

Newton and the Zen of Planned Giving

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One of the few lessons I remember from my high school physics class is that a body, once set in motion, will stay on course, moving in the same direction at the same speed, unless its direction or velocity is changed by some external force. This is a message that has guided scientists and practitioners from Newton, who first promulgated his laws of motion while sitting under that apocryphal apple tree, to the Kung Fu masters, who understood that is far easier to use an opponent's momentum against him than to try to counter that force with one's own.

The other day, as I was running through the chilly Pennsylvania countryside, I began to wonder (as I sometimes do when out running) whether this same law might apply in a more figurative way to the ways in which our charitable organizations "do" planned giving. Momentum, it strikes me, guides our organizational, and probably our personal, lives just as much as it governs the ways in which physical motion tends to remain stable unless we exert force to turn or stop it.

Momentum in organizations usually shows up as resistance to change. And often putting together or building a strong planned giving program means inserting change into the process. Maybe Newton—or Bruce Lee and Jackie Chan—do indeed have something to tell us about how to bring meaningful and productive change to a development organization through renewed or revitalized planned giving.

Change, of course, can often produce positive impact and even develop a new momentum of its own. And sometimes the effort needed to effect change is worth the energy expended. Momentum can be altered, refocused and redirected. Even in such cases, I would argue that we should try to redirect existing momentum as much as possible before trying to stand directly in its path and hope to stop it in its proverbial tracks. Redirecting can often bring success, especially as it is done in steps, while standing in the way, even if we are right, can lead to getting run over and accomplishing little except slowing the momentum that we are trying to refocus.

Signs of Static Momentum

1. We have always done it this way.

How often have we encountered organizational momentum in these words? Changing the "way we have always done it" is sometimes much more difficult than it seems it should be. Human beings are generally creatures of habit; that is, we develop "accepted" methods of behavior, or even of thinking, and we come to view these patterns as "right" and "natural." By extension, anything that is different is "deviant" and the evidence we must muster to introduce different

behavior must be overwhelming. Thomas Kuhn, in his famous study of scientific revolution and change, notes how resistant scientists have often been to changing their views of the universe, even in the face of significant evidence. Why should development professionals be any different?

Let's take a simple example. Many charitable organizations have and have had vibrant Charitable Gift Annuity programs for decades. If well managed, these programs can bring thousands or even millions of dollars of new money to the charity over time and often can turn regular donors of small amounts into major donors. But deciding to start a CGA program can be daunting, especially if an old-time development officer or the CEO or, even, a board member says it is "too risky." We have a client that started a CGA program a number of years ago but did so half-heartedly, has few actual contracts in force, and used as its only marketing a couple of mass mailings—no follow-up, no analysis of the donor base, no market segmentation, and especially, no personal contact by development professionals. This experience convinced the organization that "we tried it and it didn't work." Another client has looked longingly at organizations with which it competes who have successful CGA programs, but they have an attorney on their board who sees her job as "protecting" the institution and who read somewhere in the Wall Street Journal or heard some TV pundit pronounce that CGAs are risky and that all CGA programs are "under water."

So what can we do? Just as a martial arts professional will be quick to demonstrate, one way of overcoming institutional "we have always done it this way" momentum is to retell the institutional story. Rather than try to argue that the old way is incorrect, we can remind our colleagues that maybe we *have* been doing planned giving; we just haven't called it that. In its simplest form, we can think about a bequest program. Almost every organization has had an unexpected bequest over the years. We can remind our colleagues that that bequest really *did* benefit both our mission and our numbers and that talking to others about bequests really built on the momentum we already have. In this way, we can help to build a new story or augment the story everyone agrees on and incorporate at least some of planned giving into the "way we have already done it."

2. We tried it before and it did not work

Nothing kills initiative more quickly than this kind of negative momentum. Who wants to repeat a "mistake"? And what new employee wants to challenge the seasoned staff? Besides, what if the one foray into the realm of a complicated gift turned out to be a disaster: what if that real estate gift someone took a risk on turned out to be a white elephant we could not sell and ended up costing us more to maintain than it was worth?

