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“Suddenly There Are No Ceilings” | SVP Cleveland’s Donor Model

Posted by Cecilia Garza — January 11, 2017

When the recession hit Ohio, former SVP Cleveland Executive Director Linda Springer watched as new partner recruitment dwindled. She said farewell to a handful of longtime partners. Like the rest of the U.S., Cleveland crept closer to financial distress, affecting their affiliate’s pool of prospective partners.

“She kept running into wonderful prospective partners who would have had so much to lend the partnership but who had fallen on hard times,” explains Hilary Sparks-Roberts, current executive director at Cleveland.

“They or their spouse lost a job so neither of those earlier two giving categories — $2,500 or $5,000 — worked. So they just wouldn’t join.”

At the time, SVP Cleveland was made up of 50 partners. If they continued to have departures without the necessary incoming partners, Linda knew, any financial cushion that had been built wouldn’t withstand much longer.

“She raised the issue with the board,” Hilary recalls. “And the board thought, ‘Look, what if we create a pilot of 10 slots? And we make those slots available at $1,000 regardless of age?’”

Linda and the board had the idea that by getting rid of the two contribution levels, age limitations, and ceilings, SVP could reduce barriers on both sides of the spectrum.

The 10 slots were filled overnight.

“The pilot showed that the interest was there and that there were people of all ages for whom that level opened the door,” Hilary explains.

If done right, it also confirmed that changing their revenue model could not only restore their financial health but reenergize the partnership. Starting at $1,000, Cleveland’s Personally Significant Giving Model encourages partners and prospective partners to give at whatever is a stretch for them. With this donor model, those who can give more than $5,000 have a clearer opportunity to do so, a person who previously could not consider SVP now can, and a partner who runs into a financial snag doesn’t necessarily have to leave the partnership.

“Suddenly there are no ceilings,” Hilary says. “If a millennial or a nonprofit executive can initially manage $2,300 or $4,200, that is the equivalent of another partner with greater means giving $5,000, $7,000, or $15,000. Each is giving what is a personal stretch for them.”

Everyone has the same value, the same title and same vote. The model guarantees anonymity, and when you can increase, it’s understood you will.

The shift to the Personally Significant Giving Model wasn’t an instant success. Between 2012 when it was first implemented and 2014, Linda and Hilary continued to struggle to get their numbers back up. Cash reserves eventually slipped down to two months’ worth.

There were clearly a number of new budgeting challenges with the adopted model. In the past, it was easy to say when Cleveland needed 10 new partners at the $5,000 level. Without any ceilings and every partner giving a unique amount, budgeting and tracking trends became more complex.

But even before the shift in the revenue model, staff had no way of knowing if they were going to lose or keep a partner until they received a check or there was a conversation maybe a month or two before a renewal date.

So not long after Hilary became executive director, Cleveland initiated a four-month membership campaign which followed on the heels of a strong recruiting push all year long. As a result, the partnership increased from 50 to 80. Soon after, Cleveland also began sending out an annual pledge letter reminding partners of the giving model and asking them to consider increasing their pledge (whether mildly or wildly) at the beginning of each year.

“With the letter, rather than make assumptions, every year we reinforce our model and try to get commitments in writing,” Hilary explains.

The new canon to give whatever is a stretch to you and to increase your giving when you can has also amounted to more partners choosing to make monthly contributions instead of a lump sum on their renewal date. Because of this, Hilary says, Cleveland doesn’t have to put nearly as many resources into reminding partners of approaching renewal dates or overdue contributions.

“Some wouldn’t remember to pay their contribution on time, and we’d have to hound them,” Hilary says. “They’d finally pay it and by that time a reminder for the next renewal had to go out. That was just a nightmare, and so the monthly payments have been a lifesaver for us and a huge relief for many of our partners.”

Over the last two years, both the model’s ability to broaden their outreach combined with the lessons learned along the way have slowly flipped SVP Cleveland’s financial burdens inside out.

They’ve remained at or near 80 partners since the membership campaign. Cash reserves have grown from two months to between five and six months’ worth. And total partner contributions have grown by about 71 percent.

“It’s a lot of work,” Hilary says. “It’s not like it happens magically, but I think that the success of our approach thus far should reassure other affiliates who might otherwise consider this too great a risk.”

Before, the partnership was nearly split 50-50 between giving at $5,000 and $2500. Today, the giving levels cover the whole spectrum and accordingly Cleveland’s demographics have also shifted. In the past, the majority of the partnership were in their 50s. Now there are nearly the the same number of partners in their 60s, 50s, 40s and 30s.

“Some feared that this model would affect the skill pool,” Hilary says. “But it hasn’t at all. In fact, all of our millennials have incredible experience. They bring in wonderful networks of their own, vast skills, a sense of purpose, all of that and more.”

This has played out with more millennial and Gen-X partners taking on leadership roles as board members, lead partners or advisory team members.

There was also initial concern that partners would rush to decrease their contributions. But instead, the change has only fortified SVP’s already-egalitarian ethos. The rare partner who has reduced their contribution since 2012 has done so because of new financial hardships. And more often, partners are increasing their giving.

“The point is, this is philanthropy,” Hilary explains. “No one is making anyone give anything. It’s all an elective process. And people love the model, the mission, the impact they have and the personal relationships.”

Regardless of whether a partner is giving $1,000 or $8,000, true to the values of the new model, staff time and resources are equally invested in partners.

“I look at *all* the ways our partners contribute,” Hilary says. “Their financial contributions are essential, but so are their skills, their passion, their smarts.”

Sustainability, she says, is dependent on maintaining across the giving spectrum. At SVP Cleveland, 21 percent of partners give between $2,500 and $5,000; about 14 percent give more than $5,000; 21 percent give between $1,000 and $2,500.

“It has expanded our demographics in every way,” she says. “It has heightened our energy and broadened our networks. Our numbers have increased and presumably it’s because of the reduction in barriers to doing this work.”

It’s true that there are still barriers to becoming an SVP Cleveland Partner. $1,000 is still a lot of money. It’s also true that success wasn’t immediate. But the model has allowed Cleveland to more deeply integrate their values in the partnership.

“It built upon what has been our culture forever, one of immense appreciation, egolessness and egalitarianism,” Hilary says.

Want more details?

If you have more questions on SVP Cleveland’s Personally Significant Giving Model, or if you’re just looking for some tips on taking this back to your affiliate, feel free to contact Hilary directly at hilary@svpcle.org or 216.231.2300.

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