



# Development 101: The Stages of Giving

## The History of Development and Fundraising

“Development” is the thoughtful process of building relationships that advance an institution’s mission over time, including setting goals to raise funds to accomplish that mission. When relationships are developed with care, donors make gifts that truly help the cause rather than offering gifts that divert from the mission.

“Fundraising” is the process of asking for and obtaining funds to advance a cause.

Charitable giving has existed as long as people have interacted in their communities, and has enabled communities to create NGOs, hospitals, schools and universities, and encourage arts, research, and networking.

### Every Gift Matters

*Gifts at all levels make a difference. Large capital gifts may have transformational impact. Annual giving at more modest levels promotes participation and demonstrates the breadth of philanthropic support by members of a community. Small gifts may lead to large ones, when the donors are thoughtfully stewarded!*

## The Five Stages of Giving



1. **Identification:** Find prospective donors (“prospects”)
2. **Interest:** Determine whether the prospect has any link to your cause
3. **Involvement:** This is the longest stage: Cultivate the prospect and Engage them
4. **Solicitation:** Ask for a specific gift – Sell the need!
5. **Stewardship:** Thank the donor in every possible way – with reports, events, and concrete ways so they may see the results of their gift.

The five stages run in a continuous cycle: a gift that is properly stewarded leads to the process of identifying a further gift from the donor to the institution, and to the deepening of the donor’s relationship to the cause, and to the advancement of the cause.

## Why do people give?

- Rewards and Recognition
- Access to fascinating people and fun events
- Strong belief in the cause or the people who direct it
- Desire to make a difference in their community and in the world
- Urge to give back to society
- Sense of Belonging
- May wish to remain ANONYMOUS but still effect change
- May give for tax benefits, but this is not the sole motivator.