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What is Prospect Research?

Prospect Research is the process of identifying, reviewing, and profiling prospective donors, investigating their philanthropic, financial, and family histories in order to gain essential information before a strategic and appropriate solicitation is made.

Researching a prospect’s biographical, career, financial and family background, as well as any philanthropic history and personal interests, helps you to find out more about your prospects so that you can develop an informed philanthropic relationship with them. The goal of prospect research is twofold: web name.

- identify prospects who have the inclination and the capacity to contribute to your organization
- determine whom to ask, how much to ask for, when to ask, and how to ask

Prospect research is not a support role. It is an essential part of the development cycle. It empowers fundraisers by supplying them with incisive information when approaching prospective donors for financial or other types of support. Research allows organizations to develop a smart approach strategy and to make the appropriate ask. It is crucial to remember that prospect research together with the anecdotal and personal information learned through the cultivation process is how a successful solicitation strategy is formed.

Research Individuals

The basics of individual research include:

- Financial status, such as corporate history which may include salary information and/or stock holdings, real estate and other assets
- Biographical or family background, such as associations (corporate board memberships, non-profit/volunteer board memberships, private clubs)
- Philanthropic/favorite causes and charities, that reflect personal interests

Locating and analyzing financial information is crucial in establishing an appropriate ask amount for various types of giving (annual gifts, major gifts, planned gifts), in identifying assets that may be used to fund a gift, and in understanding a prospect’s current feeling of wealth.

For example, identifying real estate holdings is important. Real estate is often the most valuable asset a person holds so locating property is a key to understanding that person’s donation capacity. Information including comps is available for free online; however it is not always completely accurate as the real estate market is con-
stantly in flux. If a prospect has multiple residences it is a good indicator that there is wealth. Additionally, properties in trust are a sign that the prospect has done some sophisticated financial planning.

In addition, learning about a prospect’s social, civic, and biographical background and interests is important in fostering a meaningful relationship. Things to consider:

- Club memberships
- Civic committee memberships
- Education
- Political affiliations/perspectives
- Family relationships, such as dates of birth and occupations of spouse and children; dates of marriages and/or divorces and names of relatives who have been involved with the organization
- Hobbies or special skills

Finally, you should understand a prospect’s philanthropic tendencies:

- Affiliations with foundations or philanthropic boards indicate that the prospect is charity-minded and understands the needs of nonprofits
- Gifts to other organizations give you an idea of the prospects attitude towards philanthropy and what their average level of giving is
- This can be important in determining if the prospect would be interested in your organization’s mission and in developing an appropriate solicitation strategy

Research Corporations

Corporations should also be considered when creating your prospect pool and in doing so it is important to determine who at the company makes the philanthropic decisions. Large publicly traded companies may have their own foundations, which handle all of their community outreach and support.

Smaller companies are also likely to give, but again it is important to know who makes the decisions. These companies may not have a large scale giving program like a foundation but will often have charitable giving policies in place. These can sometimes be found on the corporate Website or in the company’s annual report.

If you are unable to find specific giving guidelines for the company, then you may want to research the philanthropic interests and favorite causes of the CEO and executive board. When researching a company, whether private or public, it is important to learn the history of the company, the number of employees, annual sales, office locations and subsidiaries, financials, and if public, a current stock quote. You can research specific examples of private and public companies’ charitable giving to nonprofits using NOZAssearch.

Private Corporation Research

The majority of US businesses are private, and accurate information on private companies is hard to find. Research on private companies is usually limited to media articles, industry comparisons, and profiles from sites such as Dun & Bradstreet.

The best information can be found when a private company is purchased or goes public.
Public Corporation Research

Publicly traded companies are required to disclose all financial information including compensation and stock holdings of company insiders: key officers, directors, or anyone who owns more than 10% of the outstanding shares. This executive compensation information - including salary, bonuses, stock options, incentives, fringe benefits, retirement plans, and employment agreements - can all be found in the company’s proxy statements or sometimes the annual report.

