Prospect Management
Sponsored by

BIG 12 DEVELOPMENT CONFERENCE STRATEGY MANAGEMENT: INNOVATIONS & IDEAS

MARCH 30, 2015

Chris Cannon, CFRE, President-Strategic Services

Confidential: Do not copy or distribute without the consent of Zuri Group

- explore best-in-class innovations,
- review bedrock best practices that yield more gifts and better relationships.
- emphasize prospect development tactics from the best research, analytics and prospect management teams around the globe.
- learn how to leverage effective approaches to generate even more giving through better management and execution of strategies.
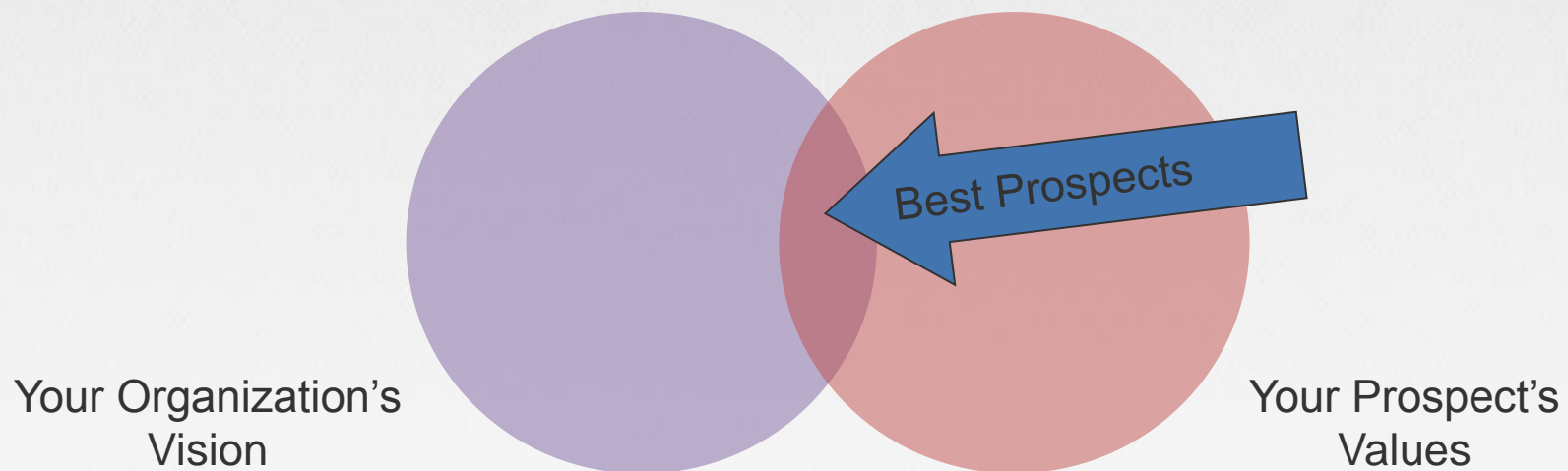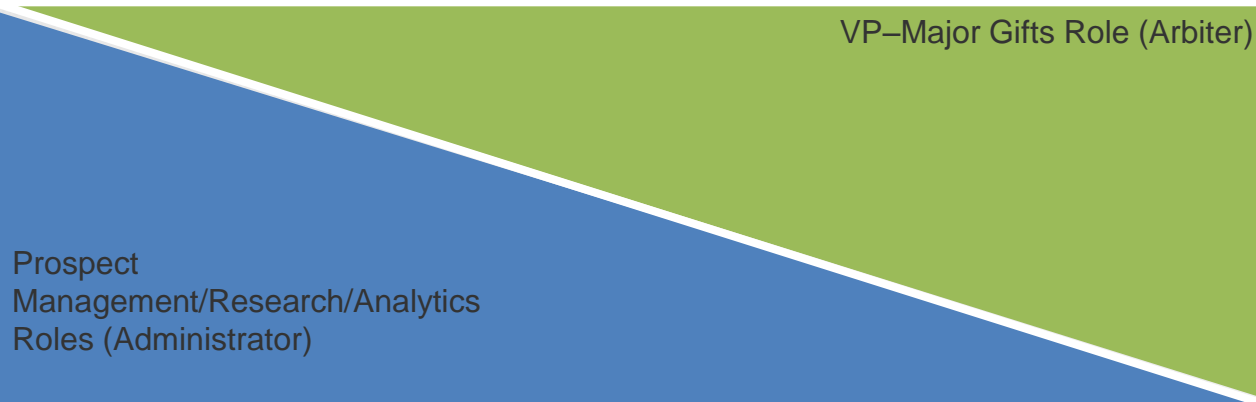
We're doing it wrong!

95%

- **Reveals and demonstrates how the prospect's interests, motivations, life goals, and/or firmly held beliefs are met through the work and vision of the nonprofit.**

- **If your system doesn't focus on this overlap, you'll have less movement.**

Best Prospects

Your Organization's Vision

Your Prospect's Values

WHAT DO WE MEAN BY "STRATEGY DEVELOPMENT" (AKA PROSPECTING)?