So what is the response? Telling the old guard that they did not do planned giving right in the first place or that they did not give it a chance to produce results or that they expected returns too quickly usually produces just resentful silence and little change. Rather, we might build on the message that planned giving is a good way to respond to today's changing economic

circumstances; in other words, change the context. In that way, we are not saying “you were wrong before” but rather “it was the wrong time” (even if in fact the organization really did *not* do it right, or did not give planned giving a chance, or starved the program of resources). Even the real estate market fluctuates and putting together (*with* other colleagues) a good real estate check list might help to give confidence to everyone that the time is right to try it again.

3. It is not a good time

The argument we just mentioned notwithstanding, some organizations will always believe that the time is not right to introduce a new program. Donors are always “feeling uncertain,” or “don’t want to commit” or “have fundraising fatigue.” Financial markets are always “not as good as they could be.” And these days a new political crisis every other month seems to paralyze both donors and institutions alike.

Of course, there is never a perfect time for a campaign or a new development initiative. And some donors will always find a reason not to commit if they in fact are not ready to commit. Often we can turn this argument, however, and, again, use the momentum of the “not a good time” perspective in a positive way by refocusing institutional energy on the reasons we are asking for gifts—the mission of the organization. There is never a *bad* time to emphasize the mission. Furthermore, we can usually find other organizations that have similar missions that have vibrant and successful planned giving programs, particularly when we point out that donors might respond to a conversation about planned gifts even if they feel uncertain about current gifts of cash.

New Sources of Energy

These strategies notwithstanding, we sometimes need to try to redirect institutional momentum. What are some of our most important tools?

1. Staff

New staff members sometimes have a honeymoon period in which they can try new things--especially if the new things they try do not jeopardize the initiatives already in place or threaten the existing processes. So, if you are new to an organization, learn all you can about the institutional “culture,” to be sure, and be respectful of the institutional momentum with which you are working, but do not be afraid to suggest new ideas that can complement or build on what is already there. Sometimes, adding a simple bequest program or talking about new ways of giving like percentages of retirement plan assets can provide a beginning for a planned giving program that can grow over time and become part of the institutional momentum.

2. Becoming part of a campaign

Campaigns are, in many ways, nothing more than organizational excuses to have conversations with donors that we would otherwise not have—about institutional priorities, about larger and more creative gifts, about urgency or commitment. And bringing planned gifts into campaign planning is a wonderful opportunity to build on the new momentum that campaigns naturally bring. Campaigns, by definition, are different from the “norm,” so planned giving that is new can easily become part of the new “norm” that is inherent in a campaign. Often consultants are assumed to accompany campaigns and can offer ideas that have worked at comparable institutions.

3. Studying the competition

The United States is an entrepreneurial society, and citing the successes of competitors often can mobilize change better than any internal initiative. Every organization has competition, or at least has organizations in other locales that have similar missions. And, no matter what our mission might be, some of those other organizations have strong planned giving programs. Studying their successes and citing “best practices” is a powerful way of overcoming the initial inertia that might plague our institutions. Sometimes staff members with longer tenure can be moved not by new staff members per se but rather by colleagues from other institutions. Gathering comparison data, asking for an audit of the planned giving program from an outside agent (a qualified consulting firm or a colleague or two from other comparable institutions) can give credibility that the new staff member alone cannot muster. And conferences and workshops can and should be fertile ground for new ideas. We strongly believe that all development officers should take part in or, even better, present at at least one national conference or workshop each year for just that reason.

4. Building upon new leadership

Leaders—new CEOs, new vice presidents, new chief development officers, new board chairs—can often become important allies in changing the direction of organizational momentum. Most new leaders want to establish a mark, to do things differently and, presumably, better than their predecessors. The energy of the new leader is already in play, and working with that new leader to create a new or more energetic planned giving program can be often exciting and successful. New leaders love benchmarks and best practices, so approach #3 before approaching a new leader.

Maybe my old high school physics teacher had more to teach me than I thought at the time, after all. And maybe that martial arts class that I dabbled in twenty years ago carried a lesson that the sensei did not articulate directly. We all face institutional momentum that is difficult to turn if all we do is try to force change. Instead, if we try to redirect the momentum in more constructive ways, to shift the direction instead of trying to oppose it, and we use the new energy that our leaders, our competition, or our campaigns naturally bring to advocate for and revitalize our planned giving programs, we might find ourselves both more successful and more energized—and less frustrated.