Proxies and annual reports can usually be found on the corporate Website or at the following websites:

sec.gov
finance.yahoo.com
10-kwizard.com

In developing your cultivation plan look at the company’s board members. Do any of their board members sit on your board? Are any of their board members in the same industry or field as your organization? Do any of them travel in the same social circles as your CEO or board members? Do their interests match your organization’s mission? You can research corporate affinity to your nonprofit cause and search and save corporate charitable donation data at NOZAsearch.

Foundation Research

When conducting foundation research it is important to know some basics about the foundation.

- What type of foundation is it: family, private, corporate, independent
- Who is the primary donor
- What is the foundation’s history
- What is its mission
- What are the fields of interest: consider any limitations, geographic focus, and types of support they fund

It is also very important to consider the financials of the foundation, specifically its assets and whether or not they fluctuate from year to year. Much foundation information pertinent to a prospect researcher can be found in one place – the IRS Form 990.

The 990 is a foundation’s annual tax return; it lists the foundation’s assets, grants (total grants given and the specific grants), and the board members. Not all nonprofits are required to file 990’s. For free access to Form 990’s a great site is Economic Research Institute.

Larger foundations list their giving guidelines on their company Website or in their annual report.

NOZAsearch offers free foundation grant searching. You can search by foundation name or cause to locate grant information on organizations similar to yours. Things to consider:

- Size of the grants
- Giving history
Grant profiles and weekly summaries of foundations actively soliciting proposals is available at GrantStation. NOZA’s grant listings are based on annual reports and newsletters and often contain more recent information than Form 990’s. When researching a smaller foundation like a family foundation look at the foundation’s holdings or assets. Often the assets of a family foundation are very similar or identical to the primary donor’s personal assets and give you a further indication of their wealth.
What Kind of User are You?

To save you time and ensure the NOZA documentation serves you best, we provide one starting point for users new to prospect research and another for veteran researchers.

New to Prospect Research: Start Here

This section explains the basics of prospect research, an essential part of the development cycle. This research empowers your fundraisers, supplying them with the information required to approach prospective donors for financial or other types of support. The research allows them to develop smart approach strategies and to make the appropriate ask. It is crucial to remember that prospect research together with the anecdotal and personal information that is learned through the cultivation process is how a successful solicitation strategy is formed.

What Information is Available

- Biographical and Family Information
- Educational Background/Alma Mater
- Philanthropic Giving and Charitable Interests
- Real Estate/Other Assets (Planes, boats, horses, art, etc.)
- Stock Ownership and Transactions
- Board Memberships and Foundation Affiliations
- Obituaries and Death Records
- Directories of Practicing Attorneys and Physicians
Celebrities and the Entertainment Industry

News and Press Releases

What Information is not Available

- Net Worth
  - It is impossible to know all of a prospect’s assets and liabilities; therefore, it is impossible to know their net worth. There are widely-used formulas that can obtain rough estimates, but there is no way to know an exact figure.

- Stock Holdings of Non-officers

- Bank Account Information and Status

- Non-published Phone Numbers and Cell Phone Numbers

- Most Personal Information (this is learned through personal contact with the donor)

Research Tools

There are a number of tools available to help you gather the information necessary for a proper wealth assessment of your prospects.

Donor Records

Check your existing constituent records. Does your prospect already have a relationship with your organization? If so, even if it is one gift given several years ago, that one gift indicates an interest in your organization.

The donor record should contain helpful information, such as: biographical information, the relationship to your organization (donor, board member, volunteer), giving history, event attendance, notes (past research, important miscellaneous information), correspondences, and actions.