Prospect Development Division of Labor for Your Organization

Responsibility and Focus of Administrator and Arbiter Roles

VP–Major Gifts Role (Arbiter)

Prospect Management/Research/Analytics Roles (Administrator)

Prospect Management System Activity

Analytics

Prospect Tracking	Portfolio Management	Moves Management

Prospect's Status in Cycle

Identification	Cultivation	Solicitation

Strategy Management:

- Research
- Analytics
- Prospect Management
- Other organizational efforts to leverage data and other resources to build effective donor engagement approaches

Core aspects for prospect development system:

- **Assignment**
  - **Ratings**
- **Activity Tracking**
- **Solicitation Plans**

Rating(s)

Capacity

Inclination

Completed

Planned

Planned
Major
Annual

Assignment   Activity   Solicitation Plan
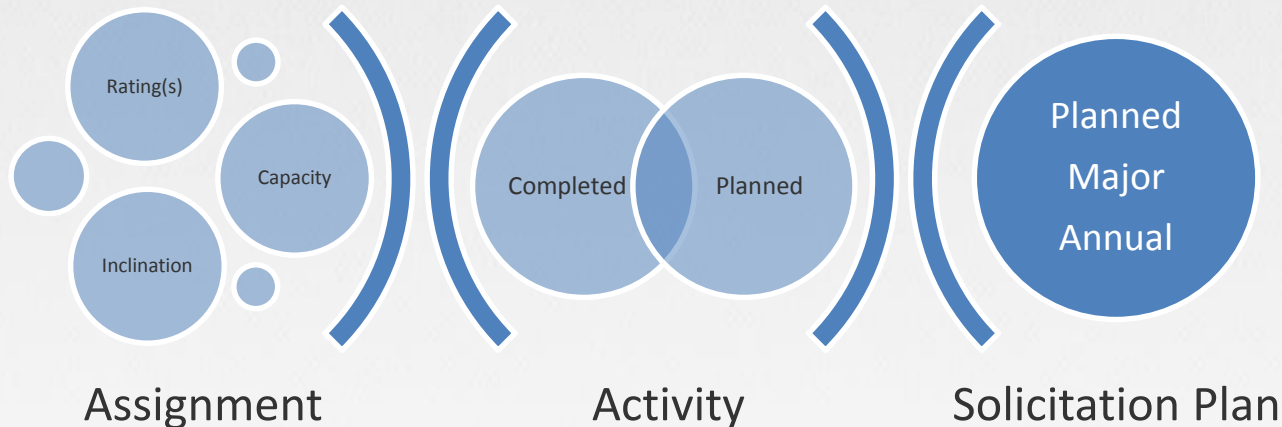
These need great data, analysis, and support to be effective

RESEARCH & DATA

- Data have become (mostly) a commodity
- What's in your database is yours, but most of the rest is available (for a price)
- The commoditization of data has made parts of research a product more than a service
- The trend is toward research as a part of management and analytics
- A great site with links:

http://staff.lib.msu.edu/harris23/grants/prospect.htm

Quality & Quantity
Data Fuel Fundraising

how good should your data be?

View points vary

Exec. View

Census's 2011 survey showed that fundraising executives gave a lower score on data accuracy and completeness.

Operations View

Census's 2011 survey showed more confidence in the data among those who gathered and used it daily.

Perception & Expectations are Key. Individuals & Org Types will Differ Here.

Data Quality & Quantity Should Trend Toward These Levels:

Address 95%	Phone 75%	Email 50%
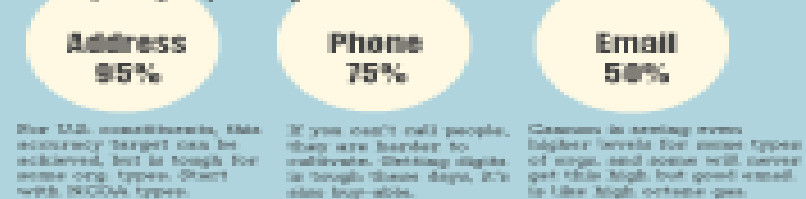
So, what solutions can you develop to improve data against these levels?
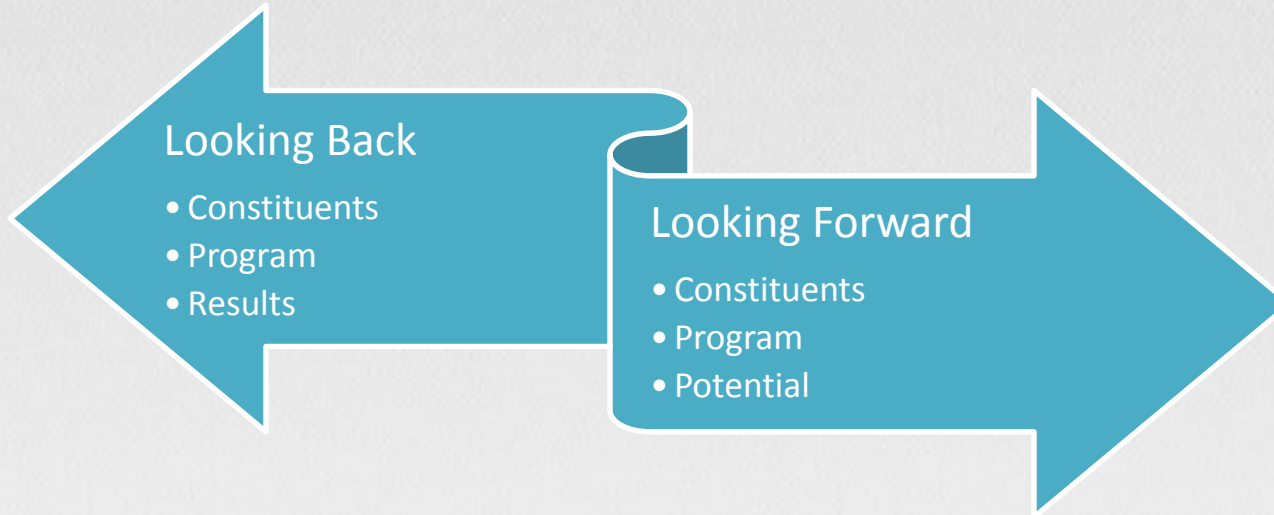
Communicate Expectations · Manage Perceptions · Enhance Data · Improve Processes

