



Blackbaud's 2008 Higher Ed Forum

The Cutting Edge in Prospect Research: Several Approaches and Best Practices

Elizabeth Crabtree, Director of Prospect Development, Brown University
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Introduction

Elizabeth Crabtree
Director of Prospect Development
Brown University



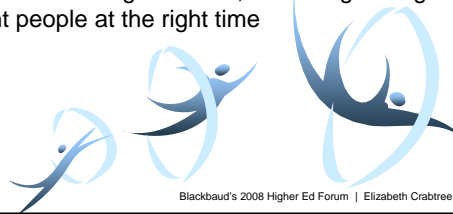
- ◆Manages a team of professionals provide strategic advice, support and systems for campaign planning and management, prospect and market research, data mining and market analytics, relationship management and volunteer engagement
- ◆Nonprofit career has encompassed working at four diverse colleges and universities in research, communications, and corporate, foundation and government relations and managing a corporate foundation
- ◆Member of the board of the Association of Professional Researchers for Advancement currently serving as its President; chaired the 2005 and 2006 APRA International Conferences
- ◆Recipient of 2007 Ann Castle Award

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Organization

- ◆ The Office of Prospect Development at Brown works as a strategic partner with the frontlines of the development operation to provide proactive and integrated business intelligence that strengthens the practice and success of fundraising
- ◆ Prospect Development guides and supports the fundraising, volunteer and constituency development activities
 - Provides proactive and integrated mission-critical intelligence
 - Encourages strategic partnerships and collaboration
 - Provides senior management, fundraisers, and volunteers with timely, accurate and actionable information for cultivation and solicitation
 - Works in an organized and strategic fashion, delivering the right amount of information to the right people at the right time



Areas of Responsibility

- ◆ **Campaign Planning and Management**
 - Gift table development and on-going analysis
 - Campaign reporting; philanthropic environment monitoring
 - Performance metrics, benchmarks and goals
 - Facilitating internal prospect strategy sessions; managing peer screenings
- ◆ **Data Mining and Market Analytics**
 - Employ business development, market research, forecasting, data mining and modeling techniques to provide broad-based intelligence on alumni
 - Primary driver for donor and volunteer prospect identification
- ◆ **Prospect Research**
 - High-level donor research using proprietary, custom forecasting models for accurately projecting and estimating wealth and capacity
- ◆ **Relationship Management**
 - Design, implement and managing a comprehensive and sophisticated system for tracking and reporting donor, volunteer and fundraiser activity
- ◆ **Volunteer Engagement**
 - Coordination of high-level nominations and management of volunteer prospect pools

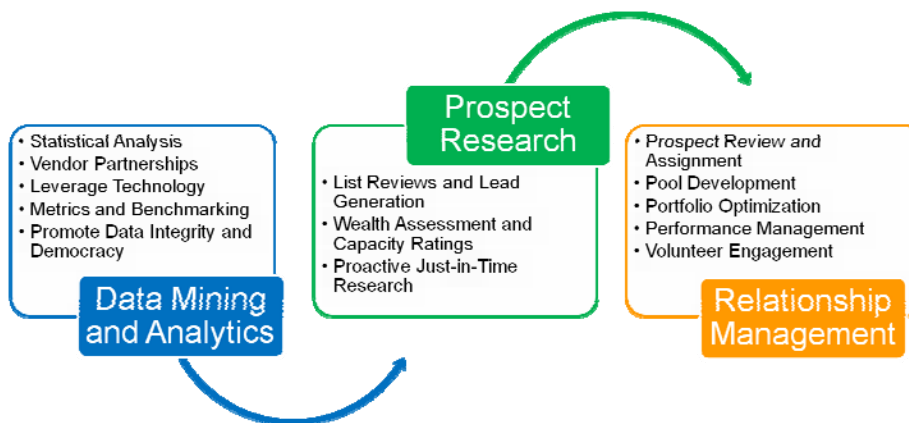


Vision

- ◆ **Holistic**
 - Work closely and as an integrated function with every aspect of Development fundraising: annual fund, major and principal gifts, planned giving, corporate/foundation giving, etc.
 - Further influence and impact Alumni Relations and leadership volunteer development at the University level
- ◆ **Proactive**
 - Just-in-time research provides fundraisers with readily available and timely information – requests are minimal; information flow is fluid, concise and cohesive
 - Research is standardized, yet customized – serve different audiences in different ways
- ◆ **Collaborative**
 - Build and leverage relationships and circles of influence – internally and externally
 - Communicate regularly and effectively – but at the right time, right amount



Approach





Areas of Excellence

- ◆ Quality of financial analysis and proprietary methods for wealth and gift capacity ratings
- ◆ Common sense approach to data mining and analytics – evaluating methodologies and approaches used, leveraging vendor partnerships, investing in data and tools
- ◆ Solid policies and guidelines for relationship management that are well understood and uniformly applied to support the culture of fundraising
- ◆ Performance-based fundraising program – supported by highly customized goal-setting procedures and common metrics
- ◆ Strong system and report design capabilities
- ◆ Ongoing monitoring and interpretation of philanthropic, economic and fundraising environment
- ◆ Ability to communicate effectively with senior management / leadership volunteers



Impact

- ◆ A defining moment for a researcher:

“We no longer function as just compilers of facts, but rather as decision-makers to help shape the prospect pools in the regions we cover.”





Impact

◆ Perspective from a Principal Gift Officer:

“Team. Congrats on our teamwork on [XXX -donor] – the research, news updates, collection of Africa data, advisory council information, proposal, briefing documents, talking points, campus visits and follow-up, etc..... All of this led to \$5.75M for scholarships! Thanks to each and all.”



Impact

◆ Perspective from a Corp. & Fdn. Relations Officer:

*“I wanted to let you know how great your FYIs to prospect managers have played out for us in C&F, whether we use it as new information we didn't catch, or as a reminder on something we needed to move on, **or as a catalyst for a new way of thinking.** You always capture the essence of our strategies and Brown's vision in why you send the information. You also sometimes connect the dots for our officers to major gifts officers via your news. **Your engagement and interest in our efforts and strategies is recognized by us.** And I'm sure you do this for the entire fundraising base. It is amazing.”*



Impact

- ◆ Perspective from a Vice President of Major Gifts:

*“The quality of the research department’s financial analysis and ratings has given our fundraisers and volunteers the **confidence** to ask for higher levels gifts from our prospects that we would have never otherwise thought possible. As a result, we are not only asking for, but successfully closing, larger gifts.”*



Impact

- ◆ Perspective from a Vice President of Development:

“I want to thank you for your input, support, and leadership in setting our goals. We have really evolved in a positive way to have the meeting with fundraisers go so smoothly and to walk out of it with more dollars assigned than originally proposed! And hearing that two of our new hires have been asking for their goals was icing on the cake. We should feel very confident in our ability to reach our goals and the contribution this is making to the Campaign effort!”



Key Elements of Success

- ◆ Knowledge of Fundraising and Philanthropy
- ◆ Complementary Structure / Alignment
- ◆ Quality Research & Financial Analysis
- ◆ Proactive Systems and Intuitive Technology
- ◆ Collaborative Communications
- ◆ Collegiality and Understanding
- ◆ Effective Teamwork



Key Elements of Success

- ◆ Ultimately, keeping the big picture in mind - achieving our campaign goals to forward the mission of the organization and create a positive philanthropic experience for the donor – ***and sharing in that success***



“Oh, get over yourself. We were all in the movie.”



