Inconceivable! Or Maybe Not: Developing Metrics for Prospect Development

CANADA CONFERENCE
OCTOBER 17-19, 2018

Bond Lammey

Managing Associate
Bentz Whaley Flessner
(with input from Emily Walsh)

October 18, 2018

11am-12pm

Emily Walsh   1st

Associate Vice President, Development Research &
Resources at University of Arizona Foundation

Tucson, Arizona | Nonprofit Organization Management

Current   University of Arizona Foundation, Rice University
Previous   University of Chicago, James Madison University
Education University of Chicago

Send a message   500+
                                                connections

in https://www.linkedin.com/in/emwalsh   Contact Info

Questions we want to answer:

Prospects are complex individuals, and development officers (DOs) are being asked to view them as such. Our role in prospect development is evolving to reflect these complexities, but...

- How do we establish our metrics to account for these complexities?

- How intertwined should prospect development (PD) metrics be with the success of frontline fundraisers?

- What do you need to begin tracking now in order to assess return on investment?

Here's what we hope to do today:

Walk through strategies and ideas for
establishing metrics for
prospect development

that align with our need to provide
value at every stage in our organization's
relationship with prospects.

INCONCEIVABLE!

What is in your metrics toolkit?

- Deliverables/Menu of Services
- Request Forms for Products/Services
- Work/Project Tracking Log
- Database Audit Trails
- Prospect/Constituent Source Codes
- Initial versus Reassessed

Prospect Development

It's a very prestigious line of work

Menu of Services: Example

Service	Credits
Predictive Model	8
Each Additional Model (same dataset)	1
Campaign Planning Analysis	6
Annual Giving Analysis	6
Post-Campaign Analysis	6
Portfolio Analysis	10
Performance Metrics	10
50 Proactive Leads (names only)	1
15 Event Briefings	1
4 Short Profiles	1
2 Solicitation Profiles	1

