### Energizing a Major Gift Program with Dan Balena

Andrew Olsen: Good afternoon. This is Andrew Olsen with the Rainmaker Fundraising Podcast. I'm super excited to be coming today again from a beautiful Palm Springs, California at the Citygate Network conference. I've got my guest cohost for the week, Shawn Saunders from Dickerson Bakker with us again. Hey Shawn.

Shawn Saunders: Hey Andrew. Thanks for having me back.

Andrew Olsen: Dude. Super excited, this is our final podcast of the week.

Shawn Saunders: Yeah.

Andrew Olsen: It's actually the one I'm most excited about. I'll tell you that reason after I introduce our guests. Dan Balena with Atlanta Mission is here. Dan, thanks for joining us today.

Dan Balena: My pleasure Andrew.

Andrew Olsen: Thank you again. What's exciting for me about this is that you guys at the Atlanta Mission helped one of my best friends get clean and sober a few years ago, so-

Dan Balena: Wow.

Andrew Olsen: ... I'm thrilled to talk to you because not just I think that you're great fundraisers and have a great organization, but the impact that you make is close to home for me, so thanks again for being here-

Dan Balena: Wow.

Andrew Olsen: ... with us.

Dan Balena: It's the impact that Jesus Christ made. I'm sure-

Andrew Olsen: Amen.

Dan Balena: ... since we're Christ centered organization, so it's good to see that he's working through us.

Andrew Olsen: Absolutely. On that note, I'd love for you to tell us a little bit more about the mission and about yourself.

Dan Balena: All right. I came to Atlanta mission after 35 years with IBM. We had a career track called a relationship sales, and so I was a sales executive on that track. The last eight years I was in the retail distribution industry. I own the segment for IBM in North America, so it was about a billion and a half segment in terms of revenue, about a thousand people across the North American geography. My father had worked for IBM for 32 years, so I was brainwashed from youth to be an IBMer, and more than I realized it became my personal identity and my security even though I was a Christian.

Dan Balena: It sneaks up on you when you're in the corporate world and IBM was very good at rewarding you when you did well and making life tough when you weren't going so well in sales, the carrot and stick approach, and so it starts to become more of a part of you than you realize and taking you over really. My wife and I had been praying toward the end of my career about five years before I left and came to the conviction that we should leave and that I should enter ministry of some sort, although I did know exactly what I was involved as a volunteer and a donor in ministries but not as an employee working full time.

Dan Balena: I continued to put it off, my career continued to progress, but we had a family situation ultimately that required me to leave prematurely. It was actually just after I was promoted, so it wasn't planned, but it's the way God works when you're not obedient. And so I left, it was our youngest son and I left to take care of that situation and didn't know how long it would take, so didn't go on leave that since or anything like that. When that was a stable, then I started looking around for, well, what do you want me to do now God?

Dan Balena: I worked through a ministry called Ministry Ventures. One of my mentors in IBM was on the board of Ministry Ventures, and Boyd Bailey was the head of it at the time and he helped start North Point Church with Andy Stanley. He had a lot of connections with ministries in town, so he just set up interviews with a lot of different ministries around town with me. The transition from the corporate world to the nonprofit world seemed like it was going to be a little more stark than I thought. Wonderful people working really hard, passionate, but didn't seem to... For me it seemed like organized chaos I guess.

Dan Balena: It was a hard leap of faith and I kept saying, “Really, God, you want me to do this?” Then I our meeting was set up with our CEO, Jim Reese who came from the corporate world. He really had started down the path of best practices in terms of serving our homeless clients and implementing that, and really our corporate culture with... Although Jim's a tremendously strong believer, so we got the best of the faith community and the corporate community in terms of a culture of excellence, if I can say it that way. Because I really do believe that as Christians we should be doing everything as unto the Lord, and it should be when people look at us, it should be that they...

Dan Balena: This is the outstanding approach to doing it, not just doing it well, but doing it in a loving way. Anyway, long and short is I made the leap and started with Atlanta Mission January of 2015 as a Major Gift Officer. I wasn't walking to take on a big job, but about 60 days into the job, we were talking with Jim and the board and I said, “We've got to blow this thing up.” And our chief development officer was supporting me in that at the time and start over in terms of redesigning the major donor and major gift process because it was very underdeveloped.

Dan Balena: I understand since then that that was not uncommon four or five years ago across the rescue mission ministry. Given my background and the revenue requirements of the new model, which was very counselor intensive, I knew we had to do something to generate a lot more revenue quickly. When I looked at some of the statistics that we did have a Salesforce database where I could pull a lot of information but with Dickerson Bakker at the time.

Dan Balena: We were able to analyze it, and we had tremendous opportunity in our database in terms of major donors, but we were really under-serving and under-penetrating it. I went to the board ultimately with the building business case, they helped us do that to say I need to hire five people immediately. Initially the reaction was a little bit conservative if I can say it that way. They were saying, “We need to hire counselors not more development people.” Because we're the necessary evil [inaudible 00:06:32].