Emerging Opportunities

- ◆ Evolving the traditional work of 'research' into true ***business intelligence*** – transforming raw silos of data into information, creating a knowledge base that supports informed decision-making and promotes action
- ◆ Strategically using business intelligence and key performance indicators to improve the efficiency, depth and impact of all ***Advancement*** programs and activities
- ◆ Data visualization that to the end-user is simple and intuitive
- ◆ Further refining levels of information and staging it appropriately; avoiding information overload and “analysis paralysis”
- ◆ Increased emphasize on volunteer development – creating systems that support tracking paths to leadership; connected to overall University governance
- ◆ Sustaining campaign fundraising levels while planning and preparing for the next campaign



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The University of Iowa Foundation

Scott A Johnson, Director of Development Research and Records

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The Cutting Edge in Prospect Research: Several Approaches and Best Practices



Presentation Objectives

- ◆ Identify specific challenges in higher education development
- ◆ Share innovative approaches in prospect research at The University of Iowa Foundation
- ◆ Discuss solutions to current challenges and identify tomorrow's challenges
- ◆ Q&A

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Challenges in Higher Education Development

- ◆ Campaign goal inflation
- ◆ Continuous campaign cycle
- ◆ Privacy issues
- ◆ Effective use of technology
- ◆ Collaboration and communication



Prospect Identification Objectives

- ◆ Identify areas of untapped or underdeveloped potential in major gifts, planned giving, and annual support
- ◆ Better understand who our donors are at various stages in their development
- ◆ Devise more targeted, efficient solicitation strategies



Identifying More (and More) Prospects

- ◆ Multi-tiered approach needed to address increasing demand
- ◆ Published sources (i.e. newspapers, alerts, web searches)
- ◆ Contact reports, referrals, surveys
- ◆ Data mining
- ◆ Predictive modeling
- ◆ Wealth capacity screening

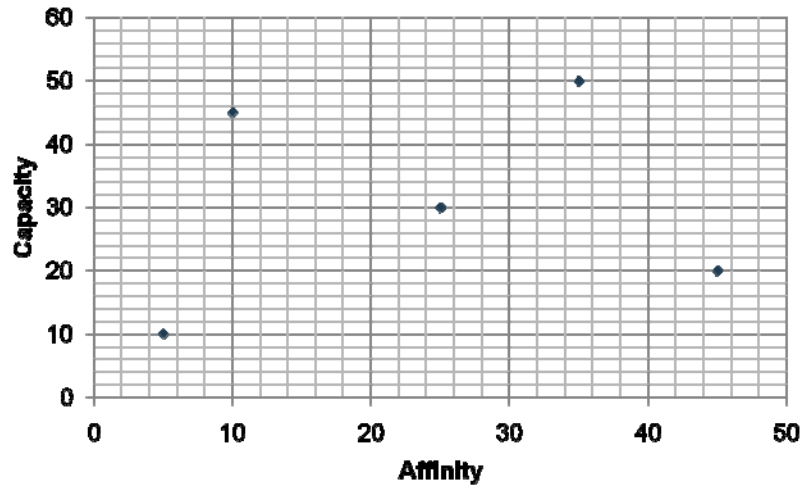


Too Many Prospects to Handle?

- ◆ Use technology to identify prospects
- ◆ Segmentation strategies
 - Principal Gifts \$2.5M and greater
 - Major Gifts \$100K -> \$2.49M
 - Special Gifts \$50K -> \$99K
- ◆ Affinity and capacity matrix
- ◆ Donor commitment continuum*
- ◆ Prospect strategy sessions
- ◆ Better reporting

