

DOUBLE PRODUCTION IN FIVE YEARS:

A CASE STUDY OF PASTORAL/SERVANT LEADERSHIP PRINCIPLES

DRIVING TRANSFORMATIONAL INCREASES IN GIVING

The Salvation Army Eastern USA Territory (TSAE) is a one of four US Territories, serving 4 million people in 2022 with 7.3 million meals, 1.4 million nights of lodging, 276,000 disaster-related services, 71,000 camping experiences, and other important ministries. The diverse avenues of support, including the familiar Red Kettle, mailings, digital fundraising, and dedicated major gift and gift planning (GP) professionals, sustain this expansive ministry.



As an ordained minister and seasoned fundraising professional, I serve as the Territorial Director of Gift Planning, leading a team responsible for generating \$70,000,000 annually in planned giving commitments and current gifts.

Recognizing that pastoring involves more than preaching, this session illustrates the parallels between pastoral care and leading a team of gift planning professionals. Applying principles of pastoral/servant leadership, we will explore how a pastor's heart can guide a fundraising department to double gift planning production from 2022 to 2027.

I. Three Principles of Pastoral Leadership Applied to Fundraising Leadership:

1. Forgiveness: Embrace Imperfections

- a. Acknowledge the imperfections of your team; therefore, avoid expecting perfection.
- b. Recognize unique gifts in each team member; therefore, foster personal improvement without punitive measures.
- c. Draw inspiration from "The Lord is my Shepherd"; therefore, shape your leadership style as a pastor (shepherd).



2. Introspection: Reflect and Learn

- a. Examine personal shortcomings and avoid casting stones when others err; therefore, foster an environment of learning.
- b. Offer genuine praise and learn from mistakes; therefore, contribute to a positive feedback loop.
- c. Take responsibility for team failures and contribute to their improvement; therefore, acknowledge the importance of self-reflection.

3. Leadership: Navigate Hard Truths

- a. Acknowledge the inevitability of challenging goals, financial constraints, and legal parameters; therefore, guide your team to apply their understanding to overcome challenges.
- b. Help your team apply their experiences and education; therefore, remember the times they have faced hard facts about goals, policies, and laws they didn't write, and align with the overarching mission.
- c. Embrace the wisdom that there is a time for every purpose under Heaven; therefore, lead with a perspective that transcends immediate challenges.

II. The Challenge: Doubling Production Goals in Five Years



In FY22, TSAE set an ambitious challenge for major giving and gift planning teams to double their production goals in five years, by FY27, and achieve those goals. With a FY22 GP goal of \$50,636,000, that would require meeting a FY27 goal of \$101,272,000. This marked a significant shift from the previous four years, where goals averaged \$49 million and production averaged \$48 million, resulting in an average 98% attainment of each year's goal.

I illustrated how we could reach that goal by showing my team the numbers for a 15% increase each year as a guide. Planned giving people understand numbers and enjoy playing with them, so they understood that 15 times 5 is slightly more than 100, because of compounding. I explained that this was only one way of getting there and predicted that we would be higher and lower along the route. A 15% increase seemed doable since the team had achieved 122% of goal in FY21, and was ahead of that pace in FY22. However, we were going to take it one year at a time, and no division was being asked to accept goals for more than one fiscal year at a time.

III. Three Significant Changes in Gift Planning Strategy:

1. Focus on Real Wealth: Therefore, Embrace Non-Cash Assets

- a. Individuals hold 90% to 95% of their wealth in assets other than cash, but The Salvation Army has historically focused the majority of its fundraising efforts on cash, even in major and planned giving efforts.
- b. TSAE instituted a high-level Accepting Gifts of Non-Cash Assets Task Force which met from October 2022 through October 2023, producing new policies that were instituted in March 2024.
- c. The openness to discussing new policies helped the team start cultivating gifts of real estate, privately owned businesses, tangible personal property (beyond the many gifts for our thrift stores that have been a part of our tradition), intellectual property, etc.
- d. Gift planning fundraisers started exploring these types of gifts as soon as leadership signaled a willingness to work with them, even closing two real estate gifts under the old rules before the new policies were approved.

2. Focus on Larger Gifts: Therefore, Prioritize High-Impact Contributions

- a. When I started in October 2020, just after the close of FY20, I reviewed the numbers and saw that only 74 gifts of \$100,000 or more made up 75% of total FY20 gift planning production. We quickly moved from a previous focus on raising a large number of gifts to discussing what made the large gifts different and how some of our fundraisers had been successful in cultivating, soliciting, and closing them.
- b. More training on charitable trusts, insurance, and real estate led to an increase in these larger gifts.
- c. The number and total of \$100 thousand plus gifts in FY20 was 74 totaling \$38.5M, in FY21 there were 88 totaling \$38.8M, in FY22 there were 124 totaling \$61.4M, and in FY23 there were 188 totaling \$54.7M.

3. Focus on Current Results and a Longer Timeframe: Therefore, Acknowledge Long-Term Gains

- a. During FY21 I started displaying the fiscal year production goals and each division's achievements at newly established Monthly GP Team Meetings
- b. After not reaching 100% of goal for four straight years, the GP team achieved 122% of its production goal in FY21 and 144% in FY22. The uneven history of achievement makes it easy to understand why team members are reluctant to increase goals by 15% per year.
- c. Starting with the first monthly meeting of FY23, we started focusing on the "Three-Year YTD Average Cumulative Production." This number, calculated as a percentage of production for each of the past two fiscal years and current YTD production, evened out the larger gifts and recognized the long-term gains from the largest gifts over a three-year period.



IV. Continuing to Rise to The Challenge:

Year	Production Goal Challenge	Year
FY18	\$48,250,000	-4
FY19	\$48,000,000	-3
FY20	\$51,750,000	-2
FY21	\$48,250,000	-1
FY22	\$50,636,000	0
FY23	\$58,231,400	1
FY24	\$66,966,110	2
FY25	\$77,011,027	3
FY26	\$88,562,680	4
FY27	\$101,847,083	5

1. *TSAE GP is on track to exceed the challenged production, potentially doubling production by 2027. However, these increases need to become part of the annual goal setting if they are to be institutionalized and become part of the ongoing expectations for the department.*
2. *Therefore we need to apply healthy doses of Forgiveness, Introspection, and Leadership based on a servant leadership model to institutionalize and sustain these achievements.*



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