Dan Balena: I said, “Look, you can hire a counselor for a dollar or you can give me a dollar, I'll give you five back.” It was really just if you want to grow the organization, we're going to have to invest in this. You look at the life value of a donor, it was... The whole justification for development was... Not that we don't value our smaller donors, but what was paying the bills were the major donors. If you're going to grow in a profitable way, you have to grow the major donor program.

Dan Balena: The great thing about Dickerson Bakker was they had a line on the success factors and how to design and organize that. It was aligned with my experience in the corporate world growing strongly in terms of how you do that. I was a relationship salesman and being a believer in Jesus Christ, it's all about relationship with our Lord first and then with everybody else, the rest is logistics. My job was to be a conduit to CEO, CFO, COO for all of the technical sales people, but you have to have the relationship to open the door.

Dan Balena: Dealing with major donors, it was basically the same people, the people who have been successful in their lives and had resources, and if they're believers, and most of our donors were, it was how to give them the opportunity to bless us and then pretty blessed in the process of blessing us. And to do it not just in a once off like a capital campaign, but in an ongoing sustainable growing way. I took that challenge, the business case was presented, was basically while we hope you can do that because if you don't, you might not be around for very long, and I was used to that kind of environment of a corporate world.

Dan Balena: Long and short is we were successful, and we've maintained a significant double digit growth in our major donor revenue for the last four years.

Andrew Olsen: Wow. That's-

Shawn Saunders: That's a testament to success there.

Andrew Olsen: Yeah. Tell me this, in addition to hiring more people, because that one makes a lot of sense. It's easy to understand-

Dan Balena: Not just more people. The people are everything, so hiring the right people-

Andrew Olsen: More of the right people, absolutely.

Dan Balena: There's two things that you have to have; one is capability, another is calling. The second one is more important than the first.

Andrew Olsen: I expected you were going to say that [crosstalk 00:08:58]-

Dan Balena: For each of my development officers went through 50, 60, 70 candidates-

Andrew Olsen: Wow.

Dan Balena: ... to find that right person, and then they have to be a good fit for the team, so you have the synergy there. You can have a very strong individual performer who can also cause a dysfunction in the chain. We have a great team of people, I love working for them, hopefully they like working for me. Jim was great because he was always, from the day I got there about loving and serving our donors.

Dan Balena: In the corporate world you tend to have more of a transactional approach, and before we even went down this road, he was all about creating, loving and serving and creating longterm relationships, which really is the secret to really getting value for them and for the ministry.

Andrew Olsen: Absolutely. Beyond the people, what else did you have to change in order for just the whole of the mission to begin to accept this idea that major gift fundraising was going to become a bigger part of whose mission is and what you do and to make it something that ultimately was successful?

Dan Balena: There's two main factors. One was you have to change the culture and mentality of the ministry of the organization as a whole. We were very focused on serving our homeless clients, which we should be, but most of the organization really didn't have a focus or sensitivity to how to treat our donors when they came on site, whether volunteering or on a tour environment. The other thing was to create a process of serving our donors that was freed up the development officers to be face to face as much as possible, so that means stripping off all the collateral creation, the campaign creation, the messaging, so we hired a full time communication manager does that for us.

Dan Balena: We with Dickerson Bakker in terms of creating that messaging and she does that for all of us. Then in terms of proposal creation, she does all that for us as well. We also hired a full time prospect research manager who targeted, who we should be looking to go after in terms of bringing on new major donors. That freed up my development officers to be out in front and meeting with... Four out of five days a week generally meeting with donors. When they would give me an excuse like we have to do reporting and pull information off of Salesforce, we hired a Salesforce analyst and took that excuse away.

Dan Balena: Just tell that individual what reports you need, tell this individual what collateral we need, what kind of proposal, and we always were recreating it to ensure the branding and the messaging was across the... And we had a seasonal approach, which we created with Dickerson Bakker, touch the major donors less, at most four times a year, many times just once a year, and when you do it and make it a significant interaction. We could touch them in addition to the campaigns that we ran with events.

Dan Balena: We have a golf tournament, We have a 5K, we have a gala, so there's opportunities that you can leverage. Creating circles of giving around natural affinities like working associations. We have a compassionate couples' organization, which gets couples and families together, working together, donating together, who are passionate, both spouses passionate. We have a women's... We call it... Let's see. I'm trying to remember the name of that. Circle of Sisters it's called.

Dan Balena: That allows them to work together in an environment where they have natural affinity with friends, family and work associates, have fun, be blessed while they bless our clients as well. Creating that culture was an education process. Jim was great because he talked about in many ministries, most perhaps you have to raise your own support. We were doing that for them, the necessary evil people were doing that for them. That freed them up to really invest in serving our homeless clients.

