect, the organization, 'the cause', 'the sales team', 'the ask', etc.

Glossary, con't

Presentation:

The one-on-one (or small group) setting in which you share your cause and present the opportunity for the prospect to make an investment. Often, this is 30-60 minutes in duration.

Presentation Team:

Those who will be involved with or on the presentation visit.

Prospect Name:

This is the 'true prospect' and it has a huge influence on strategy. Often, sales teams focus the strategy on the person they are meeting with who is not necessarily the 'true prospect'. One example: You're meeting with an entrepreneur and talking about the business when the true prospect is the family. (Sometimes the true prospect is only discovered during the visit.)

Qualified Prospect:

A prospect (individual, family, corporation or foundation) that has both capacity and relationship.

Relationship:

This is a measurement of the connection to your organization or the cause-for-support. The Relationship could be with the organization, the cause, a specific project/priority/program, etc. Generally, a personal relationship can be noted, but you are looking for reasons why the person would want to give to your cause. Connections to the cause make a much stronger case than personal connections. Generally speaking, we use a scale of 1-5 with 5 being the strongest possible relationship.

Note: a prospect could score high in relationship to the cause (5) and have no personal connection. This still makes him/her a wonderful prospect.

Glossary, con't

Relationship Manager (RM):

The person inside your organization who takes responsibility for the relationship (process, strategy, documentation, etc.) This is not always the person making the presentation.

Visit:

Any time you are with the prospect. A presentation is always a visit. A visit is not always a presentation.

Appendix Table of Contents

APPENDIX A

Strategy Checklist

APPENDIX B

Presentation Checklist

Appendix A

PROSPECT STRATEGY CHECKLIST

Prospect:_____ Champion:_____

Knowledge Base:

- Capacity
- Relationship
- Giving History

Natural Partners (other important relationships):

Rationale for Support / Areas of Interest:

Possible Objections:

Relationship Goals:

- 1.
- 2.
- 3.

Predisposition Action:

Presentation Notes:

- Timing Notes:
- Ideal Presentation Team:

Misc Notes:

Appendix B

PRESENTATION CHECKLIST

Prospect Name: _____

WHO ... needs to be there (Presentation Team)

WHAT ...do we want to accomplish (Goals)

ROI: (Return On Investment) for this project

POTENTIAL CHALLENGES (objections) ... and responses

WHERE ... BEST place for “visit” (Start at our facilities)

HOW ... will we predispose

WHEN ... is the best time

FLOW ... of the visit

PRESENTATION TOOLS ...

POSSIBLE PROJECT/PROGRAMS ... (no detail, just overview)

NOTES: