Ready 2 Raise

Operations Opportunities

SEPT. 30-OCT. 3, 2015
ORLANDO, FLORIDA

2015 AHP ANNUAL INTERNATIONAL CONFERENCE

ASSOCIATION FOR HEALTHCARE PHILANTHROPY.
Connecting People • Enriching Lives

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OPERATIONS OPPORTUNITIES: EXAMINING TRENDS AND INNOVATIONS FOR YOUR GROWING SHOP

The conference for health care development professionals.

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Plan for the Session

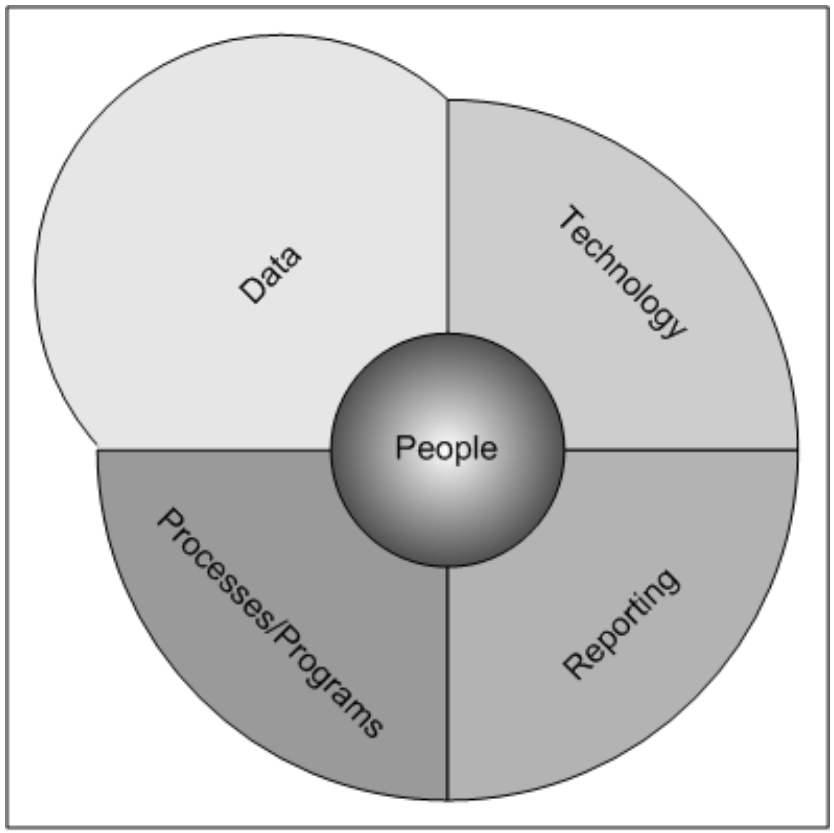
- Essential Principles
- Cases
- Next Steps

Essential Principles

- Align to mission and programs
- Changes in the industry and our options
- Spin like a top
- Balance accuracy, speed, and volume
- Discern trend from fad

The iPhone Problem

Balancing the Top can be Tough



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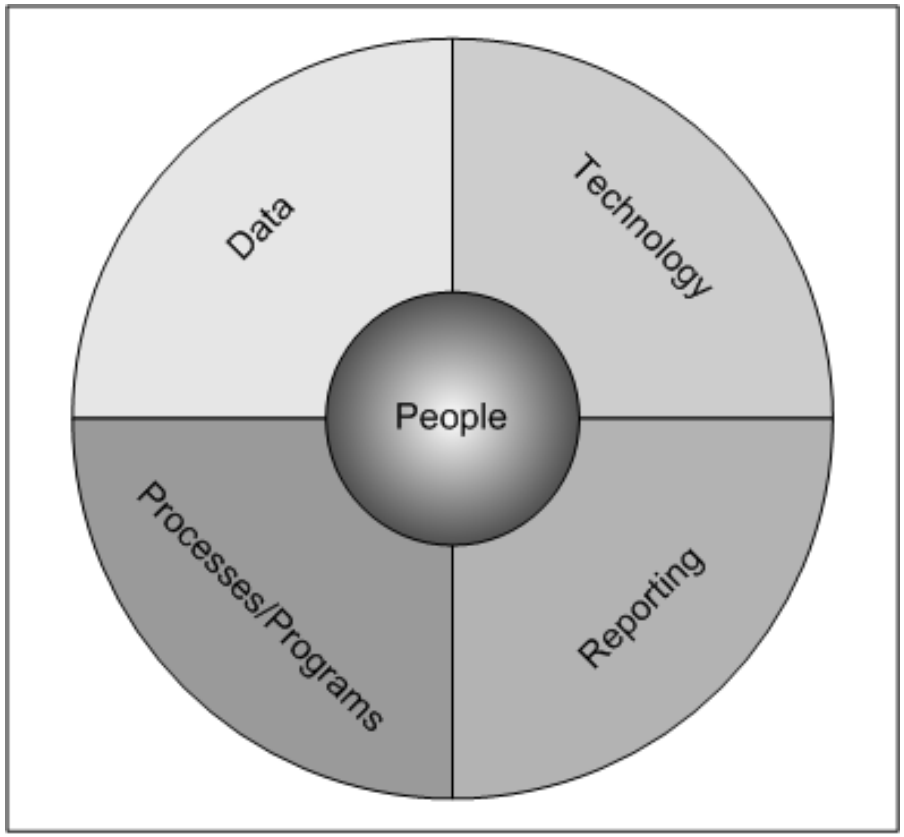

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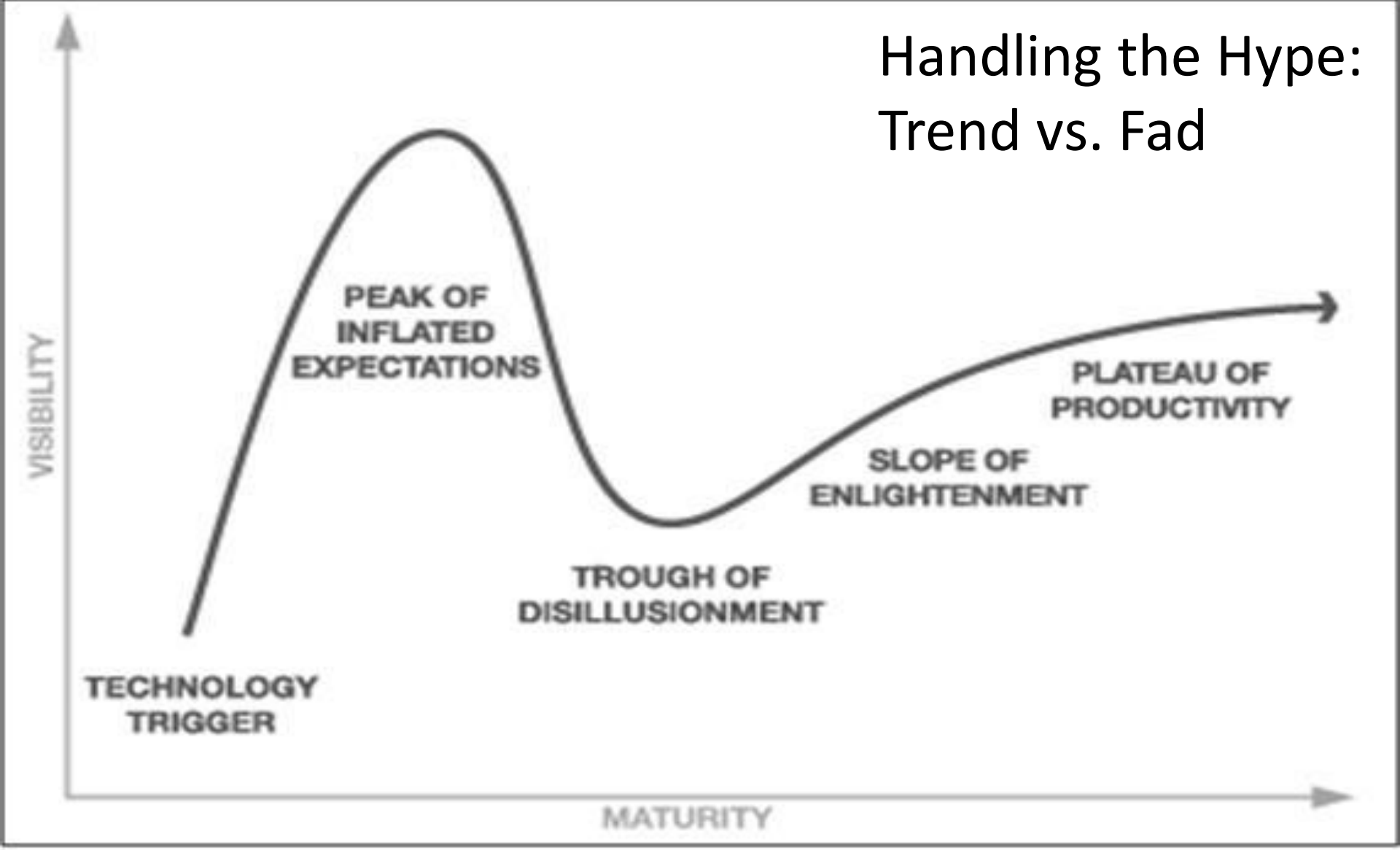
Handling the Hype: Trend vs. Fad



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Best Opportunities in the Industry

- CRM
- Data Entry Automation
- Outsourcing Processing (i.e., caging)
- Business Intelligence
- Social Data Management
- Web form data collection

Case Study I: CRM

define:

- CRM - **CRM software** is a category of enterprise **software** that covers a broad set of applications and **software** designed to help businesses/nonprofit organizations manage customer data and customer interaction, access business information, automate sales, marketing and customer support.

Case Study I: **CRM**

location:

Children's Hospitals and Clinics of MN

overview:

- Growing number of constituent and gifts.
- Limited ability to use add-ins, or extending RE with BI or API
- Need for more sophisticated reporting.
- limited IT resources
- Tools exist but can't be used in hosted environment.

Case Study I: **CRM**

status:

- using RE 7.94 hosted remotely by Blackbaud
- Limited ability to use add-ins, or extending RE with BI or API
- 200k constituents, 500k gifts
- limited IT resources
- growing too fast $15M in FY 2007 - $32M in FY 2014 , standards not established, CRM needs keep increasing

Case Study I: **CRM**

options:

- Version – **RE Enterprise 7.94 vs. CRM vs. RE NXT**
- Hosting – **local installation vs. remote hosting**
- Importing – **ImportOmatic vs. RE Import**
- Reporting – **Crystal Reports vs. BI-based reports**

Case Study I: **CRM**

finish:

- Version – **RE Enterprise** ~~vs. CRM vs. RE NXT~~
- Hosting – **local installation** ~~vs. remote hosting~~
- Importing – **BOTH - ImportOmatic vs. RE Import**
- Reporting – **BOTH - Crystal Reports vs. BI-based reports**

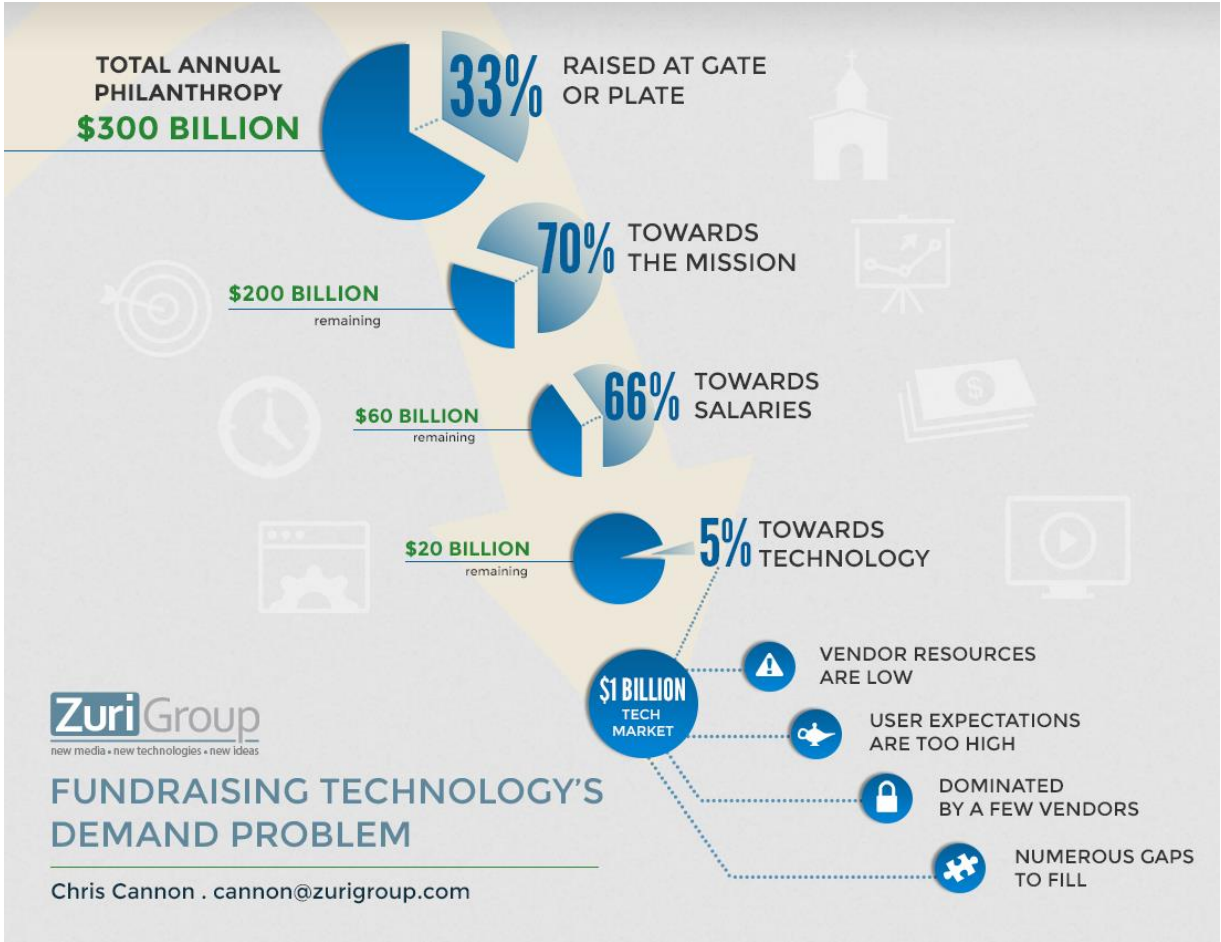
Case Study I: **CRM**

justification:

- Version
  - **RE Enterprise – the standard, no need for additional training, limited roadmap, add-in rich**
  - CRM – feature reach and customizable, price point makes CRM out of reach for most
  - RE NXT – provides limited new functionality for data entry and import, new instant snapshots of data, Blackbaud-hosted only

CRM Considerations: The Market as it Stands

- Shifting solutions
- Market is weak
- Change is tangibly and intangibly costly



Case Study II: **Data Entry Automation**

A New Effort Has Doctors Turn Patients Into Donors

By GINA KOLATA SEPT. 28, 2015

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A well-to-do cancer patient is nearing the end of her treatments. During an office visit, she says to her doctor, "I can't thank you enough for the care you provided."

Should the doctor simply accept the patient's gratitude — or gently suggest a way for her to show it: "Perhaps you might consider making a donation?"

More and more these days, development offices at major cancer centers are teaching doctors to seize such opportunities to raise money for the medical center or for their own research.

After Jack Hyer and Laura Jensen were treated for cancer at the University of North Carolina, they donated money for research. Jeremy M. Lange for The New York Times

In an unprecedented survey of more than 400 oncologists at 40 leading cancer centers, nearly half said they had been taught to identify wealthy patients who might be prospective donors. A third had been asked to directly solicit donations — and half of them refused. Three percent had been promised payments if a patient donated.

