**Investment & Partnership Protocol Guide**

**Purpose of this document:** a summary of the key pieces of information presented in Chapter 5 to remind users of the information needed to operate the Investment & Partnership office. It contains the variables, measures and processes to structure the database, collect and record fundraising information and report and track results for continuous improvement.

## Define investor type & relationship stages

Select a letter and number to represent the type of investor/partner and the stage of the relationship. Your own segments may vary. The relationship stages are universal.

F: foundation C: corporation I: individual A: agency S: services V: investment

***code stage description***

1 acquire confirmed capacity, affinity, contact info

2 build trust relationship building contacts

3 propose proposal submitted--written or verbal

4 accept proposal approved, no funds given

5 deny proposal declined

6 report cash in hand or pledge/contract documented

## Identify prospects

Add prospects to the pipeline. Guidelines on selecting prospects are below.

Individuals wealth scan; $1k+ at once; $10k lifetime; 5+ years consistent

Corporations natural partners; co-brand candidates; personal connections

Foundations outsourced & professionally researched

Agencies program specific

Service Clients program specific

Impact Investors program specific

## Choose an investment goal for every prospect & weight it by stage

* 1. Start with 2x – 10x of past gifts based on affinity level or best estimate of investment capacity.
  2. Avoid analysis paralysis and extensive research. Continuously seek new knowledge from the prospect. Don’t let WAGs stay WAGs.
  3. Update $ goal, % likelihood, and close date as the relationship matures.
  4. Assign these weights by stage:

5%: use this conservative rating for all Stage 1 prospects.

25%: use this higher weight if conversations in Stage 2 go well.

50%: advance to this weight if the prospect is in stage 3 and proposal looks likely; if a proposal is active but less certain, keep at 25%. (50% is typically the right rating for prospects with a history of affinity and investment.)

75%: for Stage 4 prospects (never forecast absolute certainty)

## Establish direct responsibility for each prospect

The Relationship Manager (RM) is the individual directly responsible for the quality, number and consistency of all contacts and the overall maturation of the investor relationship. The RM provides “air traffic control,” coordinating all communication and contacts and is also responsible for the fidelity of the CRM data.

## Define & record your contacts

Define: A “contact” is a substantive, personal, one-on-one conversation between a board or staff member and a prospect or investor that deepens the prospect or investor’s understanding of the organization and how it aligns with the prospect or investor’s own goals and ideals. Record contacts:

1. Within 24 hours of occurrence
2. Only substantive interactions: face-to-face is best, phone is next, email is rare
3. Succinctly:
   1. what was discussed
   2. why it was significant to the relationship
   3. how it affects the proposal under consideration
   4. next step and date
   5. any change in investor stage
4. Each Investor must receive at least three Stage 6 Contacts.

Sample Contact report: “I met with Susan today to discuss her feedback on the business plan. She is positive overall but remains concerned about our program overlap with partners. I invited her to meet with our executive team and then see the work in action. Next step: propose a site visit in the next 3 weeks. Marsha to invite Jack to follow up.”

## Define activity levels

|  |  |  |
| --- | --- | --- |
| **Establish expectations** | | |
|  | Board | 1 per month |
|  | Advisory | 1 per month |
|  | CEO | 5 per week |
|  | Director | 5 per week |
|  | Officer | 15 per week |

|  |  |  |  |
| --- | --- | --- | --- |
| **Contacts per Investment** | | | |
|  | Identification contacts | 2 |
|  | Cultivation contacts | 10 |
|  | Solicitation contacts | 3 |
|  | Stewardship contacts | 3 |
|  | **Total** | **18** |

## Add fields to your CRM; produce spreadsheet with these fields

**Investor type stage proposal weight RM close contact next step**

Dan Smith I 1 $50,000 5% Jeff 10/15 [text] event 6/2

Fran Hart C 2 $75,000 25% Sue 12/1 [text] meeting 6/7

Jin Lee C 2 $25,000 50% Sue 9/1 [text] proposal 6/9

Jo Vasquez A 3 $100,000 75% Hank 10/1 [text] call 6/25

## Convert list to pivot table; add KPIs and produce your biweekly pipeline report

***1 2 3 4 5 6 totals:***

Individuals 55 15 10 5 2 10 ***97***

Foundations 2 3 1 0 0 2 ***8***

Corporations 1 4 0 2 1 3 ***11***

Agencies 0 0 0 0 0 0 ***0***

Services 0 0 0 0 0 0 0

Investors 0 0 0 0 0 0 ***0***

**Jun 15: *58 22 11 7 3 15 116***

*(30-May) 43 20 9 8 7 15 102*

*(15-May) 23 15 6 2 6 10 62*

*(1-May) 10 11 2 1 2 3 29*

**$ by stage: $4,950,000 $1,475,000 $1,200,000 $750,000 $250,000 $1,450,275**

**Simple KPIs** (start now)**: Advanced KPIs** (6+ months of data):

revenue vs. goal: 25% • conversion by stage

# contacts this period: 47 • conversion by officer

# potential contacts: 90 • investment distribution

• annual loyalty

## Track pipeline & KPIs on dashboard

## Create cadence of accountability with biweekly meeting

Purpose Review pipeline & projections and measure the quantity and quality of our activity. Review top prospects. Brief ED. Function as a team.

Frequency Every other week. Choose a specific day and time (1st and third Monday at 9 am); set the calendar for the entire year.

Duration 30 minutes. 5 minutes early is on time. On time is late. Late is inexcusable. Keep it crisp, concise, focused.

Attendees Executive Director, Investment & Partnership Officers (IPOs), Database Coordinator, others involved in Investment & Partnership work. Rotate in other staff to foster team play.

Materials Both scorecards; Individual Pipelines. Everyone sees everyone else’s pipeline.

Agenda Go around the room—5 minutes each attendee

1. Look backwards: how did I do the last 2 weeks vs. my expectations?
2. Look forwards: what are my priorities, but qualitative and numeric, for the next 2 weeks?
3. Who are my most important 3 prospects right now? What’s the best approach? How do I engage the ED and the board?
4. Consult the team: here are my top questions—on strategy, on our goals, on our next steps, on working together

Culture Keep it professional, supportive, inspiring.

1. Talk in headlines; avoid details unless critical
2. Don’t beat people up with the data. Everything is glass half full. How can we support each other and win?
3. Bring the fire. If this meeting is boring, something is very wrong.