

What Motivates Endowment Donors to Give?

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Fundraising and Nonprofits



For medium sized non-profits, building an endowment, however small, can mean the difference between sustainability and an early demise. Endowment funds are particularly important when lean economic times hit, as they provide a base source of funding that may allow the organization to carry on, even when annual donations dry up for a year or two.

Recently, I wrote an [overview of non-profit endowments](#). Today, we take a look at what motivates donors to give to an endowment fund.

It is important to understand what motivates the average endowment donor to make a gift. Generally speaking, endowment donors are motivated to give because they (a) already care about the organization and / or its mission, (b) want to make sure the charity or one of its programs is sustainable, and (c) have the ability to give. Let's take a look at each of these components.

Endowment Donors Care About the Organization and / or its Mission

This should go without saying, but often, it doesn't. The primary reason your endowment donors will give is because they care about your organization, or are passionately interested in your mission.

While annual donors may give because they know someone else who supports you, and even donors may give because they want to hang out with their friends, very few endowment donors give unless they have a keen and well-cultivated interest in what you do. Unless you are a "social status" charity (like a major metropolitan ballet or art museum), your endowment will grow as you make deep connections with potential large donors through your cultivation program.

You have to explain to donors why your mission matters, and why your organization is uniquely qualified to make a difference.

Endowment Donors Want to Make Sure the Charity or One of its Programs is Sustainable

Why do some donors give to endowments, instead of annual funds? Because those donors care about the *sustainability* of your organization. They want to make sure that your non-profit, or at least one of its programs, continues its work indefinitely.

Of course, before donors give a gift to help you reach sustainability, they have to believe that you can reach that point. Some organizations are so poorly run, or have such parochial vision, that prospects see that no matter how much they give, your charity is not sustainable.

Show fundraising prospects that your organization is well-run, and has a good plan. Tell them why it is important that your non-profit be around, even after you and the donor are both gone. Invite the prospect to help keep your organization sustainable, in perpetuity, by making a major endowment gift.

Endowment Donors Need to Have the Ability to Give

For the most part, endowment gifts are on the larger end of the giving spectrum. What constitutes a "major gift" will vary by organization, but generally, endowment gifts are large gifts. In order to give to an endowment, a donor will need to have the ability to give at that large level.

Before walking someone down the endowment path, do your research. Be sure that prospect has the ability to give at the endowment level, either as a one-time gift or as a multi-year commitment. If they don't, consider approaching them for an annual gift or event sponsorship instead.