What to Know More?
Check out the data and processconfidence calculators at fundraisingoperations.com

www.zurigroup.com | 328 NW Bond St, Upper Floor | Bend,

Looking Back
- Constituents
- Program
- Results

Looking Forward
- Constituents
- Program
- Potential

- **Analyzing constituencies**

- **Segmentation and scoring**

- **Building models to predict constituent behaviors**

- **Evaluating and forecasting program performance using relevant metrics**

ANALYTICS IMPLEMENTATION

segment → determines who should be **researched**

- Predictive modeling
- Wealth Screening
- Peer review
- Surveys

qualify → determines who should be **seen**

- Prospect research
- Rating and assignment

engage → determines who should be **cultivated**

- Gift officer
- Student ambassador
- Leadership annual
- Events
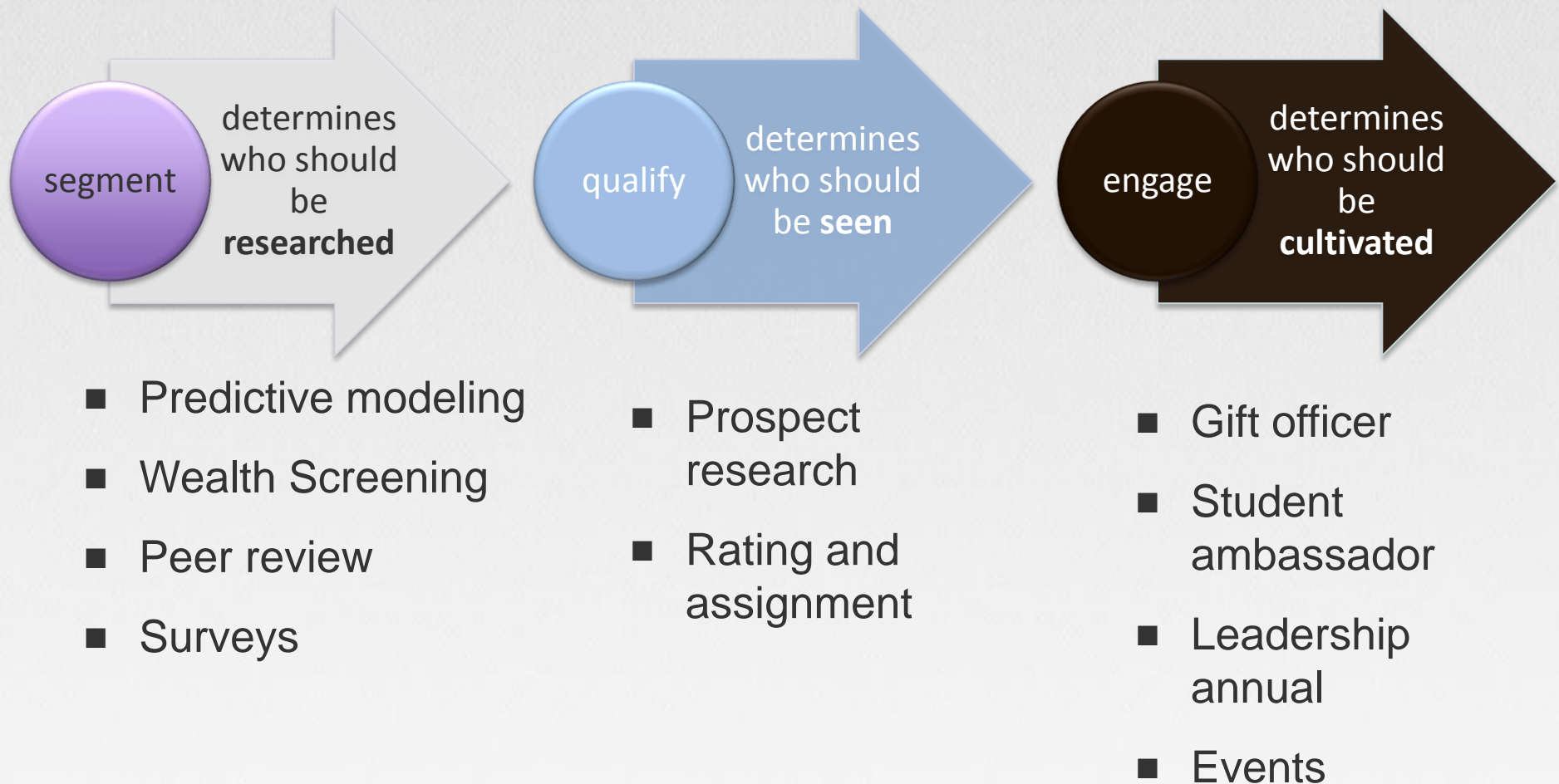
1) **Behavior!**

2) **Risk management (time wasted; time targeted; opportunities missed)**

3) **Leveraging great research and insightful analytics**

4) **Managing complex portfolios with simple processes**

5) **Unified and consistent communication with constituents**

6) **Prioritization of major and planned gift prospects**

7) **Keeping on track with cultivation**

8) **Fresh and valuable data for all programs to leverage**

9) **Enabling research to support gift officer work**

Many of us and our systems are missing the point.

