

Grave concerns

Crispin Ellison reviews the issues surrounding the joint working of legacy fundraising and administration teams

How should the two functions of legacy work relate and how they might function to best advantage? Legacy income is such an important element of charity funding that it is well worth getting the relationship right in any size of charity, with consequent benefits for both roles.

The last twenty years has seen an extraordinary growth in charity legacy income overall, fuelled particularly by the growth in estate values. Between 1980/81 and 2002/03, the value of total estates left grew from £6.9bn to £44.4bn – an average increase of 8.8 per cent pa. After taking into account inflation, real growth rates averaged 4.1 per cent per annum. ⁱ

In the short term, legacies are being hit by the credit crunch, not only from the drop in value of property within estates, but in the length of time taken to achieve sales. If actions continue to be taken to stabilise the banking and property industries, we may hope that those factors may have limited effect.

In the longer term, the rate of increase is set to slow down, primarily due to demographic changes, the end of the spinster legator generation and reductions in property values. However, it is increasingly thought that the picture will not be a significant and long-term fall in charitable legacy income, as some have feared. This is partly because of demographics - it is estimated that from 2012 onwards the number of deaths annually will increase - and from pictures of spending habits; the big baby boomer generation now coming into retirement is less likely to spend the kids inheritance but to (a) assist their children to weather the economic climate and (b) protect their own asset base in their own last decades in the face of poor state pension provision.

In the present economic climate it would be foolhardy of me to attempt an accurate estimate of future growth, but the message is cautiously optimistic: in the longer term legacy income will remain the most cost-effective source of income for charities that seek it. And for that reason, I believe that optimising the way that legacy promotion and legacy administration work together will continue to be important into the future.

Getting the views of legacy managers

But what do those doing the job think? In order to provide a more detailed answer to these questions, I sent out a survey to over 50 charities yielding 22 responses from a very broad range of charity types and sizes. Because of the modest sample size I am using broad responses and a number of the comments to illuminate the thinking of charity legacy managers on the ground.

In two-thirds of the responses, both functions sit within the fundraising division (or equivalent public-facing division). Typical views expressed are summarised in figure 1.

Figure 1: Advantages and disadvantages of shared legacy functions

Advantages of being in the <i>same</i> division	Disadvantages of being in the <i>same</i> division
<ul style="list-style-type: none"> ● ‘Supporter focus’ ● ‘A unified voice within the organisation; an integrated legacy strategy’ ● ‘A stronger ability to encourage the team to be legacy conscious in all their fundraising efforts’ ● ‘Seeing the pitfalls in administration created by badly specified legacies helps me to advise people thinking of including us in their wills’ 	<ul style="list-style-type: none"> ● Different skill set and training ● Divisional meetings not always relevant to administration people
Disadvantages of different divisions	Advantages of being in different divisions
<ul style="list-style-type: none"> ● ‘Communication and co-operation become fragmented in areas where supporters require assistance, in dealing with non-professional Executors and bereaved family and friends, acquiring and considering legacy statistics and generally planning to ensure maximum future legacy income’ ● ‘Dual authorisation between divisional heads’ ● ‘Harder for staff in two teams to work as one’ ● ‘Some marketing opportunities that can be identified by administrators can be missed; some queries that require a legal eye can be missed’ ● (I would add one more: failure by legacy administrators to record data that will be vital for analysis for fundraisers). 	<ul style="list-style-type: none"> ● ‘Each team is surrounded by the support it needs’ ● ‘Cheques are banked speedily and paperwork dealt with quickly; I have direct access to the Finance Director’

So there appear to be clear perceived advantages to both functions being within one area of management, and disadvantages to their being separate. That does not mean to say we should simply lump the roles together and tick the box.

Experience and attributes

The two roles do have many differences and these need to be reflected in the training, experience and attributes required in staff.

When asked what qualifications and personal attributes are required for a successful legacy fundraiser, the most common answers were:

- Solid fundraising experience, good listener and communicator, outgoing personality, creative, good at negotiation and influencing, passionate, empathetic, good presenter, sensitive, respectful and a self-starter.

Whilst those for an effective legacy administrator included:

- A degree and, for preference, either a legal qualification or the Institute of Legacy Managements Certificate, to be methodical, have attention to detail, numeracy and accuracy, to have a certain maturity, able to handle a substantial workload, a team worker.