Menu of Services: Example

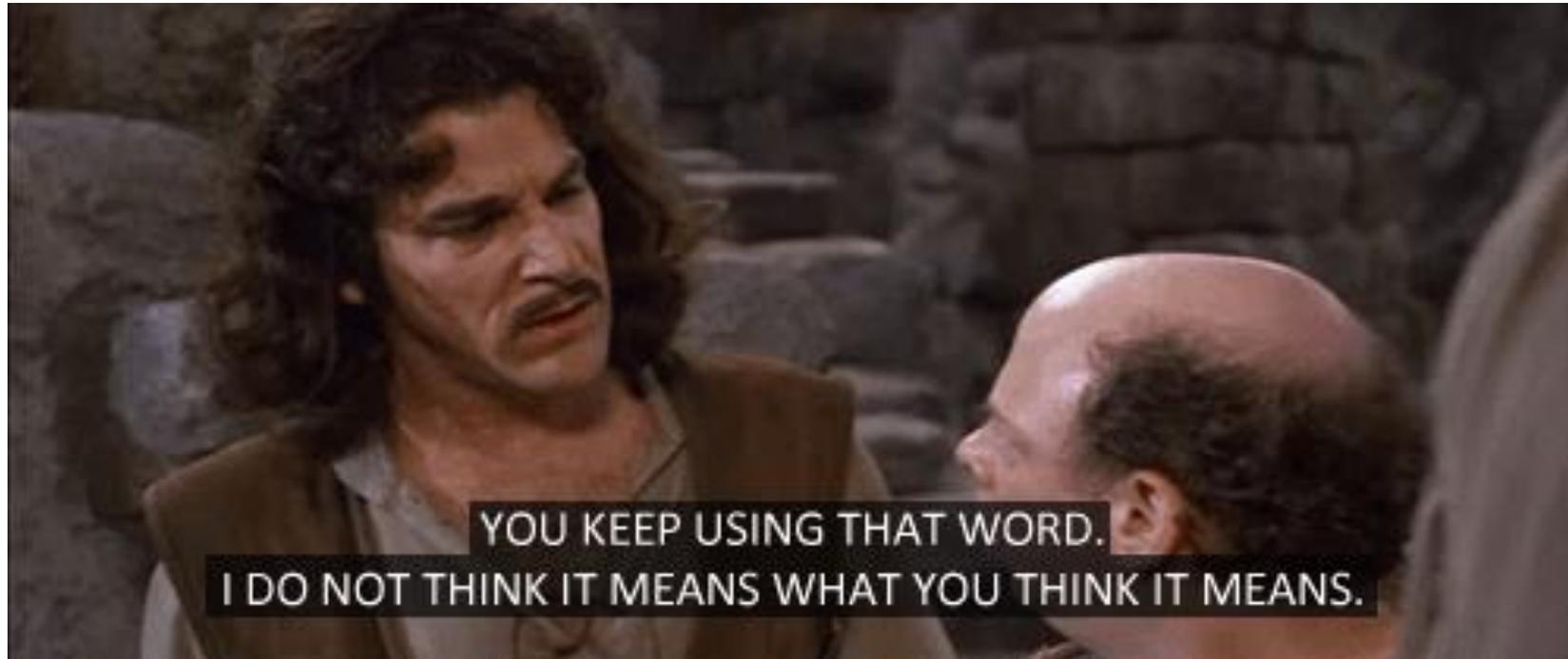| Deliverable	Time Low*	Time High*
Specific Question	5 min	2 hours
Address Update	5 min	15 min
Phone Update	1 min	10 min
Employer Update	5 min	30 min
Education Update	5 min	15 min
Event Bios	15 min	1 hour
News Articles	30 min	1 hour
Other Philanthropic Giving	15 min	45 min
Real Estate	15 min	1 hour
Baseline CR	15 min	1 hour
Stock Holdings	15 min	2 hours
Salary	15 min	1.5 hours
CR Update	15 min	4 hours
Standard CR	30 min	4 hours
Interest Update	15 min	45 min
Prospect Assignment	5 min	15 min
Relationships	30 min	2 hours
Full Profile	2 hours	8 hours
Ask Timing	30 min	1 hour
Due Dilligence	30 min	8 hours
*Time estimates include data entry.		

Menu of Services: Example

- Targeted Prospect Lists (for travel, etc.)
  - *Current State*: Completed when requested and when staff have time. Often, the request is handed-off to RE Training to assist the DO via a one-on-one query session.
  - *Future State*: Liaisons will be responsible for supporting the development of targeted prospecting lists for their assigned DOs as needed.
  - *Expectation of DO partners*: Liaisons will need information regarding their DOs upcoming travel schedules so that they can proactively plan for producing prospecting lists in advance.

- Wealth Screening Projects
  - *Current State*: The team will undertake special wealth screening projects as requested by DOs.
  - *Future State*: Liaisons will proactively assess the prospecting needs of their assigned DOs/Units/Colleges, and advance and manage screening projects when needed.
  - *Expectation of DO partners*: Liaisons will need a clear understanding of Unit/College fundraising priorities in order to assess the pool and determine if additional prospecting projects or screening is required.

- Monitoring of News and Stock Transactions on assigned DO's prospects
  - *Current State*: The team monitors news and stock transactions on top-level UDP prospects.
  - *Future State*: Each liaison would cover news alerts and stock transactions for the top prospect assigned to their DOs.
  - *Expectation of DO partners*: Liaisons would need feedback from assigned DOs regarding the top prospects they would like monitored. Other prospects would be proactively added based on the researcher's recommendations.

- Relationship Mapping on assigned prospects
  - *Current State*: A new product to help with this has been purchased. The team has only recently started responding to a handful of requests for this type of research.
  - *Future State*: Knowing that relationships and connections can help our DOs find an "in" with new prospects, our liaisons will provide some basic relationship assessments on all prospect referrals they provide to their assigned DOs.
  - *Expectation of DO partners*: Liaisons will require input from DOs related to those prospects within their unit or college who are most likely to be well-connected. This will help drive the accuracy of connections that we can uncover.