- It's not (just) the data
- It's not (just) the analysis
- It's the relationship (not a transaction)

- A quick story... Gifts ≠ Deals

Public Service Announcement:

The fundamentals always need more attention!

That stated, there are some donor decision-making, data, technology, and process and program innovations out there:

- **What motivates their giving?**

- **What's happening in their lives?**

- **What is on their horizon?**

- **Who could best help move the needle?
  Do we know this?**

- **Sometimes, donors won't be moved.**

- **Great analytics factors in context (which is a missing link,
  too often….check out the Big Data session)**

- Social indicators
- Life events and patterns
- Liquidity events
- Competition
- Cultivation tricks and tips
- Ennui with development

….data services for leveraging Facebook, Twitter, Instagram, and LinkedIn data

….real-time data models

See More

SPONSORED 🔖   Create Ad

Free Shipping Both Ways
zappos.com
Renegade Pro GTX Mid Men's Shoes - Black - $250 - Shop Now

1,909,085 people like this

….workflow engines to push movement through the system (or at least <u>date-driven protocols</u>)
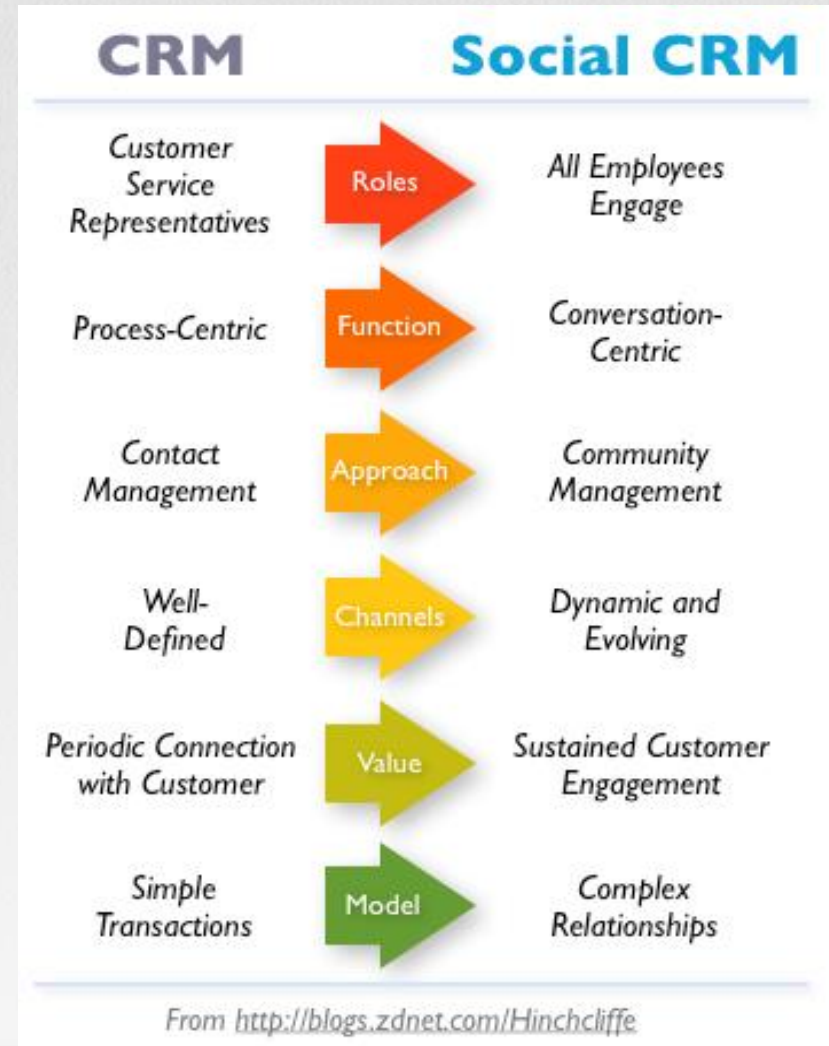
These tools are available, but can/should we get them?

ZuriGroup
new media • new technologies • new ideas
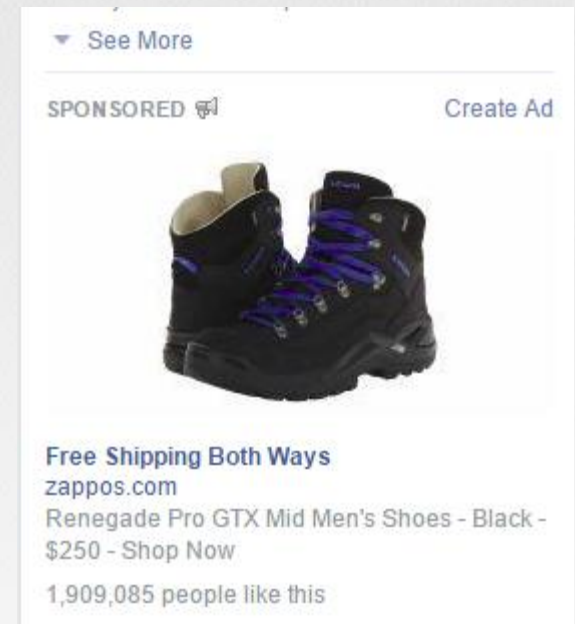
- **The totality of the data you gather, store, curate, and use to maintain and manage relationships**
- **Enterprise CRM: Focus on internal constituents**
- **Social CRM: Focus on external constituents**
- **Parts, pieces, or the whole party**