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Case Study II: **Data Entry Automation**

location:

Minnesota Medical Foundation

overview:

- Grateful patient data is to healthcare philanthropy what alumni data is to higher education philanthropy
- Limited need to include each record in database
- Workflow process with connected wealth reporting
- Faucet concept – hospitals are open 24-7. Once you start accepting data to use it effectively you need to have an established workflow. Automation makes this part possible.

Case Study II: **Data Entry Automation**

options:

- Products
  - **Raiser's Edge API Module**
  - **Omatic Software Grateful Patient Solutions**
- Resources
  - **customized development by in-house IT resources or by contractor**
  - **Omatic Software**

Case Study II: **Data Entry Automation**

justification:

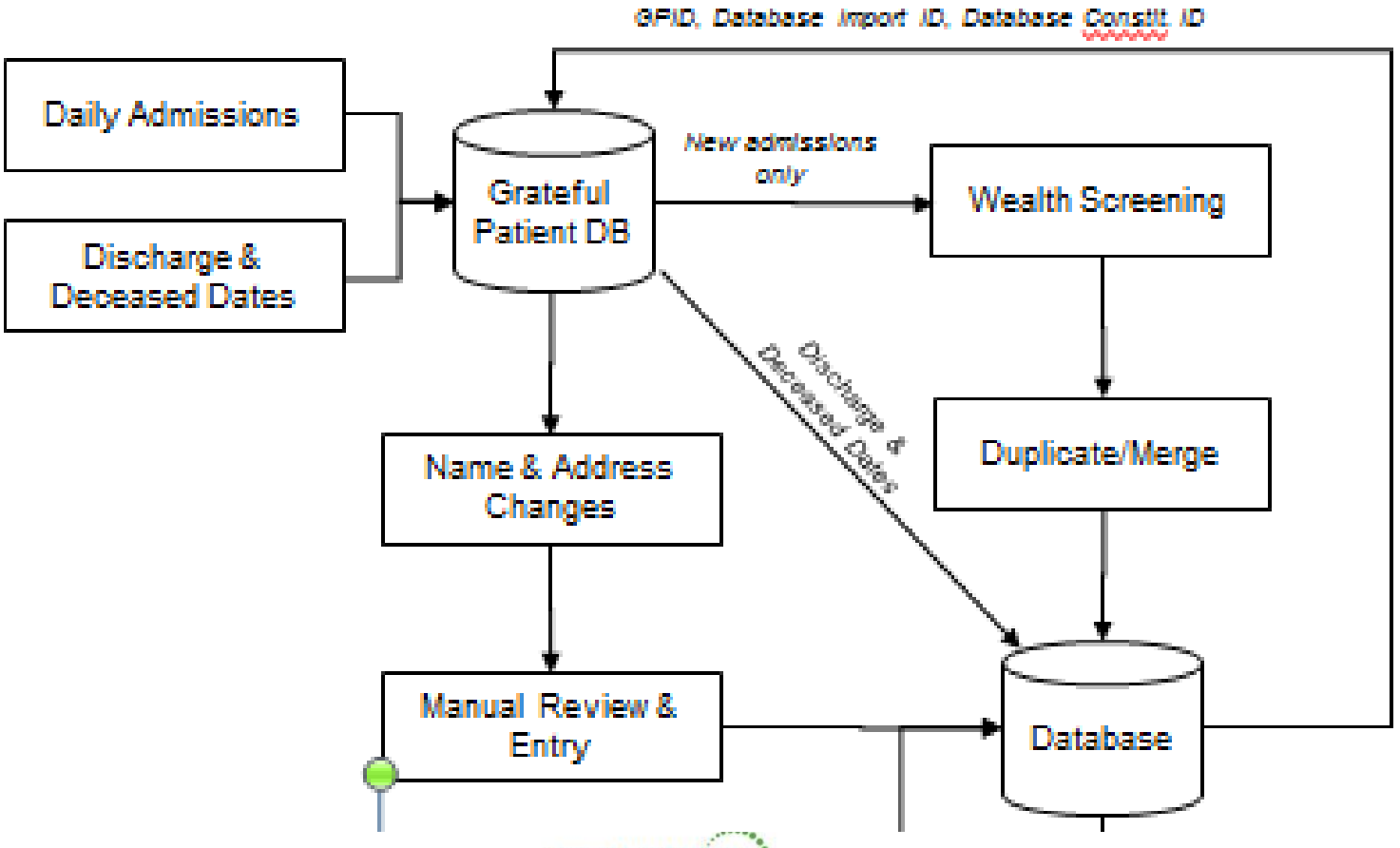
- Products
  - **Raiser's Edge API Module**
  - ~~**Omatic Software Grateful Patient Solutions**~~
- Resources
  - **customized development by in-house IT resources or by contractor**
  - ~~**Omatic Software**~~