Philanthropic History

There are a number of data sources available that track a prospect's philanthropic history:

- NOZA (free data previews and fee-based)
- Lexis Nexis for the Development Pro (fee-based)
- Tray.com (free and also includes political donations)
- Opensecrets.org (free and also includes political donations)
- Organization/Nonprofit Annual Reports (free)
- Use Google to look for PDFs of the organization's annual reports
Foundations
There are a number of data sources available that track foundations and individuals associated with the foundations:

- NOZA (free, includes foundation searches with nearly 1,000,000 records – most comprehensive free site)
- GrantStation (free, includes foundation profiles and weekly summaries of foundations accepting proposals)
- Foundation Center (fee-based, FC Search)
- Foundation Source/BIG Online (fee-based)
- Guidestar (basic information is free, fee-based expanded site)
- PRO Platinum (free)
- Foundation/Organization Annual Report or website (free)

Biographical Information
There are a number of data sources available that provide detailed biographical information on prospects:

- Lexis Nexis (fee-based, best for the Development Pro)
- PRO Platinum (fee-based)
- Who’s Who (fee-based)
- Martindale-Hubble (free, attorney information)
- American Medical Assn. Doctor Finder (free)
- Google (free)
- Anybirthday.com (free)
- Ancestry.com (free)
- Alumni Finder or alumni directories (free)
- Personal Blog/My Space (free)
- Obituaryregistry.com (free)

Corporate
There are a number of data sources available that track corporate relationships:

- Yahoo Finance (free)
- Lexis Nexis (for the Development Pro)
- Hoovers (free limited searches; fee-based extensive searches)
- Dun & Bradstreet (fee-based; free with subscription to Lexis)
- Corporateinformation.com (free limited information)
- SEC.gov (free)
- Use proxy statements to find information on board members and executive compensation including bonuses, retirement plans and fringe benefits like interest-free loans and company cars)
- Forbes company lists
  Private companies, Top 200, Best small, Best big
- 10-kwizard.com (free)
- Marketguide.com (free)
- PRO Platinum
- Google
  Especially for information on private companies which is hard to find
- Corporate Website

Directories
There are a number of free directory websites that allow you to verify an address, identify a phone number, and much more.

- 411.com (free)
- Anywho.com (free)
- Argali White and Yellow (free)
- Whowhere.com (free)

Print Sources
There are also a few print sources that you may also want to consider when trying to locate information on specific prospects.

- Local Business Journals
- Local newspapers

Most print an annual list of highest paid executives
Research Sites

There are several research sites that you will want to look at when trying to locate information on specific prospects.

- APRA Home page
- Internetprospector.com
- David Lamb’s Prospect Research
- University of Michigan Prospect Research (compilation of links)
- University of Southern California Prospect Research
- Stanford University (compilation of links and covers basic research issues and questions)

Veteran Researchers - Start Here

This section includes some tips and tricks that even veteran researchers may find helpful.

Private Company Research

Private companies are the hardest to research as these companies, unlike publicly traded companies, are not required to disclose any of their financial data or officer and director information to governing bodies, such as the SEC or the NASD. If private companies do choose to disclose information (such as sales or profits), the data they disclose cannot be relied on as wholly accurate and are often very conservative.

The best way to get an idea of a company’s financials is to compare the company to a similarly sized publicly traded company. This gives you a rough estimate of the company’s value. To find a similar public company in the same industry, look for a firm with the same primary SIC (Standard Industrial Classification) code. Look at the sales, profits, and market values of similar companies to the one you are researching.

In addition, you can often find key information in media articles written about the company or about a similar sized company that went through a merger or was sold. Analysts discussing a recent merger may give hints as to the market value or selling price of the company.

Public Company

Publicly traded companies are required by law to disclose their financial information, as well as salary and other compensation (including company stock) earned by company executives and directors, otherwise known as insiders. This information can be found in the company's annual report (Form 10-K) or in more detail in the proxy statement (Form DEF 14A). It is not always clear, however, how much a certain individual is earning. It is crucial to read through the footnotes to obtain a clear understanding of executive compensation.

