

Stewardship Forum

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Stewardship Tools for Fundraisers : Giving Matters

Title: Six Marks of Effective Giving

Author: Notes from The Gathering website

Last year, The Gathering (*a US based organisation that encourages affluent Christians to be good stewards of all their resources*) convened a group of major donors and Christian ministry leaders from around the US to talk about how to define effective giving. What made the conversation unique were the candid insights from the various ministry heads about their experiences with effective and ineffective donors.

At the end, we condensed the conversation into six marks of effective donors, which are presented below:

1. **An effective donor takes a long-term perspective** and is willing to make the commitment to learn about issues and organizations through study and personal interaction. Great donors know the importance of time and experience. Ministries are more than willing to be a part of your "learning curve" if you let them know that you are not looking for easy answers or quick solutions. Once you have the respect such competence brings a whole new level of opportunities opens up to you. Peter and Gail Ochs and Rob Martin at FirstFruit have developed such a reputation for long-term commitment and innovative partnerships with ministries.
2. **An effective donor has developed a particular passion** that is personal and a style of giving that suits them. One of the great temptations of inexperienced donors is simply to copy the practices and procedures of veteran donors. While there are things to be learnt from them, the best donors develop their own unique style of funding and become comfortable with it. As well, instead of being all over the map or responding to every request, the best donors come to an understanding about the areas of their particular passion and work to make a difference there. They tend to say "no" by learning how to say "yes" to the right things. Dennis and Eileen Bakke and Craig Nauta at the Mustard Seed Foundation have a style and passion that have been refined over the years and from the very start been more entrepreneurial than many foundations— and it works.
3. **An effective donor builds genuine relationships** with organizations even though it is difficult. There are enormous pressures on donors and organizations to play games, manipulate, and create barriers. The most effective donors are those who have learned how to pursue and cultivate genuine relationships in spite of the pressures and difficulties that are always there. It is hard work and requires honest communication and trust, but makes for productive grants long term. Marty Moore at the Moore Foundation in Indianapolis has worked with numerous organizations in this way.
4. **An effective donor prizes accountability** and has regular reviews with the representatives of the organisations he or she supports. We have all heard about one way accountability where the ministry is accountable to the donors but there is an increasing number of donors who believe two way accountability is even healthier. The question "Did

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"we do what we said we were going to do?" is appropriate for everyone and keeps donors from making different rules for themselves than they do for the ministries. Nothing is more valuable than consistent communication and reporting between donors and ministries. Ron Williams at Cornerstone Trust is a great example of staying in touch and being clear about expectations.

0. **An effective donor is focused and works to get good at a few things.** The best and most respected donors develop a particular competency for which they are known. They do not try to be competent in everything. They develop a reputation for being a great resource for other foundations as well. If you want to know about public policy funding you talk with Steve Ferguson at Fieldstead. If you want to know about ministries in the Northwest, you touch base with Cary Paine at Stewardship.
0. **Finally, an effective donor has integrity** by telling the truth and honouring commitments. It is easy to lead a ministry along and then pull the rug out when things do not go exactly your way. It is easy to make a multi-year commitment and then lose interest in the project and create an excuse for withdrawing support. Typically, ministries are intimidated by the power of foundations and will feel powerless to say anything. The donors most respected by ministries and their own peers are those whose word is their bond and who do not need a contract to enforce their commitments. The Maclellan Foundation's reputation for honesty, forthrightness and long term commitments during hard times is a great example for any donor to study.

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