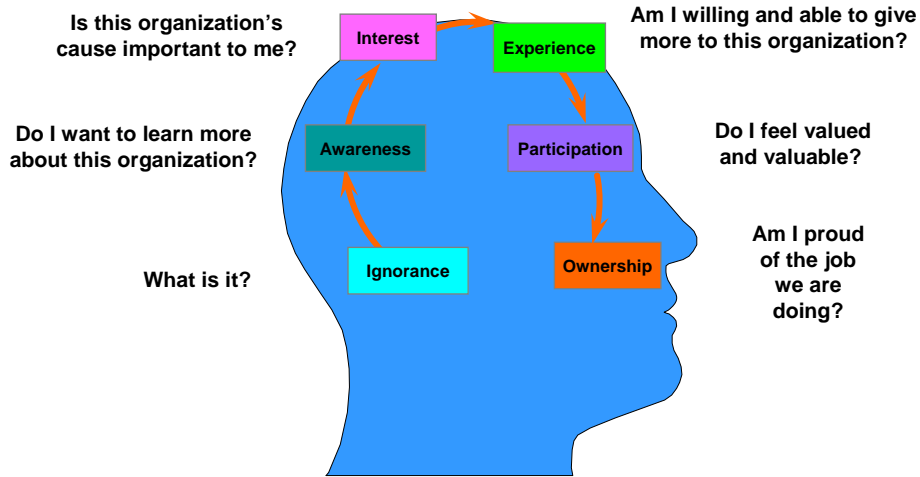


Affinity and Capacity Matrix



Donor Commitment Continuum

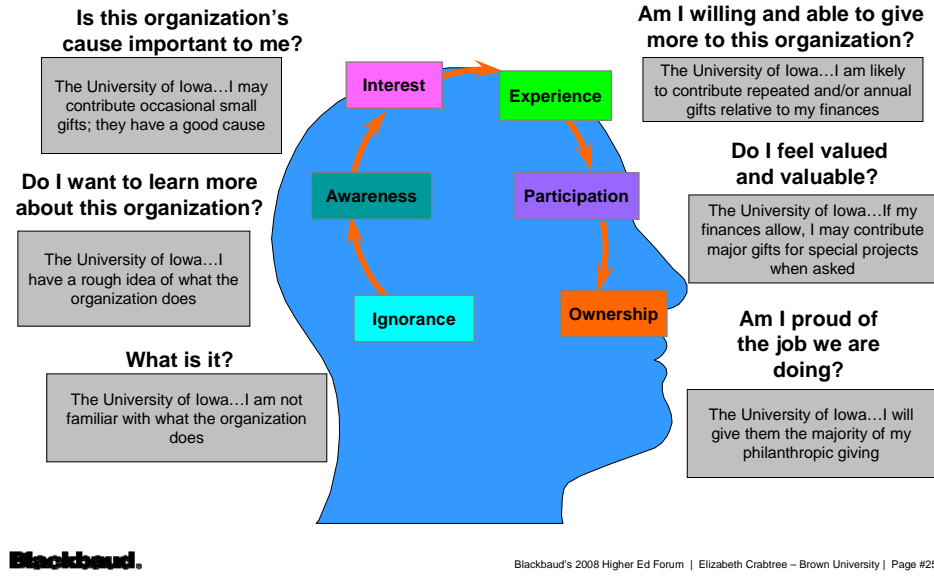
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Donor Commitment Continuum

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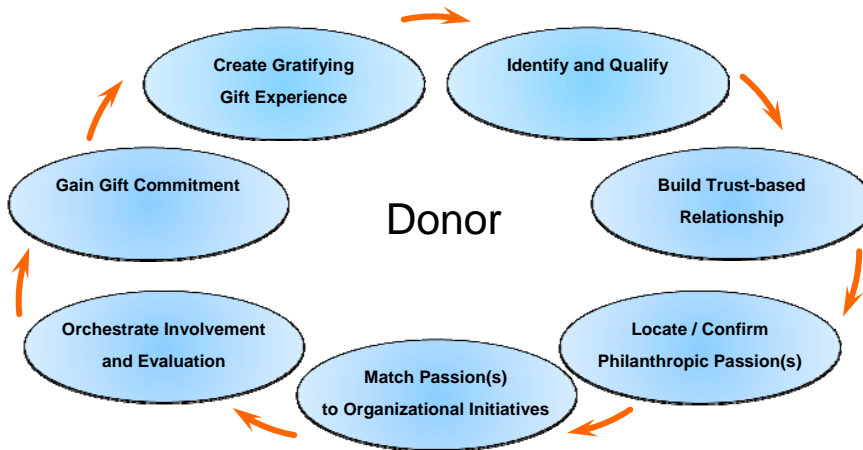
Prospect Strategy Approach