Dan Balena: But to appreciate that when my team came around with a major donor that they were significant, so Jim said, “Look, if we have this many donors...” We had about 30,000, divide them up and say, let's say 100 donors support you. Two or three of your donors provide 80, 90% of your support, so when Dan and his team come around, it's one of those two or three, and it really changed how they looked at them and treated them when they came onsite.

Dan Balena: In addition to that, we had to be respectful of their time, so rather than just saying, hey, I'm coming by tomorrow with a major donor, we tried to schedule two or three weeks a month ahead. We create pre-planned tours that we could drive the donors to rather than having them one off and then we could do that together. Make sure we had a client testimonial ready to go, serve lunch, get them in and out in an hour, and then obviously go deeper if we need to.

Dan Balena: The creation of that donor centric culture was key, the creation of the process to free up the development officers to build relationships. All of the approach and the... if you want to call it the ask, I don't like... I know it's counter culture, not to ask, we don't. Because every time I've asked, I've ended up falling short of what they would have given if I wouldn't have asked him. That's the more relational you get, the more you're walking with or they're walking with you. You made your needs now and they'll tell you what God's putting on their heart.

Dan Balena: My last comment is just pray with, if they're married with your spouse and let us know what God told you to do.

Andrew Olsen: Let me stop right there. You're telling me that for the last four years you've had double digit annual growth in your major gift program and you don't actually ask for one?

Dan Balena: Not Directly, no. We make suggestions on our needs and we try to put what we envision they can do around their capacity, but that's woven through the documentation.

Andrew Olsen: I got you.shots

Dan Balena: We don't present an ask letter. A little kind of culture to what I... Because in transactional sales in corporate and IBM you're asking for a business, but the reason it changed for me was one, Jim's emphasis on the relationship no matter what, forget about the asking, God will provide, and my faith was growing in that trusting area. And that it's not just a one year thing, like a capital campaign, you do ask because you say we have $20 million need-

Andrew Olsen: We needed a [crosstalk 00:16:00]-

Dan Balena: ... we need pledges, we can't start breaking ground until, and they come around it, but that's the one off, and it's done right. We're talking about we're going to keep coming back with you, and so coming back isn't to keep asking. I think they feel sometimes like they become ATMs, and you don't want them to feel that way. You want them to know that... The way I present it is, “God has blessed you with great resources and what does He want you to do with it?”

Dan Balena: And I've actually told donors that they should go and invest their time and money where their heart was, we want the primary ministry. On the other hand, if we were, then why are you giving it to 20 other things? So focus as a good steward and not just giving to us to meet our needs, but to come alongside of us and help us and make sure that it's being used well. Then with Jim's corporate background, everything was... We did have metrics in terms of tracking ourselves and our success. Year to year growth for me was the biggest metric for my team.

Dan Balena: While I encourage them to volunteer and help in all aspects of the ministry, at the end of the day we were justifying our existence in this organization by driving sustainable ongoing, year to year growth, and so that was our primary metric of success. The people I hired were ones that I knew could do that and thrive in that environment because they're called to do it.

Andrew Olsen: I suspect I know the answer to this based on what you've already shared with us, but if you had to narrow it down to one specific element that's really helped fuel the growth and success of your program, what would that be?

Dan Balena: To focus all our energy and time, our prayer on loving and serving our donors. The shift was we knew that our homeless clients were a ministry field. What we did look at is our donors as a ministry field, one was more evangelism, the other was more discipleship. Providing the donors time to... Or an opportunity to use their time, talent and treasure in one place, in one ministry really facilitates them following God's calling for them. Without exception, every one of my major donors and to my knowledge, the rest of my team, when you talk to them, they won't talk about how much we've stretched them in terms of giving, they will talk about how much more they've gotten out of it than they put in.

Dan Balena: When you look at an individual donor basis, those that embraced us, it's not just organic growth, it is really revolutionary kind of growth.

Andrew Olsen: Wow.

Dan Balena: It's orders of magnitude growth individually are going doubling, tripling, 10 times in some cases the level of giving and just bragging about it.

Andrew Olsen: That's awesome.

Dan Balena: Yes.

Shawn Saunders: That's really awesome. It seems like Dan creating those donor experiences, particularly with those tours and bringing together those different dimensions of relationships with the leadership and the beneficiaries in the program, those who are delivering the care, it's just bring all these ingredients together and you're exactly right. You see spikes in giving, you just can't manufacture, right?

Dan Balena: We only have so many volunteer opportunities, so providing our strategic partners the opportunity to serve with us arm in arm, shoulder to shoulder will automatically increase their giving because they're touching and feeling and seeing the human results. It's all about relationships, so our relationship with our Lord first, but then what better way to have a fulfilling environment than to serve the least, and to see them just blossom and grow, and the success of them going out.