CRM		Social CRM
Customer Service Representatives	Roles	All Employees Engage
Process-Centric	Function	Conversation-Centric
Contact Management	Approach	Community Management
Well-Defined	Channels	Dynamic and Evolving
Periodic Connection with Customer	Value	Sustained Customer Engagement
Simple Transactions	Model	Complex Relationships

From http://blogs.zdnet.com/Hinchcliffe

CONSUMER EXPECTATIONS

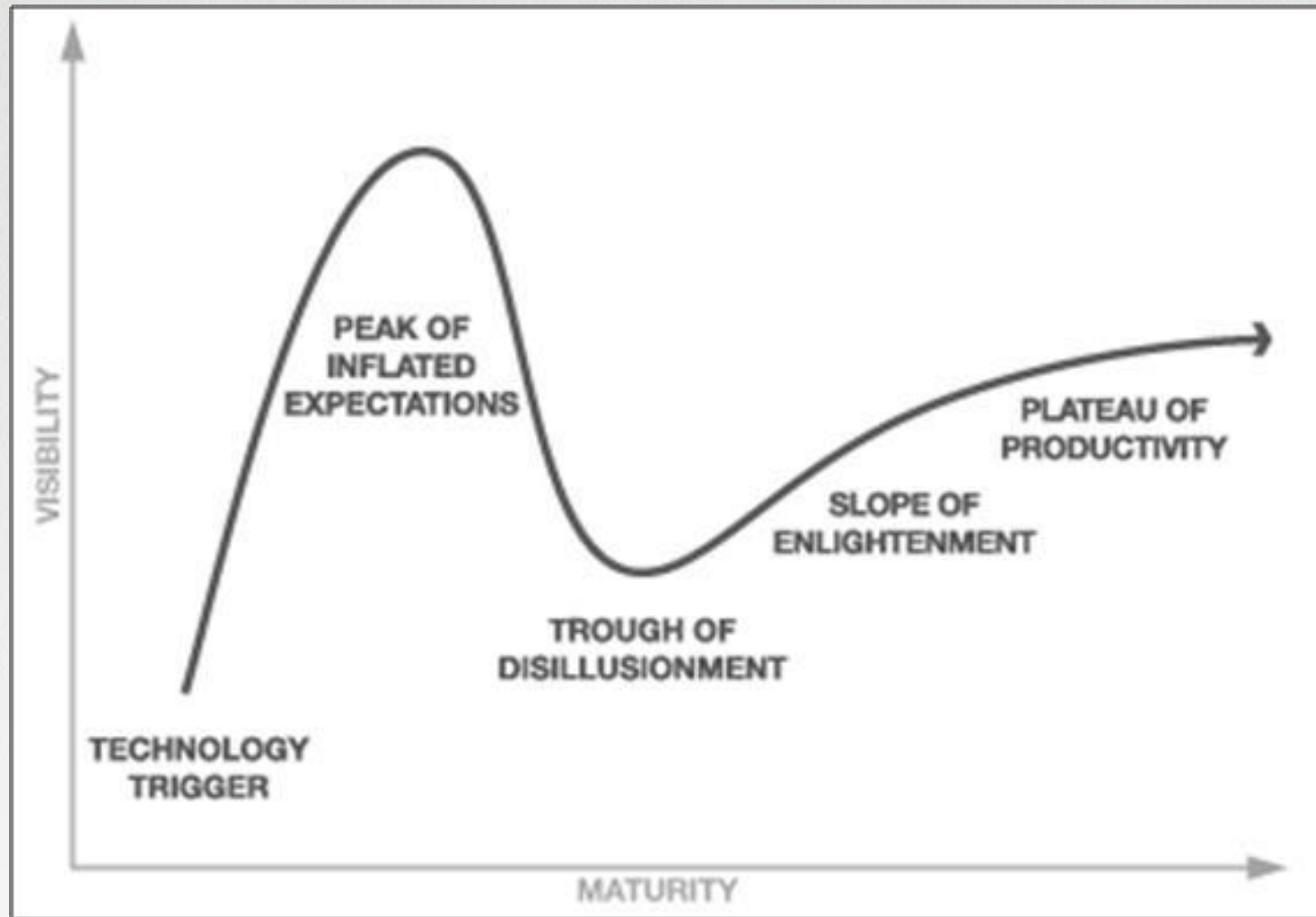**More and more like Amazon, Facebook, and your bank**

- Training manuals are antiquated
- Training videos on YouTube; testing to gain access
- Tools that help raise money (esp. social media)
- Tools that synch with contact lists and smart devices

Thing #1	Thing #2
1.5 M	1
$300B	$700B
$1B	$2B

Copyright. Christopher M. Cannon, An Executive's Guide to Fundraising Operations (Wiley 2011) from Gartner.com

Greater
Data
Integration

- **Bing/Google function "who is my best prospect for…?" (or better yet "Siri, who is my best prospect for a CGA today?")**