- ◆ Collaborative and donor-centered
- ◆ Prospect Coordinator
Coordinates the relationship with an assigned prospect in cooperation and collaboration with other members of the prospect team
- ◆ Prospect Team Member
Assists the coordinator in developing the relationship; prospect team members may include other development officers, university representatives, board committee members, donor relations officers, planned giving officers, and prospect researchers
- ◆ Prospect Strategy Sessions
Bi-weekly meetings for each prospect development team (i.e. principal gifts, major gifts-main campus, major gifts-health sciences) where prospect strategy steps are shared and strategies are developed



Donor-centered Approach

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Better Reporting

- ◆ Content included should match the purpose and audience
 - Biographical
 - Financials
 - Institutional affinity
 - (i.e. degrees, giving, interactions, event participation)
 - Ask ranges and strategies
- ◆ Prospects easily identified and grouped by overall prospect rating, affinity, capacity, targeted ask amounts/ranges, donor commitment phase or status, etc.
- ◆ Reporting should address two strategic questions:
 - 1) Who are my “best” prospects?
 - 2) Where am I concentrating my efforts today?



To Infinity and Beyond

- ◆ Q&A
- ◆ Scott A. Johnson
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What Your Researcher Can Do For You!
A Model for Research in an Advancement
Office

Joe Burman, Director of Prospect Identification and Strategies
University of Michigan, College of Literature, Science, and the Arts

June 19, 2008



Researchers are often overworked and underutilized!

- ◆ Daily assignments can be repetitive and unnecessary
 - What is really needed?
- ◆ Emphasis on the profile/document as the chief research “product”
 - Who is the audience?
- ◆ Lack of exposure to non-development side of advancement
 - Who else needs research?
- ◆ Not allowed to sit at the table
 - The missing link?



Researchers help everybody!

- ◆ Development
- ◆ Marketing/Communications/News
- ◆ Magazine/Publications
- ◆ Office systems
- ◆ Alumni Relations



Researchers raise money!

- ◆ Track current major gift donors
- ◆ Identify and track major gift and high-end annual fund prospects
- ◆ Identify best prospects for the specific departments, programs, and projects most likely to appeal to them
- ◆ Identify prospects/alumni for special projects, e.g. symposia, international trips, priority fundraising projects, etc.



Researchers get people noticed!

- ◆ Identify and disseminate notable/newsworthy prospects/alumni in alumni magazine, newsletters, e-communications, etc.
- ◆ Identify prospects/alumni to serve on University, College, and Departmental leadership committees
- ◆ Identify prospects/alumni to speak at University, College, and Department commencements, in classrooms, appear in the alumni magazine, development, and student brochures, receive awards, etc.
- ◆ Identify prospects/alumni to attend campus and off-campus events and the best faculty speakers to attract them



Researchers see everything!

- ◆ The most likely to understand what's in the database
- ◆ The most likely to know what fundraisers need from a database
- ◆ The most likely to understand key relationships through the database
- ◆ The most likely to snoop into non-development databases
- ◆ The most likely to read of the institution's alumni in the wider world
- ◆ The most likely to identify trends in higher education as it affects fundraising



Researchers save everything!

- ◆ Record data, analysis, and strategy, and track relationships and progress in the database
- ◆ Keep a library of cool resources
- ◆ File and organize documents
- ◆ Know thousands of names and facts, and be able to retrieve them



Researchers are strategic!

- ◆ Prioritize gift officer portfolios
- ◆ Understand prospects' charitable interests and match them to the institution and its programs
- ◆ Base prospect strategies on hard data, not folklore
- ◆ Recommend key moves to make with a prospect, and help open doors to unresponsive prospects by uncovering relationships
- ◆ Rate prospects using various criteria
- ◆ Suggest non-development prospect/alumni engagement plans



Leverage Your Researcher!

- ◆ Open doors for the researcher
- ◆ Invite the researcher to meetings
- ◆ Schedule time with the researcher
- ◆ Involve the researcher in setting office goals
- ◆ Use the researcher as a wise counselor



What Your Researcher Can Do For You!

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