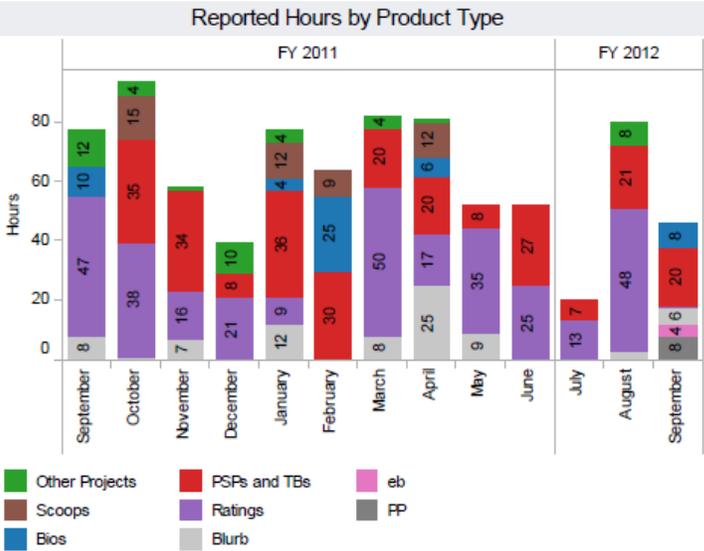# Inconceivable? No! We can do this.

Metrics Measures

- Productivity
  - Identified and provided XYZ referrals to DOs.

- Diagnostic
  - X number of referred prospects have been visited and made a gift.
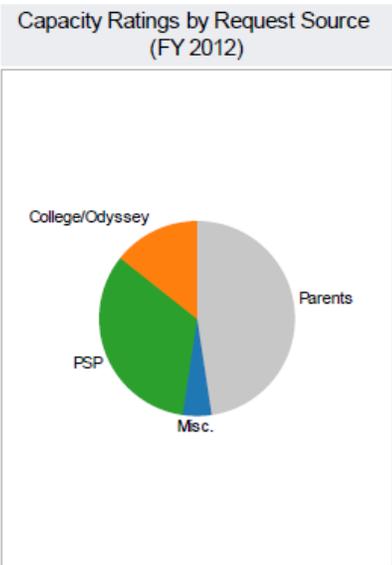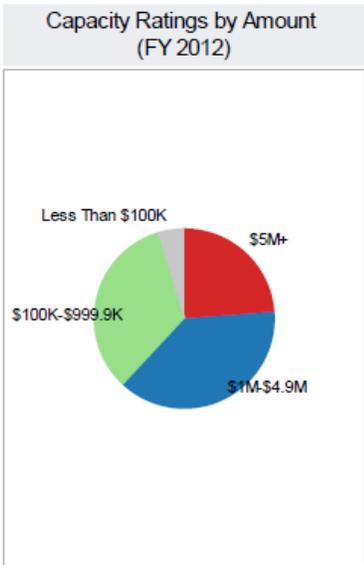
Example: Productivity Metrics

Example: Diagnostic Metrics

UNIVERSITY OF ARIZONA FOUNDATION
Prospect Referral Activity - FY 2017, 2016
As of June 1, 2017