Differences in attributes, expertise, experience and training can create stresses when one person runs both roles and rifts between the two functions when they are handled by different people. These can be worsened by pressure to achieve fundraising or response targets and legacy administration, particularly where competing pressure is coming from two different Directors.

But are we really dealing with two different animals? The further attributes that respondents felt were necessary for *both* roles make it clear that there is in fact a good deal of common ground:

- Able to work with elderly people, a teamworker, maturity, communication skills, able to work on own initiative, sensitivity, able to be an ambassador, ability to prioritise work and a focus on quality.

In my own experience over many years as a legacy fundraiser, administrator and consultant, experience and training in the customer-services end of the fundraising spectrum is essential to a more rounded and public-focussed attitude to the work.

Melding the training, skills and attributes

So how to combine the skills and the personal attributes within one role or within one team? Macmillan Cancer Supports experience illustrates some opportunities, primarily in cross- and joint-training, setting up structures for good communication and maximising understanding between the finance team and legacy staff.

Figure 2: Macmillan Cancer Support Case Study

For some years, the promotion and administration teams at Macmillan have worked within the same fundraising directorate, and in November 2007 the teams were brought together under Jane Lloyd, Macmillan Cancer Supports head of legacies. The aim is to bring closer ties through a number of joint activities:

- Quarterly joint team meetings
- Planning days away from the office
- Sessions on integrating the charity's core values into everyday work
- Fun, team-strengthening events – bowling, dodgems, the pub etc
- Joint budget planning
- Regular e-mails to share stories, new information

In addition, all administration staff attend legacy promotion events and will be involved in aspects of fundraising training in the future, with the accent on stewardship. Conversely, legacy promotion staff attend solicitors' training events plus courses held by the Institute of Legacy Management. Jane is also considering secondment of staff between the two teams

She feels that the benefits of close working include a motivated team, anxious to make best advantage of shared techniques, knowledge and outlook, which in turn has ramifications for adding value to potential and actual legacies. There is one further benefit: whilst separate legacy and administration teams in charities may have difficulty negotiating adequate expenditure budgets, a combined team can properly reflect both the value and cost-effectiveness of legacy income to the charity.

Where next?

Opinion seems divided. NSPCC has gone a little further than Macmillan, creating a legacy directorate, headed up by Stephen George. He observes:

‘We now have a legacy team that talks, works and plays together – but with each part getting on with the thing they do best. There is still a divide between the two worlds and I am clear how far I can go and need to go. I don’t want to distract admin with things that are nice to know but they can’t action but equally, we need to work together and understand each other’.

Cancer Research UK has taken a quite different approach in its legacy marketing re-structure earlier this year. The charity felt that legacy promotion ‘should be weaved into each supporter relationship, whether through mail, phone, online or face-to-face’, according to Paul Farthing, its legacy fundraising director. ‘It will thus move from being a separate discipline to being part of the role of every fundraiser, even every member of staff or volunteer. This will provide more opportunity to overcome the traditional barriers to leaving a donation in a will.’

‘Legacy officers need to build relationships across the organisation in order to support all of their colleagues’ he adds. ‘The first step is to make sure that other staff knows the value legacy officers add. At Cancer Research UK we decided to measure the value added and found it was nearly 10 per cent of our legacy income. This is a great message to help legacy officers connect with other fundraisers.’

One implication of this change, it seems to me, could be a weakening of links with the administration side of legacy work and the possibility of reduced influence for legacies as a whole. There is to my mind a clear issue here between a product-centred approach, where the charity divides up structurally according to types of fundraising and a supporter-centred approach. But I do not think that it is insurmountable.

For me the nub of it is to infuse and support the whole of the charity to communicate the importance of legacies whenever possible, whilst providing easy access to a closely-knit team of experts, people who can provide supporters with the more specific information they need in order to turn their intentions into action. That, it seems to me and to most of those I polled, may be the way forward.

Biography

Crispin Ellison is Director of Legacy Link Consultancy Ltd. He was formerly executive director of the Institute of Legacy Management. Crispin is also a contributor to *Legacy Fundraising – the Art of Seeking Bequests* and is co-author of the Law Society/ILM publication *Charities as Beneficiaries*.
www.legacy-link.co.uk

ⁱ Legacy market Audit 2004 – Summary Report downloadable from www.legacyforesight.co.uk