Dan Balena: It is about for us ending homelessness, it's not about just keeping them alive while they walk in homelessness, it's about giving them the physical, emotional, social, vocational needs that they have to be out and sustainable on their own. The heart of it though is the spiritual transformation, and real transformation comes with the relationship with Jesus Christ. But it doesn't mean you just throw on that, you do need to give them vocational skills and job placement, you do need to get the physical needs handled in terms of their health.

Dan Balena: We saw a video in the conference here where guy had a big smile and he said, “I got me teeth.” [inaudible 00:20:44]. That kind of thing changes people's lives too and their confidence level.

Shawn Saunders: Oh yeah.

Dan Balena: You have to handle the mental health and physical health needs as well.

Shawn Saunders: It's dignity. The image of God is in all of us and human dignity is such a big deal.

Dan Balena: How would you treat your son or daughter? [crosstalk 00:21:03] Or how would you want to be treated? It's not just about giving them something to eat, a place to sleep, that's just the bare minimum. That's a starting point, but let's get them out of here.

Shawn Saunders: Dan, let's talk mid level if we can. I know that you're... Something Andrew and I are passionate about and I believe you are too because we've had the discussions that not leaving money on the table and you have a pipeline of donors all the way from acquisition of minor donors, if you want to call them that and ideally bringing them out of that into a mid situation, if they're growing progressively into a major situation. Hopefully the one day legacy, and keeping that fluid so that every end is working together.

Shawn Saunders: Let's talk about that middle part of that pipeline, the mid level donors. Atlanta Mission is one of the few that I know of that actually dedicate resources to have a mid level staff people who can work with those donors. Tell us what prompted you and the Atlanta Mission to invest in that, and what results are you seeing?

Dan Balena: All right. A number of factors that drove us toward addressing the mid range well. One was, we knew that the path to major donors was from the general file many times, and many times the major donor wasn't ready for us to go engage with them face to face, so how do you cultivate them until they're ready and how do you determine when they're ready? That is a mid range function. One of the segments that we wanted to address were what we call wising donors.

Dan Balena: Some would jump from the general file right into major, but many wouldn't, they need to be brought along, cultivated. That was one of the major missions of the mid range. The other was Jim was all about loving and serving our donors and I'm real focused on keeping the size of caseloads of our development officers constrained because it's very natural to have it keep growing and then you start neglecting-

Shawn Saunders: The collector series.

Dan Balena: You don't want to give anything up. We go through annual territory reset or caseload reset and I forced them to come down to 150 donors. Jim was worried and rightfully so because those donors that you're giving up are still good donors, but how are we going to love and serve them? We needed that center for them to fall back into. If they were retiring and change of life, the revenue might be going down or it might be that they're not going to grow, but we still want to take care of them, but I didn't justify the face to face resource.

Dan Balena: The third function was taking the true mid range that are not going to go up or down and loving and serving them. How do you do that efficiently? We had hired, as I said, a prospect research manager and she was great for that, but we also saw her since she's the one identifying major donor prospects and moving them up, she's the one that does the... Using the algorithm that we developed with Dickerson Bakker, which had multiple inputs like not just how much they give a year, but what is their ultimate capacity, what is their frequency of giving, how long have they been with us in giving, a lot of different factors.

Dan Balena: Then we'd rank our 30,000 donors from the number one donor down to the $30,000th donor, and my team would focus on the top thousand. A lot of times when we did the territory reset, we'd have donors in there say, “Why aren't recovering them?” If we're going to cover them, we're going to have to let some donors go or hire more development officers, and we did more as we went. The mid range is a place where you can love and serve the donors and maintain that same messaging that we have on the major donor side without them going if they were a part of a caseload to the general file where they're not being treated the same way, not as such.

Dan Balena: Since Jim was so focused on the relationship, we wanted to create a mid range center to really make them still feel like we knew them and we cared about them, which we did but doing it in a way that was more of a one on many versus a face to face. We had a lot of success with that, a matter of fact that while their major measurement is how many new majors they move up as the primary justification. They had a mission to grow at least a 5% a year and they've been close to growing it to 10% a year since we created them, so they're not quite to this sustainable double digit growth, we have development officers but close.

Dan Balena: That's a wonderful byproduct that surprisingly has a byproduct of how well they're running that center.

Shawn Saunders: Wow. You brought up a good point to me on that when we were working with you guys, when you were looking at results with those rising donors, those mids and we saw, I think at that time it was like 11, I don't know, maybe it was eight or 9% or something, I forgot, positive growth. But you pointed out, Dan, the year before they were actually negative, they'd decline. If they decline 8% and you grow them up to 8% positive, that's really 16%.

Dan Balena: It's really zero.

Shawn Saunders: Yeah.