Case Study II: **Data Entry Automation**

Justification:

- Products
  - **Raiser's Edge API Module – in house talent and resources were available, Blackbaud offered API class which could be used for GP project and future projects**
  - Omatic Software Grateful Patient Solutions – product was not fully developed at time of project

Data Entry Automation in Action



Case Study III: **Outsourcing (i.e., Caging)**

define:

"Caging, also known as cashiering or lockbox services, is so named because its employees used to work in **cages** for security purposes. Today, the term **defines** the **process** by which mail generated from a direct mail campaign is opened, and donations are **processed** and deposited."

Case Study III: **Outsourcing (i.e., Caging)**

Why Outsource? Get more from your team

Law of Comparative Advantage:

If one can produce a particular good or services at a lower relative opportunity cost or autarky price, i.e. at a lower relative marginal cost prior to trade.

Case Study III: **Caging**

location:

Children's Hospitals and Clinics of MN

overview:

- Growing number of constituent and gifts.
- Limited resources. Possible staff reduction/reallocation to other areas (i.e. data mgmt. and maintenance)
- Cost effective

Case Study III: **Caging**

status:

- All gift processing currently in-house
- Lock-box used for direct mail
- Gifts over $1K brought directly to bank once a day

Case Study III: **Caging**

options:

- Companies– **Agilis vs. Merkle**
- Gift Solicitation Method – **Direct Mail, White Mail, Gift-In-Kind, Online Gifts, Pledges, Recurring Gifts, Matching Gifts**
- File Access – **Downloadable file for import or direct Raiser's Edge access**
- Other considerations – **increased time from gift to receipt**

Case Study III: **Caging**

options:

- Companies– ~~**Agilis**~~ **vs. Merkle**
- Gift Solicitation Method – **Direct Mail, White Mail, Gift-In-Kind, Online Gifts, Pledges, Recurring Gifts, Matching Gifts**
- File Access – **Downloadable file for import** ~~**or direct Raiser's Edge access**~~

Case Study III: **Caging**

Justification:

- Companies– Agilis vs. **Merkle**

Case Study III: **Caging**

justification:

- Gift Solicitation Method – **Direct Mail, White Mail, Gift-In-Kind, Online Gifts, Pledges, Recurring Gifts, Matching Gifts**
  - **Phased approach**
    - **Phase I will include direct mail. Complete infrastructure. File sent daily.**
    - **Phase II will include gift-in-kind and online gifts (Blackbaud NetCommunity). Merkle given direct access to Raiser's Edge**
    - **Phase III include white mail and move from formal gift acknowledgements to tax receipt provided by Merkle.**

Case Study III: **Caging**

justification:

- File Access – **Downloadable file for import or direct Raiser's Edge access**

Case Study III: **Caging**

Other considerations:

- White mail
  - Provide overview of direct scanning by Merkle as this is a new advanced feature
- Receipts
  - Provide overview of our receipt discovery project and findings. This seems to be a point of debate – just enough for tax purposes vs. donor ack.
- Timing
  - The initial time from gift to receipt will increase

Outsourcing Considerations

Is it right for you? 4 questions:

1) **High-volume, low-average gifts.**
2) **Donor and donation make-up.**
3) **Complexity of the front-of-the-line.**
4) **Desire to strengthen strategic analysis.**

Case Study IV: **Business Intelligence (BI)**

define:

"Business intelligence (**BI**) is the set of techniques and tools for the transformation of raw data into meaningful and useful information for business analysis purposes. BI technologies are capable of handling large amounts of unstructured data to help identify, develop and otherwise create new strategic business opportunities. The goal of BI is to allow for the easy interpretation of these large volumes of data. Identifying new opportunities and implementing an effective strategy based on insights can provide businesses with a competitive market advantage and long-term stability.