It is also important to factor in any stock options (a stock option gives the executive or insider the right, but not the obligation, to buy or sell an asset at a set price on or before a given date) when calculating an individual’s total compensation. Note whether the options held are exercisable (options which have vested but not yet been ‘cashed’) or unexercisable (options which are held by employer in employees investment account but which are not available to be ‘cashed’ by employee until a future date.)
A comprehensive glossary of financial terms can be found at: Forbes or Fidelity.

Hedge Funds

Hedge funds are privately offered investments that use a number of nontraditional investment methodologies in an attempt to earn absolute returns. These funds are established as limited liability companies with a manager and a small number of investors, rarely topping 500. Hedge funds require a very large minimum investment, usually at least $1 million, so they attract a very select group of people.

In addition, hedge funds are notoriously private and difficult to track; and therefore are very hard to research. Since these funds are private investment funds only open to a limited number of accredited investors, they are not required by the SEC and other regulatory agencies to disclose information regarding their holdings, performance, executives, or other financial data.

For more information about hedge funds, see the following:

- The Chronicle of Philanthropy
- The Hedge Fund Center
- The Hedge Fund Association
Types of Research

Research is the process of identifying and evaluating prospects; that is its fundamental purpose.

The research function encompasses several types of activities. Once a prospect is identified, the amount of research necessary depends on where that prospect is in the development cycle. If the prospect is in the identification phase then some brief qualifying research is needed to justify a meeting. Once the initial discovery meeting has taken place, and the prospect is being cultivated, wealth indicators need to be located in order to prepare a successful solicitation strategy. Once the prospect is close to a solicitation, an in-depth research profile will need to be assembled.

The two most popular types of research are reactive research and proactive research.

Reactive Prospect Research

Reactive research is research conducted after a request has been issued by someone within the development office or by a volunteer or board member. The request is made after a prospect is identified by an outside source. This is generally the most common type of research conducted because busy research departments unfortunately do not have a lot of time or resources for proactive research.

Proactive Prospect Research

Proactive research is the art of identifying and researching previously undiscovered prospects.

Proactive Research Methods

- Use the Search by Cause feature of NOZA to help you find new prospects who may be a match for your organization’s mission. Search for new individual, corporate, and foundation prospects. Find additional potential sources of funding by perusing the donor lists in the source links provided in your results list when viewing full NOZA donation records.

- Scan the media. Your local paper will have articles about prominent people in the community. The Business and Social sections are packed with good information. Subscribe to your community’s business journal. These publications will feature bios on important business leaders, news about up and coming
executives and people on the move and will feature large property transactions. Look at your local high-tech council directory, local Chamber of Commerce directory, local nonprofit annual report donor lists, and university-published donor lists. Use the media to identify emerging companies and markets and to trend local stocks.

- Review industry publications. If, for example, you are trying to raise money for your university’s engineering program, subscribe to an engineering trade journal for company news, innovative products and the people/companies behind them and other information that might lead you to a new prospect. Use LexisNexis to search for news on a specific industry or use push technology (see below) to do the same.

- Push technology. Make technology work for you. Using a few key words, have search engines (Google and Yahoo), newspaper and news websites and databases (LexisNexis, 10k wizard) do the searching and then send the articles straight to your inbox.

- Peer review. Gather your volunteers, board members, campaign cabinet and other friends of your organization together for their help in reviewing lists of prospects. They can give you quick information on these people through personal or second-hand knowledge and will often be able to help you prioritize your lists and determine if the prospects are a good fit for your organization. Make the number of prospects to be reviewed manageable and allow them to make quick notations next to the names on the list. Ask for their help in cultivating and soliciting these prospects. Remember to follow-up from the peer review sessions. Research the new prospects and get the information off to the appropriate development officer. Go back to the volunteers who offered to help and take them up on their offers! Tip: Use NOZA’s Search by Cause to prepare an instant Peer Review list to share with your volunteers and staff.