Campaign	Referrals	Assigned	DEV Prospect Referral	Prospects Contacted	Prospects Visited	Contact Reports	Notes	Non - Responsive	Qualified	Future	UA Disqualified	Unit Disqualified	# Asked	$ Asked	# Booked	$ Booked	Total Giving Since Referral
ALUM	12	11	0	7	1	19	0	1	0	0	0	0	0		0		$163
ART	14	0	0	1	1	1	0	0	0	0	0	0	0		0		$10,805
ASM	11	3	0	2	1	4	0	0	0	0	0	0	0		0		$5,380
CALA	12	1	0	2	1	4	10	0	0	1	0	0	0		0		$3,250
CALS	31	4	0	15	6	23	3	0	0	0	2	0	3	$700,000	0		$5,110
CCP	12	0	0	2	0	2	0	0	0	0	0	0	0		0		$110,000
CFA	21	0	0	0	0	0	0	0	0	0	0	0	0		0		$1,275
ED	25	15	8	9	2	23	12	0	0	0	0	0	1	$10,000	1	$10,000	$21,945
ELLER	23	4	1	5	1	7	0	0	0	0	0	0	0		0		$100
ENG	24	5	0	13	3	35	3	0	1	1	0	0	1	$2,500	0		$2,762
HON	12	2	0	10	1	21	0	1	1	0	0	2	0		0		$3,535
HUM	11	8	0	3	1	8	1	0	0	0	0	0	1	$1,500	1	$1,300	$2,245
ICA	68	6	0	48	17	75	26	0	6	1	7	1	4	$77,500	2	$17,500	$126,340
IE	14	3	0	6	1	16	2	0	2	0	1	0	1	$2,000	0		$65,900
KUAT	26	1	0	17	0	30	2	0	1	0	2	1	1	$300,000	1	$300,000	$304,747
LAW	25	12	0	11	5	29	3	0	1	0	0	0	0		0		$14,685
LIB	15	6	0	7	2	19	10	2	1	0	0	0	1	$5,000	1	$1,000	$4,225
NICD	12	6	0	6	0	7	0	0	0	0	0	1	0		0		
OpSci	12	4	1	10	3	29	0	0	0	0	0	1	0		0		$1,700
PRESENTS	10	1	0	2	1	13	0	0	0	0	0	0	0		0		$2,914
REST	110	73	0	62	13	225	6	12	5	1	6	1	10	$131,650	9	$55,150	$146,911
SBS	26	4	0	17	5	35	3	0	4	1	1	0	0		0		$24,164
SCI	44	8	0	27	6	61	2	3	2	1	1	3	3	$38,500	2	$38,000	$71,750
SLS	20	9	0	16	3	34	3	4	2	0	3	3	0		0		$650
UAHS	25	1	0	13	0	17	3	0	0	0	1	0	0		0		$10,000
No Campaign	37	3	0	19	1	38	0	1	0	0	0	0	0		0		$8,200
UDP TOTAL	651	190	10	329	75	772	89	24	26	6	24	13	26	$1,268,650	17	$422,950	$948,755
% OF UDP TOTAL		29%		51%	12%			4%	4%	1%	4%	2%					