Dan Balena: If you're down eight and up eight, then you're back where you started.

Shawn Saunders: You're back where you started, but the making up that negative is the point.

Dan Balena: Absolutely. In order to reach zero, you're always going to have natural attrition, especially if it's a major donor, natural attrition, people move away, they pass away. We don't measure ourselves on legacy gifts at all, so when I'm talking about double digit sustained growth, it excludes any kind of legacy gifts, people passing. That would just go right directly into our... Ultimately our endowment. This is true sustainable growth after you fill in those holes of people dropping out, passing away and so forth, so it's a true growth.

Dan Balena: When I'm talking about five to 10% of the mid range, that's over a year over year, over year, over year, over multiple years, that's the way we're looking at and how can it be sustainable? The only way we can do that is to have an ongoing relationship with them.

Shawn Saunders: I guess my point was really looking at that elevation when you're looking down and bring your donors, trying to minimize that recapture revenue in many way... That was the point.

Dan Balena: Oh yes. I see what you're saying. You would minimize the negative impact of the dropout, so really-

Shawn Saunders: Right. You had pointed that out if I'm not mistaken at that time.

Dan Balena: Yes.

Shawn Saunders: When you look at the Missions culture there, how has... Because we started discovery tours, and you guys have done... It took what little bit we gave you the model, and with all of it and you've just refined it. I've seen, you've taken it to levels that I didn't really know you could take it to maybe by doing, I think you all had two days a week that you were doing tours versus one at one time. You were just doing a lot of different stuff in multiple sites. How has that impacted the culture at the mission?

Dan Balena: We had a weekly tour, but it would rotate. We have four facilities so it would rotate, so it's one tour per facility per month if you will. We would, as I said in respect to the client services side of the ministry, it would be preplanned. They would commit on their calendars to have the client testimonial there, to have the staff that would assist in the tour. We would have the... Communications manager did all the logistics, so my team didn't have to do that. They would just show up if their donors were there and ensure that they were having a great experience while they were going through it.

Dan Balena: It was systemizing of the tours, and you can then have continuous improvement in the quality of what you're delivering, tweaking it and making it a more positive experience while they were there. Then we would have outgrows of additional in depth tours if and as appropriate, or volunteer opportunities to sign up for while they were there. We continue to refine it as we go, so it keeps getting better and better from that perspective.

Shawn Saunders: Is that in terms of the program staff and just ethos at the mission, if you will. Has the tours impacted that at all?

Dan Balena: It was an opportunity for the service delivery staff to touch somebody other than a homeless clients to be encouraged by them because they would always often get encouraged by the donors of talking about the great job that they're doing, and to see... Again, relationship wise, to put a face with the people who were supporting them, so it became a person rather than just some donor out that I've never met. They started to look forward to it.

Dan Balena: They'd actually... The staff would actually look forward to doing the tours with us and for us, or before when I first started, it was like, why are you here? You're bothering me, you're taking time. I need to be serving in these homeless people, which is all true because we were showing up, we weren't planning things in advance. It's again, a matter of respecting their time, and then we serve lunch, and they could partake in that, so it was a free lunch from that perspective.

Dan Balena: They'd have time away, they could sit just relax, enjoy lunch, give their perspective to the donors as part of the tour, listen to the clients speak about what a wonderful blessing the ministry has been. A lot of times the staff don't hear that firsthand. We have stories in our newsletter, we have videos, but a lot of times the staff aren't hearing it firsthand. Them hearing it was very encouraging because the struggle in this ministry, I think especially for the service delivery staff is it's a hard job, it can wear you out when you're hearing the problems of other people over and over and over again.

Dan Balena: I couldn't do it. People ask me how I can go out and ask for money or whatever, but that's what I'm called to do. I couldn't be a counselor, I'd be a basket case within a week. I'm glad that there are people who are called to do that, I'm more than happy to raise money for them.

Shawn Saunders: There you go. We all have a role to fill?

Dan Balena: Yes, absolutely.

Shawn Saunders: Just one more thought on that. What you described to me really sounds like a redemptive experience for all those involved, which I think is really cool. Going back to the metrics, Dan, what are the success metrics that you find most important to track and to focus in on for a major donor program?

Dan Balena: Even though I say it's not transactional and it's not about the numbers, ultimately if you're doing the right thing, the numbers happen. I turn over the responsibility for accomplishment to the individual, so it's all about ownership. Each of them has total ownership, they decide what and what doesn't happen with their donors, I'm not telling them what to do. If they need my help, I encourage them to come and ask me. We have an ongoing tracking report where they can see exactly how they're doing.

Dan Balena: We break down the forecast and the numbers not just by case, a little bit down to the donor level, and they have to roll it up from the bottom to say, all right, I here my $150, how am I going to do? And if they do it as honestly as they can, and if they make their target, wonderful. If they don't, they say, “How am I going make my target? How many more donors do I have to bring in? I've got to get some attrition.” So you start thinking at the donor level, and you have to do that on the major donor side because these are big donors and you can't afford to lose them.