- **Log-in triggers strategic action/workflow**

- **Constituents as active here as on Facebook (or via Facebook)**

- **All CRM tools leveraged by all audiences**

Some of this is close to reality for strategy development in advancement, but a lot is out of reach for a while (and, the fundamentals will likely bring you more bang)

Even more experiences like our consumer applications

…."I'd like a leprechaun riding a unicorn to host my 6-year old's birthday, please. I saw it on "Real Housewives"

Increasing security...
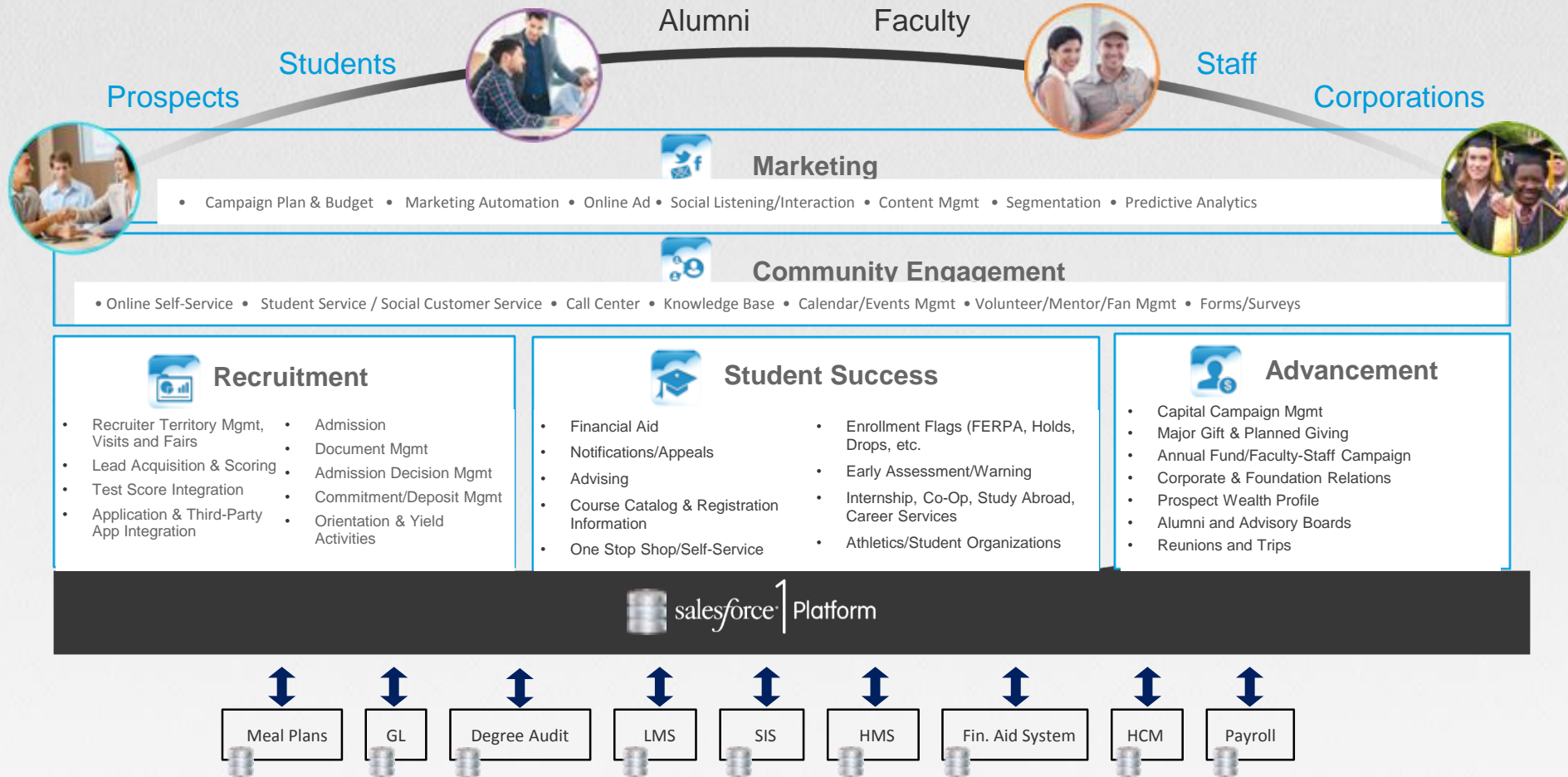
which means more investment

(Solving or more of) the iPhone Problem...

- **Number of Employees Designing Solutions:**
  - Google: has more than 10,000 developers!
  - Apple: has thousands of developers among its 50K employees in the US (not to mention tens of thousands of app developers not on the payroll)
  - Amazon: 3,000 of their 132,000 employees are developers
  - Your institution: 1? 2? 3? 4+, if you're lucky

TECHNOLOGY INNOVATIONS

"360 DEGREE" CRM

ZuriGroup
new media • new technologies • new ideas

The Connected Campus

Prospects — Students — Alumni — Faculty — Staff — Corporations

Marketing
• Campaign Plan & Budget • Marketing Automation • Online Ad • Social Listening/Interaction • Content Mgmt • Segmentation • Predictive Analytics

Community Engagement
• Online Self-Service • Student Service / Social Customer Service • Call Center • Knowledge Base • Calendar/Events Mgmt • Volunteer/Mentor/Fan Mgmt • Forms/Surveys