apra
CANADA CONFERENCE
OCTOBER 17-19, 2018

Metrics Categories

- Data-Focused
  - Provided XYZ documents in FY17.
- Relationship-Focused
  - DO satisfaction survey on products provided.
- Project-Focused
  - Identified XYZ prospects towards ABC fundraising initiative.
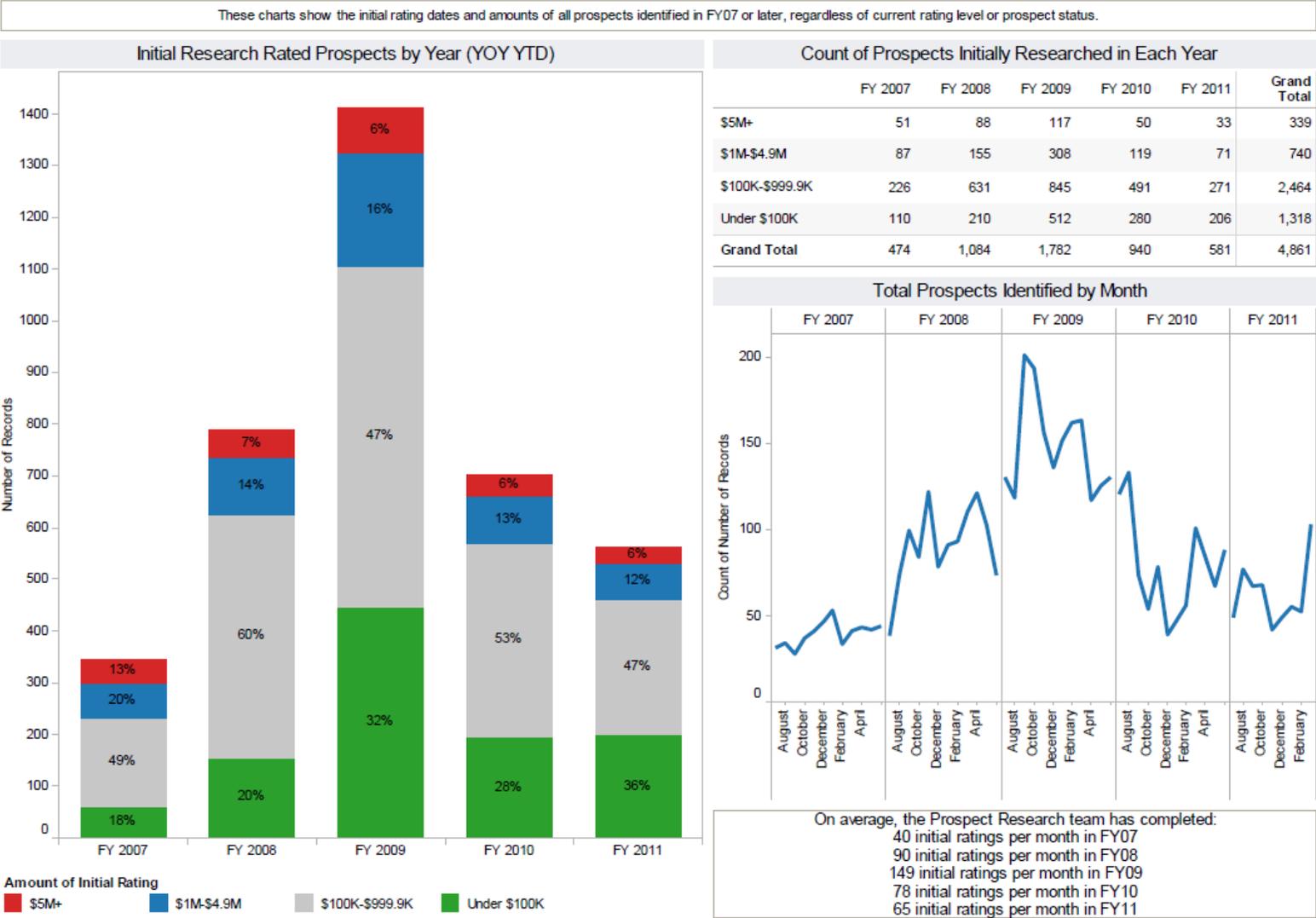
Examples and Ideas: Let's have FUN!

That's wonderful!