Dan Balena: Tracking themselves on an ongoing basis to see how they're doing. You're not waiting until the last month or two, the fiscal year you say, “Oh, I'm in trouble.” You know if you're getting in trouble well ahead of time, and you asked for help, and then we rally together as a team to try to make us... help us all make our number because that allows us to... that the organization to make the number. It's that ownership of this is my target for my caseload, and I have to deliver this, but the way to do it, and we have to keep encouraging each other not to get transactional.

Dan Balena: To just treat our donors with respect, to make sure we're ministering and pouring into the right owners who have the capacity to give, but that's what the target is done and that's already done for them when we build their caseloads. There is a need to focus on the numbers and to understand where they fit in the accomplishment of those numbers, and then in the bigger vision and objective of the ministry and how critical they are to the success of the ministry, helping to end homelessness in Atlanta.

Dan Balena: We've had great success. We take very personally our contribution to that success in Atlanta in terms of ending homelessness. We're one of the few major metro areas in the United States were homeless has been going down. We're doing as a community and partnership with other ministries, with the state and city government. We don't take any government money, but we do have a partnership mentality working with all of them as a team to get it done and it works very well.

Dan Balena: That's part of the evangelism too, when you're rubbing shoulders with secular organizations and secular folks-

Shawn Saunders: Exactly right.

Dan Balena: ... because it's contagious when you're loving on clients and donors, people want to be a piece and part of that, and be part of feeling it, and then ultimately experiencing it. We do have people coming to Christ, not just from our clients, but from our donors and our donor associations as well.

Shawn Saunders: I'll give a shout out to my colleague Randy Brown [inaudible 00:34:48]. He lives in Raleigh where I live, he's on our team. I'm going to give him a listen to this podcast because he's going to love it. He lives and dies by the message you're talking about, loving your donors

Dan Balena: Love and serving them.

Shawn Saunders: Yeah.

Dan Balena: Serving is the action part of the love, right?

Shawn Saunders: That's right.

Dan Balena: Not always so easy, but when you talk to them, it's how can I pray for you? What can I do for you? How can I serve you better? They are taken back by that kind of communication because they're expecting you to come ask them for money, we don't. We just say, how can I love and how can I serve you better? How was that experience? How can we make it better? And so they start wanting to and looking forward to coming to Atlanta Mission.

Shawn Saunders: And I remember doing fundraising with some of the donors I had that were... Everyone's young nowadays, but I guess there are some people [crosstalk 00:35:36]-

Dan Balena: They keep looking younger and young to me for some reason.

Shawn Saunders: Yeah. Everyone's young, so let's get that out there, but those who are... We still have those who are older than the youngest, so those who are older than the youngest are-

Dan Balena: That were to be me.

Shawn Saunders: Yeah.

Andrew Olsen: It's a nice clarification there Shawn.

Shawn Saunders: Right. I remember even what you're talking about, like getting their leads up for them because they're giving, but maybe they're a widow even, and serving them in that way, and that's just... It's a whole nother level in it.

Dan Balena: That's where the real fulfillment is.

Shawn Saunders: Yeah.

Dan Balena: If you think about it from our point of view, if you're a Christian, pouring into somebody, anybody but someone who's been pouring into our ministry, it is a dutiful thing to do as a sermon of our Lord. That's where the fulfillment is, it's not just seeing lives changed on the client side, it's seeing wonderful transformation and lives changing on the donor side as well. What I saw is, it's just a matter of making the connection. We have most of our givers tend to be out in the suburbs of Atlanta, and most of the need is in the city. Making that connection, people want to do it, they just don't know how to connect.

Dan Balena: You're not just connecting the dollars to the need, you're then taking them where we can either by video experience if they can't, they're older and they can't get out of their home or by actual experience to come and be the hands and feet of Christ and serving these people. A wonderful life changing experience for any of us and donors included.

Shawn Saunders: Last question I have for you, and this is a tactical question for sure. Going back to the portfolios, how do you determine, Dan, how do you prioritize the donors? You've already referenced it briefly. With the portfolio, is there like a ranking system? Are there different segments or are all 150 treated just the same?

Dan Balena: What determines whether a donor is served by my team is our capacity in terms of development officers and donor engagement specialists. It's interesting because our CFO now asked me, “Do you need more development officers?” It's an unusual question for him to [crosstalk 00:37:44]-

Andrew Olsen: It is an unusual question from CFO, yes.

Dan Balena: Because he trusts us to that level now because until we have a justifiable caseload to be taken, we won't hire somebody for it, but if we do and we do hire somebody, we get the results and so he trusts us that way. We do, do a top to bottom ranking of all of our donors and donor prospects, and my team has a capacity of 150 per development officer, 250 to 300 per donor engagement specialists in the mid range, and when they're out of capacity, everybody else's general file. That's pretty much how it works.