Recruitment
- Recruiter Territory Mgmt, Visits and Fairs
- Lead Acquisition & Scoring
- Test Score Integration
- Application & Third-Party App Integration
- Admission
- Document Mgmt
- Admission Decision Mgmt
- Commitment/Deposit Mgmt
- Orientation & Yield Activities

Student Success
- Financial Aid
- Notifications/Appeals
- Advising
- Course Catalog & Registration Information
- One Stop Shop/Self-Service
- Enrollment Flags (FERPA, Holds, Drops, etc.
- Early Assessment/Warning
- Internship, Co-Op, Study Abroad, Career Services
- Athletics/Student Organizations

Advancement
- Capital Campaign Mgmt
- Major Gift & Planned Giving
- Annual Fund/Faculty-Staff Campaign
- Corporate & Foundation Relations
- Prospect Wealth Profile
- Alumni and Advisory Boards
- Reunions and Trips

salesforce1 Platform

Meal Plans	GL	Degree Audit	LMS	SIS	HMS	Fin. Aid System	HCM	Payroll

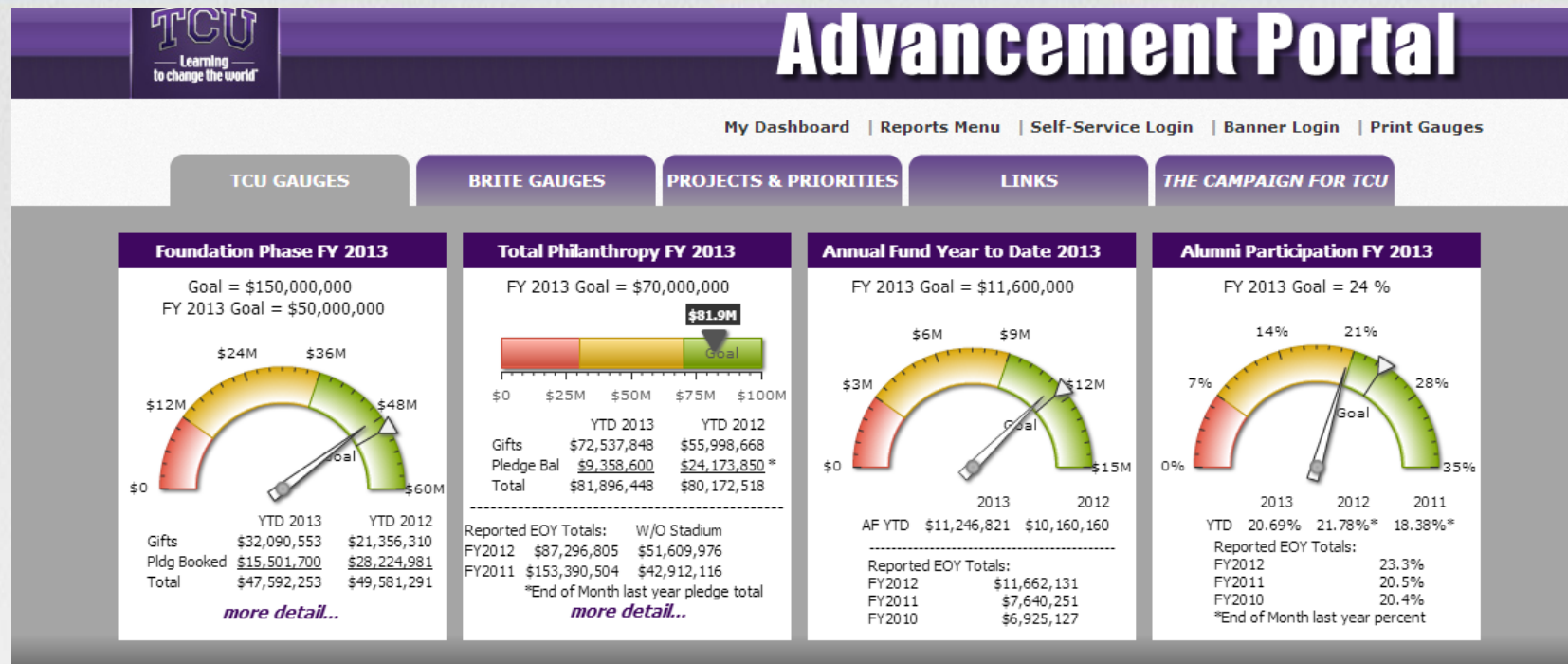# ...AND, REPORTING, BUSINESS INTELLIGENCE, AND ANALYSIS TOOLS HAVE GROWN.

Figure 1. Magic Quadrant for Business Intelligence and Analytics Platforms

Source: Gartner (February 2014)

DATA VISUALIZATION

DASHBOARDS THAT WORK

Permission from and thanks to R. Key at TCU

METRICS THAT MATTER

Data Points Sample Assessment*

*Modeled with permission on Data Points Reporting at James Madison University

The advancement services team's must work to deliver accurate and complete information. For alumni, a complete a complete record contains the following 12 **areas** of information listed below. A complete record must be up-to-date and accurate for it to be useful in advancement efforts. These reports show our progress with alumni and donors. Our goal is for 75% of our alumni and 85% of our donors to have nine (9) or more data points in their constituent record.