- Wealth Screening or Data Mining. There are all different levels of wealth screening, also known as data mining, that your organization can invest in. Fee range from $1,000 to hundreds of thousands of dollars for your constituency to be screened and scored based on various criteria. The screening companies use predictive modeling based on things like relationship to your organization, financial data, demographic data, and giving histories to score your constituents. The scores your constituency receives will tell you things about their annual giving likelihood, major gift likelihood, planned gift likelihood and a target gift range. It is important to remember that wealth screening or data mining will not find out everything you need to know about your prospects and donors. It is the prospect research that accompanies these scores that will allow the development team to create strategic solicitation strategies.

- Conduct some simple data mining on your own by looking at your donors giving patterns. Take a look at the last time they gave: this year, last year but not this year (LYBUNT), some year(s) but not this year (SYBUNT) or never. Also look at the frequency of their gifts: non-donor, occasional donor or regular donor. Donors who have given over a sustained period of time, regardless of the amount, may be candidates for a planned gift. Finally, look at the gift amounts. Use this data to come up with a prospect list. Prioritize that list and research the top prospects.

- Continue to segment and mine your database by searching for high-level titles such as CEO, President, Partner, etc. Search using wealthy zip codes or neighborhoods.
What is NOZAssearch

NOZAssearch is the world’s largest searchable database of charitable gifts. Not only can you search for a donor’s philanthropic history, but by using NOZA, you can create new lists of prospects including individuals, corporations and foundations as well as make sure you are asking your donors for the right type and amount of support.

What Does NOZAssearch Offer

- More than 70 million donation records and growing at 500,000 new records per month
- More than 4,500 US and Canadian Cities Covered
- Visit www.nozasearch.com to see current database listings.

Search the NOZAssearch Foundations Database Free

By analyzing a foundation’s grant history you are able to see what types of causes they support, get an idea of average grant range, and see any geographic funding patterns. This allows you to understand the foundation’s fields of interests and to determine an appropriate ask amount.
Research Guidelines

Here are a few things to consider when staring a new research project.

NOZAsearch Tips

Search by name:

- You can search by name to research your prospect’s charitable giving affinities and patterns. You will be able to get a sense of your prospect’s capacity, affinity to an organizational mission, average gift amount, and philanthropic favorites by looking at their annual giving year after year.

- For your first search, start with a broad search by leaving all of the fields except the donor name field blank. Refine your search criteria if your results list is too broad. For example, first search and review preview results for Robert Horn. If too many results are presented, then, refine your search with Robert C. Horn III. NOZA lists the donor name exactly the way the reporting nonprofit listed the donation on the source document, so searching both ways will allow you to find the greatest number of results.

- If your results list is still too long, you may choose to limit your search to only the cities or states you know your prospect has lived in; however, you will not see donations made to nonprofits outside those geographic locations. You can also narrow your searches by the gift date.

- If you know the spouse name, search by his or her name as well.

- Search using nicknames that your prospect may use such as Rob or Bob instead of Robert.

- Once you have chosen the records you would like to view, you are able to sort the data fields on the results page to best suit your needs. If gift size is the key for you, simply click on the “Gift Range” column once to see the results in ascending order and twice to see them in descending order.

- With NOZA, you are able to export your results list to an Excel spreadsheet. This unique feature enables you to format the data to your specifications; add, delete or rearrange columns; add headers or footers; and then paste the information right into your research profile or attach it to your prospect’s record in your database.

- The source link supplied in the results page allows for deeper research. By clicking on the link, you are able to open up the annual report or other source of gift information to learn more about the gift and about other major givers who might be future donors to your organization.

- Use NOZA first to look for affinity and capacity and then get started on your next research steps in a strategic and organized manner.

Search by name to research corporations:
• Find out which companies in your city or field of interest are charitable by looking at their past giving history. Find out how they give: are their gifts from a corporate foundation? If so, then do further foundation searching using the tips above. Check out the company’s board of directors and research each person’s charitable giving interests to see if any of them may have an affinity with your organization.