Dan Balena: Now, we do the ranking using the algorithm I referenced earlier with the different criterion. We do have surprisingly, sometimes people that show up and say, “Why aren't we covering them? We should be.” And we have to get them into a caseload, that means we have to... Unless we hire more, we have to take others out of the caseload and move them down. And so it's a painful process because the development officers do not like to give up donors, but we have to do that, so that forced discipline.

Dan Balena: If you're going to grow, you have to make sure you keep the caseload manageable and that you're holding yourself accountable to loving and serving all 150, and that's a lot of donors. We generally tried to target 50 solid growing major donors, 50 that are high growth, rising star donors, and then 50 perspective donors kind of a mix. That's just a rule of thumb, but that's generally how it plays out. That ranking of the donor set from the top to the 30,000th donor is important in terms of how we do it.

Dan Balena: We've also shifted a lot of our acquisition to digital, trying to have a digital approach to bringing people into the mission, and we've had a lot of success with that recently. We've had a lot more branding and marketing focus on getting the Atlanta brand out there.

Andrew Olsen: Did you make that shift because of the value difference of a digitally acquired donor or for some other reason?

Dan Balena: For exactly that reason. It's very, very, very inexpensive. You invest in the donor... I mean the digital platform and then accessing the different social media sites and so forth, but you're putting the brand out, and we went away from meals and beds, which is the traditional depression era approached to life transformation. And so-

Andrew Olsen: Even in your acquisition [inaudible 00:40:07]?

Dan Balena: Even down to the general founder, now we're working with our-

Andrew Olsen: That's exciting.

Dan Balena: ... agency so that when they come up, they're not hearing a different message, they're hearing the same message, but in greater detail. It's a matter of how we approached, but not the message is the same, so [inaudible 00:40:23] throughout. We're seeing a lot of dividends to that as well-

Andrew Olsen: That is interesting.

Dan Balena: ... because there's 18 to 24 months relationship building that goes on from if they haven't had any exposure to us to where you're really getting a great return. You can expedite that with a lot of digital communication, education, preparation, if you will, of their understanding of what we do, who we are. Saves us a lot of the education part when they come on, they already know the basics of what we're trying to do, our life transformation model, how it works. Many of them already know that, so we can focus on just loving and serving them, praying for them, and hopefully bringing them to where they can serve our clients directly.

Shawn Saunders: I said one last question, I guess this is the last question for me for real.

Dan Balena: All right.

Shawn Saunders: I don't remember at the beginning if you said this or it was before the show, but just for our listeners so that this can sink in because you've covered... You're doing a lot of different stuff. There's a lot of moving pieces and parts and you can tell you're passionate about it and you're trying to do with excellence. All of this stuff that you're doing, Dan and the pains that you've gone through, all the different investments. Tell us about the revenue one last time. Where was the revenue before you started doing all this stuff? And where is today?

Dan Balena: Top line revenue, which would include not just the majors, but everything, we've grown from... It was about a 7.6 million in terms of that, that we control. That excludes all other revenue sources like legacy gifts, planned gifts, if you will, like program revenues, like in kind donations, we're not counting that. The major, the top thousand if you will, major donors were about three... When we're starting out, about 35% of that revenue, it's grown to 11 million, and we're over 60% of that revenue on the major side.

Dan Balena: All the revenue has grown, but the vast majority of the growth has come on the majors. The good thing is it's not just revenue growth, but it's much more profitable revenue because the cost of mining the revenue, if you will is lower when you're dealing with fewer individuals, and you don't have a lot of mailing costs and things that traditional agency approach.

Andrew Olsen: That's a really important piece because I think not enough organizations of all shapes and sizes, it's certainly rescue missions focus on the idea of profitable revenue growth as much as they do just on revenue growth.

Dan Balena: Right.

Andrew Olsen: The support-

Dan Balena: And that was to Shawn's earlier point that he was making, I didn't get it initially, and that is, it's a lot less expensive to retain a donor than it is to acquire a new one.

Andrew Olsen: For sure.

Dan Balena: And so if you can minimize that negative growth, if you will, that you have to make up for, it's less costly to do that if you invest in that, and it's a more profitable because you're keeping donors you already know, and you're building relationship with and growing them, and they're less likely to leave. Acquisition is generally costly, especially if you're not doing it in a targeted way.

Dan Balena: With our prospect research person, we are doing that, so we're rifle approach versus shotgun approach, and you use the shotgun if you will, is the digital marketing, digital media that you're drawing people to come to you on, and you can cover a lot bigger universe-

Andrew Olsen: For sure.

