

# Dollars & Sense...



## ABOUT THE AUTHOR...

### LARRY JOHNSTON

Larry has spent over 40 years working on behalf of non-profit organizations. A well-known development and organization development consultant, coach, and mentor, he holds an M.A. degree in Organization Development and a Ph.D. in Human and Organizational Systems from the Fielding Graduate University.

Being passionate about “transformational development,” Larry’s doctoral research resulted in the creation of Donor Value Mapping® -- a research process to help organizations increase donor satisfaction, loyalty, and lifetime value.

Having consulted internationally with clients in Canada, Europe, and Latin America, he has a special interest in fundraising, strategic management, and organizational health and effectiveness. In addition to helping design and build sustainable, high-performance development programs, much of his work entails equipping leaders and managers to successfully manage organizational change. Larry and his wife Rebecca live in Colorado Springs, Colorado.



## Where’s the beef?

by Larry F. Johnston, Ph.D.

Some of us are old enough to remember the classic 1984 Wendy’s commercials featuring the now immortal Clara Peller.

Handed an exaggeratedly large bun with a small piece of meat, the elderly and diminutive Peller asks in disbelief, “Where’s the beef?”

The expression from this advertising classic has since become part of America’s lexicon. Nowadays, when you see activity but not results or style without substance, asking “Where’s the beef?” recalls iconic images for some of us.

Although they may word it differently, many

donors today are asking the same thing as they consider the nonprofit organizations they support. And if you think that all nonprofits are performing well, think again. Here's just one case in point.

Years ago I was doing a feasibility study for a capital campaign. The organization was coming up on its 50<sup>th</sup> anniversary and was considering a capital campaign to take advantage of this historic milestone.

To develop the executive summary of the case for support that I would use in confidential interviews that are always a part of such studies, in a meeting I asked the senior management team to provide a half-dozen or so names of its star performers over the decades, those who had been reached and trained through this ministry and subsequently had gone on to impact many others.

Silence.

Wondering, perhaps, if the specific quantity I needed was somehow an issue, I indicated that even three or four of these shining stars would suffice.

Uncomfortable silence.

I ended up leaving the inconclusive meeting bewildered as to what the issue

was. Some days later, in an interview with one of the board members, I was told somewhat sheepishly, "You need to understand something. For 50 years we've been selling *hope*, not results."

While this speaks powerfully to the potential of hope – and why hope in some form should be a part of every nonprofit's value proposition – hope alone ain't gonna cut it these days. Like Clara Peller, donors want to see the beef.

**"You need to understand something... For 50 years we've been selling hope, not results."**

It's worth noting that in doing Donor Value Mapping<sup>®</sup> with one client (a research process designed to identify the key drivers of donor loyalty and lifetime value), a single factor out of 28 explained 50 percent of donor satisfaction and loyalty. The factor? **Results.**

Assume for the sake of discussion that demonstrable results are a significant portion of your organization's value proposition for your donors. Would the content of your donor communications reflect this importance?

In a nutshell, organizations today should strive for a fairly consistent stream of communications combining quantitative outcomes data along with "soft" and deeply moving human interest stories and testimonies. Too many organizations opt only for testimonies because they don't have or can't get hard data on performance. Others opt for hard data, naively thinking that donors want "just the facts."

Today, with fewer and fewer exceptions, donors to nonprofit organizations want to see the results of their investments.

Like Clara Peller in 1984, they're asking, "Where's the beef?"

McConkey • Johnston has had the privilege of helping leading ministries to become bigger and better for nearly four decades. How might we help you?