Search by cause

• Searching a cause is a powerful prospecting tool that allows you to build lists of prospects for proactive research, peer review, portfolio building and more.
• Use the general recipient cause drop down filter to search a particular cause. You can then refine that search by using the “specific” recipient cause filter located just below the general recipient cause filter. You can get even more precise by inputting a donation amount in the minimum donation search field. Also use the recipient state and recipient city drop down filters to add a location to refine your search even more. For example, search for donations above $10,000 for health care in Sacramento, CA.
• The “More Options” feature allows you to further refine your prospecting by zip code (this allows you to search regionally), gift category (this allows you to search for specific types of gifts such as annual or capital gifts), program scope or gift date. The recently added data drop down menu lets you filter data that was added 1 month, 2 months or 6 months ago.
• Search for major givers by cause, geographic location, or gift amount.
• Use the zip code range feature to search for major donors who give to nonprofits based in that region.
• Use the minimum gift amount to further restrict your list of prospects.
• Use the program scope to find donors to organizations based in the U.S. with local, national or international programs or services (for example, The American Red Cross is a disaster relief organization based in Washington DC with services all over the country and the world, not just in DC).
• If you are just researching NOZA free foundation grant donations, take a deeper look at the foundations by using the search tips listed above.

Research Profile

The research profile is an efficient way of compiling the information you uncover about your prospect. It allows your readers to get a quick understanding of who this person is and begin to think about an appropriate strategy. The profile also allows the researcher to stay organized and focused while sorting through what can be mountains of information.

Profiles will need to be tailored to meet your organization’s needs. Remember that a research profile is a moving target and is never fully complete. Research that was completed three years ago will need to be updated based on ever-changing information about your prospect.

Profiles should only contain that information which is relevant to your organization’s fundraising goals and should not contain personal or confidential information that could be potentially embarrassing to your prospects or donors. Do not include hearsay information or gossip in a cultivation profile which can not be backed-up by your research. You may want to consider what financial information you include in profiles that will be viewed by your volunteers and board members. Below is an example of an individual research profile.
Integrate with the Development Process

- Prospect research is an essential part of the development cycle. Researchers who work directly with the fundraisers to determine the best cultivation strategy empower the fundraisers by supplying them with the information required to approach prospective donors for financial or other types of support. Research allows the fundraising team to develop a smart approach strategy and to make the appropriate ask. It is crucial to remember that prospect research together with the anecdotal and personal information that is learned through the cultivation process is how a successful solicitation strategy is formed.

- With individual wealth and the number of billionaires climbing to all time highs, it is impossible to ignore the fact that individual giving represents the majority of total charitable giving in the US. This does not mean that corporate and foundation giving can be ignored by your organization. Corporate profits and innovative marketing programs allow companies to create more robust philanthropic giving programs to benefit their communities. As individuals accumulate more wealth, they often create charitable foundations to lessen their tax burden while allowing them to be philanthropic. Individuals, corporations and foundations should all be looked at closely in your development strategies. You can quickly and easily start your research on charitable foundations, people and companies at www.nozasearch.com.

- A well-run prospect research unit will spend time on both proactive and reactive research. Reactive research is conducted based on a request from a fundraiser to rate a prospect, prepare for a meeting or event, update a profile or to develop an appropriate cultivation strategy. Proactive research is the process of identifying and rating new prospects for your organization. Unfortunately, many research units do not have the time or the manpower to place as much emphasis on proactive research as would be beneficial for their program.

- When a development team has learned the value that prospect research brings to their fundraising efforts, it is up to the research team to manage expectations. Fundraisers will need to be educated on what research can and cannot provide (see Part One for more detail), that a prospect’s net worth is impossible to determine and that not every prospect needs a complete research profile (the information needed depends on where the prospect is in the cultivation cycle). It is important for the research team (even if the “team” consists of a sole researcher) to meet with the fundraisers and Vice President of Development (or your organization’s equivalent) to determine what their individual research needs are and what they can expect from the prospect research team.