Dan Balena: You're coordinating that with radio spots, with billboards in many cases on main highways. The messaging again and the timing is around campaigns, so it works very well. We're really getting to a rhythm beat where we're all pulling the oars together simultaneously rather than against each other, and it works out and you start to get excited when you see the thing accelerating, which it has been.

Dan Balena: It's been a wonderful experience. My wife said my 35 years with IBM was my time in the desert to prepare me for this job, and the only regret I have is that I didn't leave five years sooner when God was telling me too. I'm a hard headed as she said. They had to whack me over the head and I'm so grateful that he finally shook me loose because it's been a wonderful blessing, most fulfilling part of my life really.

Andrew Olsen: That's awesome.

Shawn Saunders: That's awesome. Andrew as you're closing this now, you look back on two days we've been interviewing, I'm thinking particularly about Donovan yesterday, you met with him before.

Dan Balena: Mm-hmm (affirmative).

Shawn Saunders: What's what's coming out to me out of particularly that mission, Fort Wayne, Atlanta is they had to... The fear factor wasn't really there. They made strategic investment, they had to invest. Before there was any promise return, they had to say, “We are going to go all in and we're going to make a strategic investment in this.” Both the missions that he went from one point whatever million it was to six. You guys if heard you correctly, 7.6 to... what was the-

Andrew Olsen: 11.

Shawn Saunders: Yeah, 11. So it's well worth. Again, the last thing I think both of them is just because I've heard so much wisdom from Dan today, from Donovan yesterday. God's blessing.

Andrew Olsen: Absolutely.

Dan Balena: And it is-

Shawn Saunders: But you agree those are the three kind of-

Dan Balena: We did hear from one of the speakers in the conference here about the mentality or worldview of scarcity versus abundance. Scarcity comes of the worldview out of fear.

Shawn Saunders: Yes.

Dan Balena: If you truly believe God is who He says He is, then He has limitless resources. You step out in faith in an investment mode. Why wouldn't you invest in the Kingdom of God, which is expanding that and glorifying God in the process? There's no better investment, and that's it. You talk to your donors that way and they're all in, especially the believers obviously.

Andrew Olsen: I think one of the distinctions is a lot of organizations make investments, but many of them aren't faithful enough to let that investment mature. So six months down the road, if it hasn't produced 10 to one return on investment, they pull back and say, “Okay, we'll never do this again.” What I hear you saying is, “We had an intentional strategy, we made the investment and we were all faithful enough to let it ride and to make sure that we gave it the time to bear fruit.”

Dan Balena: Yes. But we went in a 12 month year, we were working hard for 12 months to make it happen. You have to execute. When I hire people, it was people who were not only was I expecting them to take this seriously and make things happen, it's all about execution. That's the type of people we hire. They're loving, serving, faithful, committed Christians, but most of them have come from backgrounds where God prepared them for this. Finding the right people is key, the ones that God is calling, but also have the capabilities.

Dan Balena: That mentality of taking ownership and executing my piece is what... if we all do that, the whole comes together while being totally faithful and trusting God. Not feeling the pressure of having to do it because He's got it, God's got this, but being faithful in excellent execution. That's what a lot of the corporate world background that I have brought, allowed me to set up the processes that would help them be successful, to strip the things that would hold them back.

Dan Balena: If you're a relationship person, you want to be out being with the people and having a great time serving with them-

Andrew Olsen: Not updating spreadsheets.

Dan Balena: Not updating spreadsheets, not creating spreadsheets, not worrying about collateral materials. The storytelling and how pretty the collateral is and the right wording of the proposals and all that, that's all taken away. We say, “This is what I want.” And then you have some generic scenarios, then you tweak and customize, but that totally frees you. So if you're not called to have relationship in terms of your relationship career, you probably wouldn't be happy working for me. But on the other hand, if you are, and you don't have to do all that necessary evil stuff... We still haven't figured out how to do the expense reports, just everybody still has to do that, but...

Dan Balena: Other than that, there's no reason why you shouldn't be out being with donors and building great longterm relationships. It's like family, it truly is over time, and they start to love the back. They ask you about you, and your wife, and your family, and how you're doing, and they pray for you? It goes both ways and we all pray together for what we're doing in the ministry.

Andrew Olsen: This is really insightful. Thank you so much for sharing with us. If there's anybody who's listening to this podcast, maybe a rescue mission, a development officer, or even somebody in a different kind of organization who might want to spend a little bit of time with you to ask some questions about their own major gift program, what's the easiest way for somebody to reach?

Dan Balena: Just the email would be the easiest way. I'm more than happy to go with my cell phone too, but I think email would be the... I'm getting old and so my wife says, if she doesn't send me an email, then I always forget to do it. You can send me an email at dan.balena@atlantamission.org

Andrew Olsen: Awesome. Thank you so much. [crosstalk 00:50:00]

Dan Balena: My pleasure. Thank you for having me.