▪Full Name	▪Approximate Age	▪Phone Number	▪College
▪Gender	▪Home Address	▪Marital Status	▪Employer
▪Graduation Year	▪Email Address	▪Spouse Name	▪Job Title

Known	Total Alumni	%	Known	Total Donors	%
12	15,000	15%	12	8,000	20%
11	15,000	15%	11	8,000	20%
10	20,000	20%	10	6,000	15%
9	15,000	15%	9	6,000	15%
8	15,000	15%	8	4,000	10%
7	5,000	5%	7	4,000	10%
6	5,000	5%	6	2,000	5%
5	5,000	5%	5	800	2%
4	2,000	2%	4	400	1%
3	1,000	2%	3	400	1%
2	1,000	1%	2	400	1%
1	0	0%	1	0	0%
	100,000			40,000	

36

Big dogs jumping into the game…

But we're not very advanced yet.

Top Analysis Methods

- Clustering 9.5%
- Descriptive Analysis 12.6%
- Segmentation 33.5%
- Point-Based Ranking 14.0%
- Predictive Modeling 25.7%
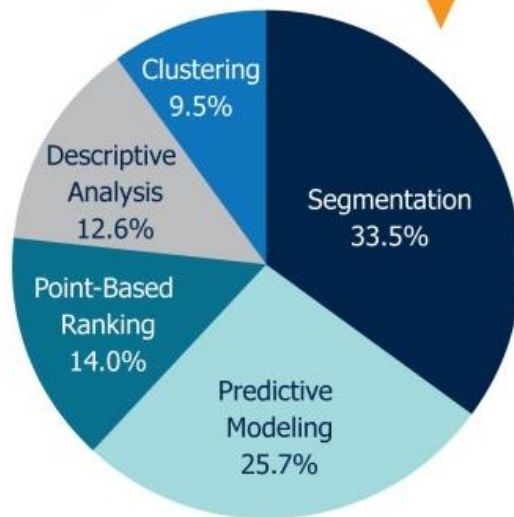
## IBM's Watson Analytics wants to bring big data to the masses →

IBM have announced a new product called Watson Analytics, one they claim will bring sophisticated big data analysis to the average business user. Watson Analytics is a cloud application that does all of the heavy lifting related to big data processing by retrieving the data, analysing…

ALL OF THIS IS GREAT, <u>AND</u> LET'S REMEMBER THE FUNDAMENTALS OF STRATEGY MANAGEMENT...

Start with a resource assessment:

1) What data and technology do you have at your deposal for research, management, and analytics

2) Are you fully leveraging what you have:

- **Are profiles used?**

- **Is data added to database?**

- **Are subscriptions helpful?**

- **Are meetings and strategy sessions valuable?**

3) If so, look at what you can do in-house and with vendors

4) Be disciplined, patient, and realistic
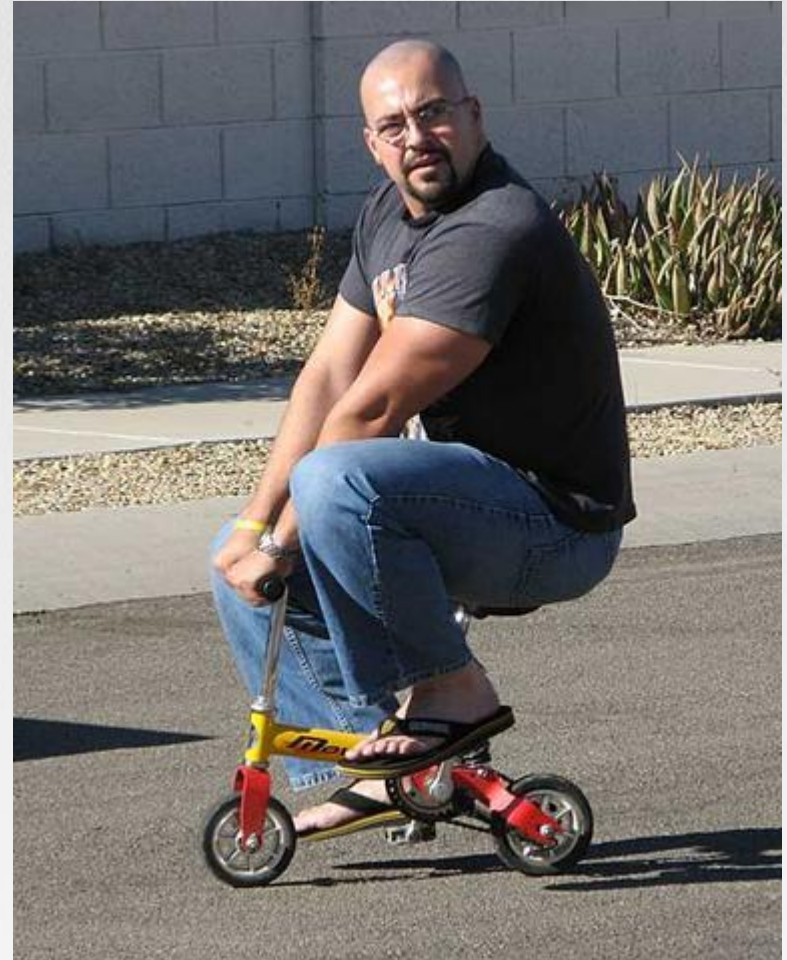
Not everything that can be counted counts, and not everything that counts can be counted.

Gifts ≠ Deals

QUESTIONS & IDEAS?

Questions?

Next Steps?

Contact Information

- Chris Cannon

  cannon@zurigroup.com

  @fundraisingops

  Blog at Fundraisingoperations.com