- Host informal training sessions on a semi-annual basis for the entire development staff. If necessary, introduce the concept of prospect research, explain the services that you provide and demonstrate some quick tips for finding information if and when you aren’t available. Give them links to some basic sites like NOZA or phone and address directories and demonstrate a few Google search tips to make life easier for them.

- Lead bi-weekly, monthly or quarterly meetings with the development team to discuss research needs, prospect strategy and other goals and expectations. Make sure that you are included in any regular review of events, new program initiatives or other priorities where research could add value.

- Establish formal research policies and procedures. Create a research request form and maintain an
electronic version so that everyone has access to it. Request that the form be used whenever a client has a research need so that you can make sure the request gets logged and not lost in a pile. Insist that the requestor include a specific deadline for the research (not “ASAP” but an actual date) and that he or she indicates why the research is needed, where the prospect is in the cultivation cycle and any information the requestor knows about the prospect that may help you get started.

- Keep a log of the research requests so that you can be sure you are completing each assignment on time. The log should include the requestor’s name, the reason the research is needed, the date it was requested, the deadline given, and the date it was completed. This will also help you manage your workflow. Be sure to review this log on a regular basis with your supervisor and/or the fundraisers that you are working with to ensure that everyone’s needs are being met.

- Create and use research profile templates for each type of research that you conduct (full profiles, event briefings, etc). Review your templates with the fundraising team to see if they have any suggestions or additions. Have a privacy policy in place. Inform development officers where the confidential information is safely stored.

Prospect Management

The intention of a good prospect management program is to organize the development staff’s time and efforts in order to best identify, cultivate, solicit and steward prospects and donors in a strategic approach with the ultimate goal being a significant gift to your institution.

A smart prospect management program will include the prospect pool, the fundraiser assignment and those fundraisers or volunteers directly involved in the cultivation of the prospect and will summarize the actions taken to move prospects through the cultivation cycle.

Prospect management involves setting priorities, documenting procedures and communicating progress. It requires effort and enthusiasm on the part of the entire development team, not just the researcher.

Prospect Management Implemented

- Your system must be a simple one that the entire development team can participate in.
- Decide how prospects are added to the prospect pool.
- Decide which prospects are added to the pool.
- Implement a prospect management and tracking tool such as the programs already available in your donor database. If your organization does not have a sophisticated donor database with a prospect tracking tool, then create a spreadsheet to keep your team organized.
- Research. Once the prospects for the pool have been identified, they will require some preliminary research to determine appropriate assignment.
- Strategic Planning. Work with your team on a cultivation, solicitation and stewardship plan for each prospect.
• Meet and organize. Meet with your development team to determine a schedule of regular prospect management meetings that suits everyone’s needs. These meetings should involve prospect assignment, strategy discussion, a report on recent actions taken that have moved a prospect along in the cultivation cycle, a review of new prospects, a review of research since the last meeting and a call for new research requests.

• Obtain buy-in. Support and buy-in from your leadership, whether it is your Director or Vice President of Development, is crucial. Without their backing, a successful prospect management program is doomed.

Best Practice

Although the entire staff is involved in prospect management, one person is usually tasked with the following:

1. Scheduling and directing prospect management meetings.
2. Supervising changes to the prospect management tracking tool by development staff.
3. Working with senior management to review specific prospects, and create cultivation strategies and solicitation plans.

Manage Your Prospect Data

Managing your prospect data is not an easy task. There are several programs available to help you in this effort, including Blackbaud’s Target Analytics ResearchPoint.

Things to consider when shopping for a data management tool:

• The ability to create a dedicated donor database in accordance with your organization's privacy policies
• The power to code prospects based on inclination, affiliation, relationships, and special programs. You also want to track events, mailings, gift history, wealth ratings, and financial data.
• The database should allow you to store pertinent biographical information and research and have the ability to produce reports
• The central files should store clippings, correspondence (although electronic copies of correspondence such as acknowledgment letters should all be stored electronically) and any other hard copy material that is relevant to the donor’s relationship with your organization
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