Case Study IV: **Business Intelligence (BI)**

location:

Minnesota Medical Foundation and Children's Hospitals and Clinics of MN

overview:

- Growing number of constituent and gifts.
- Limited human resources, Raiser's Edge ability to produce reports.
- Limited ability to combine data from other sources (finance, fund info., Grateful Patient, human resources)

Case Study IV: **Business Intelligence (BI)**

status:

- Reports generated out of Raiser's Edge 7.94 (RE exports or Crystal Reports) require extensive manipulation and time
- No opportunity to combine data from other sources
- Blackbaud hosting prevents use of BI

Case Study IV: **Business Intelligence (BI)**

options:

- Companies– **Blackbaud Business Intelligence Solutions**
- Component Development - **Blackbaud BI Solutions or develop in-house talent**
- Report Development – **Blackbaud BI Solutions or develop in-house talent**
- Report Type – **SQL Server Reporting Services (SSRS) or Excel reports based on SSIS data cube**

Case Study IV: **Business Intelligence (BI)**

options:

- Companies– **Blackbaud Business Intelligence Solutions**
- Component Development – **BOTH** Blackbaud BI Solutions or develop in-house talent
- Report Development – **BOTH** Blackbaud BI Solutions or develop in-house talent
- Report Type – SQL Server Reporting Services (SSRS) or **Excel reports based on SSIS data cube**

Case Study IV: **Business Intelligence (BI)**

Justification:

- Companies– **Blackbaud Business Intelligence Solutions – Blackbaud BI Solutions provides an out-of-the-box BI package. The BI package provides a Integration Services ETL data warehouse, Analysis Services OLAP data cube and customized reporting.**

Case Study IV: **Business Intelligence (BI)**

Justification:

- Component Development – **BOTH** Blackbaud BI Solutions or develop in-house talent – If available an IT resource should take:
  - **Blackbaud API class (offered in Charleston, SC)**
  - **Microsoft SQL Server SSIS and SSAS introductory classes**
  - **Work with Blackbaud as components are being developed to understand how to modify for small to moderate changes**

Case Study IV: **Business Intelligence (BI)**

Justification:

- Report Development – **BOTH** Blackbaud BI Solutions or develop in-house talent – If available an IT resource should take:
  - **Microsoft SQL Server SSRS and advanced Excel classes**
  - **Work with Blackbaud as reports are being developed to understand how to modify for small to moderate changes**

Case Study IV: **Business Intelligence (BI)**

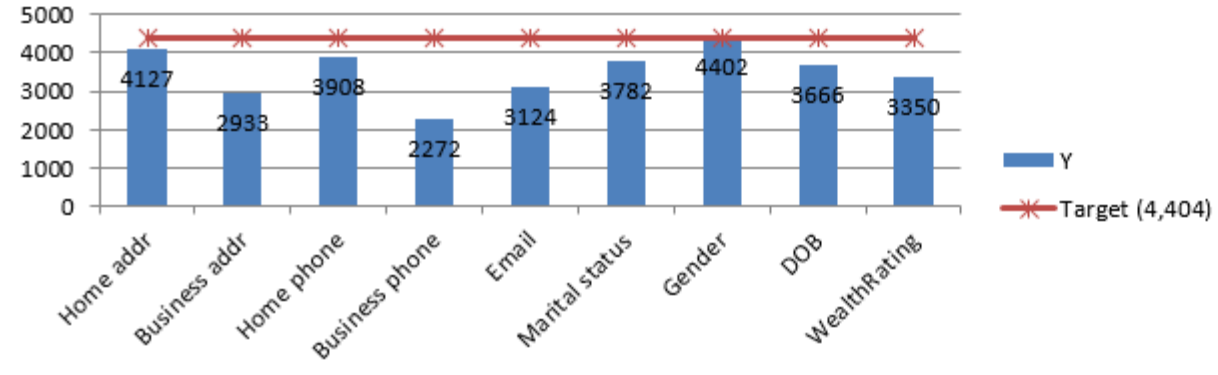
Justification:

- Report Type – SQL Server Reporting Services (SSRS) or **Excel reports based on SSIS data cube**
  - **Requires less technical knowledge. Power user can be taught to build reports in this environment.**
  - **Work with Blackbaud as components are being developed to understand how to modify for small to moderate changes**

Business Intelligence Considerations

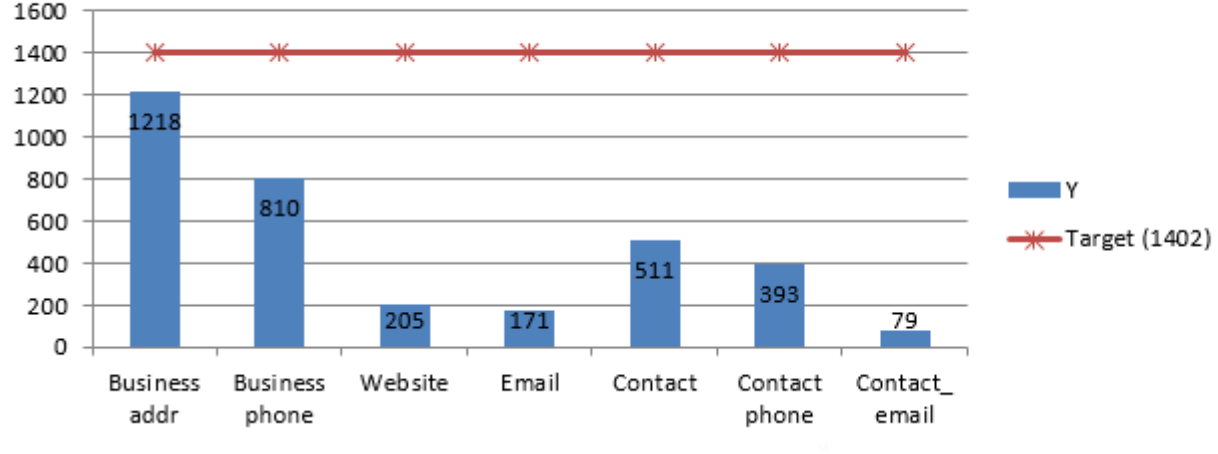
- Start with the end in mind…

Completion of Individual Data Points for Front of the Line Constituents



Data Points	% Complete
Home addr	94%
Business addr	67%
Home phone	89%
Business phone	52%
Email	71%
Marital status	86%
Gender	100%
DOB	83%
WealthRating	76%

Completion of Organizational Data Points



Data Points	%Complete
Business addr	87%
Business phone	58%
Website	15%
Email	12%
Contact	36%
Contact phone	28%
Contact email	6%

Case Study V: **Web-based data collection**

- Contact Reporting and Proposal Application
- Gift Processing Task Tracking
- Can make data collection mobile, which will increase adoption
- Can potentially move in the direct of speech-to-text (which isn't quite as easy as folks would want)

Case Study V: **Web-based data collection**

- Track significant information to advance a prospect towards solicitation
- To record the history of the relationship
- To communicate with other MMF staff
- Establish metrics to measure performance
- Maintain official records of the prospect relationship

Web-based Data Collection Considerations

- Solving the right problem (behavior is more important than technology)
- Use the 1:100:1000 rule of thumb
- Time gained should be worth programming effort

Case Study V: **Social Data Management**

Define

- "Social data management is the comprehensive analysis and strategic use of constituent's online engagement with your institution"

Status

- Every organization wants this but most not doing much here yet

Case Study V: **Social Data Management**

Options

- Manual review
- Website tools
- Social data appends
- Social data management tools(s)

Case Study V: **Social Data Management**

Justification

- It works and is working, with some caveats

Operations Opportunities

- Consider top-down, inside-out approach
- Select what will stick and deliver ROI
- Don’t suffer from the iPhone problem
- Drop us a line
  - Dan Lantz (dan.Lantz@childrensmn.org)
  - Chris Cannon (cannon@zurigroup.com)