Examples: Data-Focused Metrics

Data-Focused Metrics

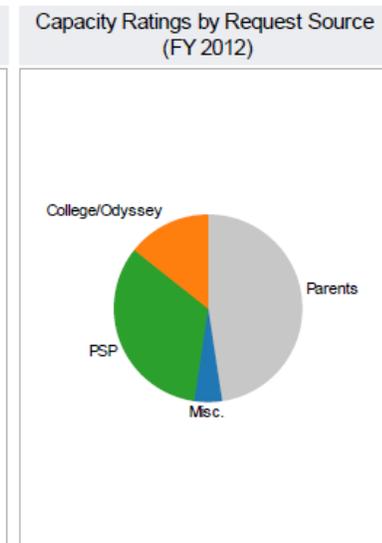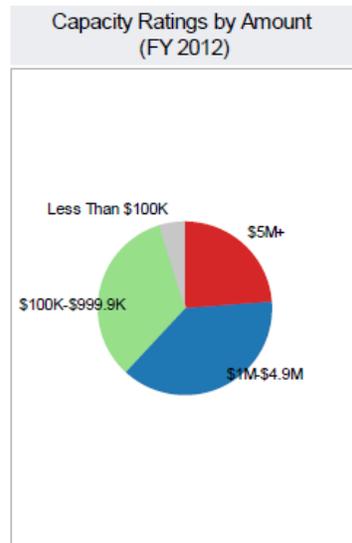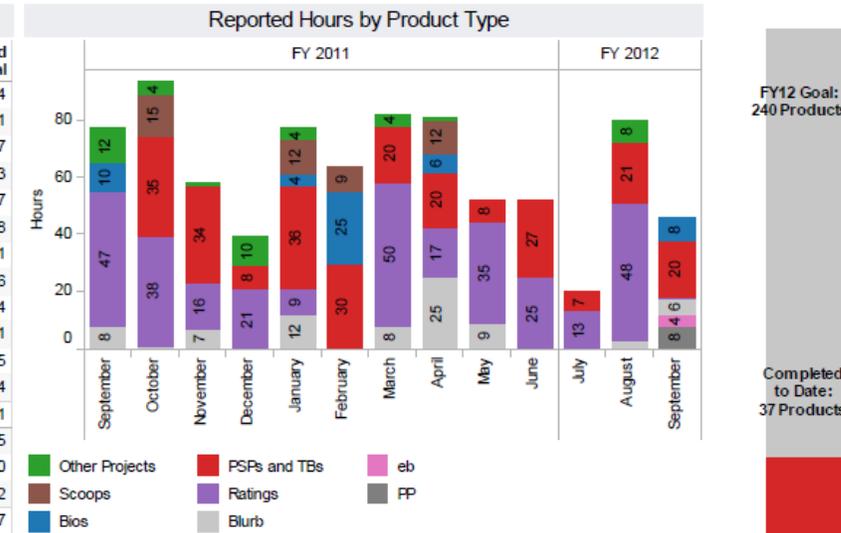| Data-Focused Performance Measures	This Month	Monthly Goal	YTD	YTD Goal	FY Goal
Major Gift Prospects Identified via Analytics		2,500			30,000
Major Gift Prospects Verified via Prospect Research		100			1,200
Major Gift Prospects Assigned via Relationship Management		250			3,000
Analytics-Specific					
Total Projects Completed		4			48
Major Gift Projects Completed		1			12
Special Initiative Projects Completed		1			12
Gift Planning Projects Completed		0.25			3
Prospect Research-Specific					
Senior Leadership requests completed		10			120
Board nomination research completed		5			60
Ad Hoc requests completed		150			1,800
Number of event attendee research added		80			960
Number of standard profiles completed		50			600
Relationship Management-Specific					
New qualified prospects discovered		300			3,600
New qualified prospects assigned		200			2,400
Disqualified prospects removed		150			1,800

Data-Focused Metrics: Prospect Research Team

New Prospects Researched Annually, by Initial Rating Amount (FY07-present)

Data-Focused Metrics: Prospect Research Individual

Data-Focused Metrics: Relationship Management Team and Individual

Average Minutes per Product Type By Staff

Product Type			
Analysis	183.8	104.2	129.8
Communication	30.0	51.4	23.0
Data Clean-up	5.8	30.0	65.9
Disqualification	10.0		33.8
External Audit	60.0		
Inactivation	7.0		8.0
Internal Audit	41.7		
Meeting	32.5	60.0	30.0
Meeting Follow-up		0.0	
Meeting Preparation	30.0	300.0	45.0
Misc.	109.4		
Other Reports	156.7		
Prospect Assignment	8.8		28.6
Prospect List	32.5		
Prospect Record Cre..	5.7		
Solicitation Pipelines	19.2		18.8
Tracking Log Dev	187.5		
Training	60.0		780.0

Number of Tasks per Product Type by Staff

Product Type				
Analysis	4	18	17	39
Communication	1	7	10	18
Data Clean-up	6	1	22	29
Disqualification	1		4	5
External Audit	7			7
Inactivation	1		2	3
Internal Audit	3			3
Meeting	4	12	3	19
Meeting Follow-up		3		3
Meeting Preparation	1	1	1	3
Misc.	17			17
Other Reports	9			9
Prospect Assignment	9		57	66
Prospect List	4			4
Prospect Record Creation	7			7
Solicitation Pipelines	13		4	17
Tracking Log Dev	2			2
Training	1		2	3
Grand Total	90	42	122	254
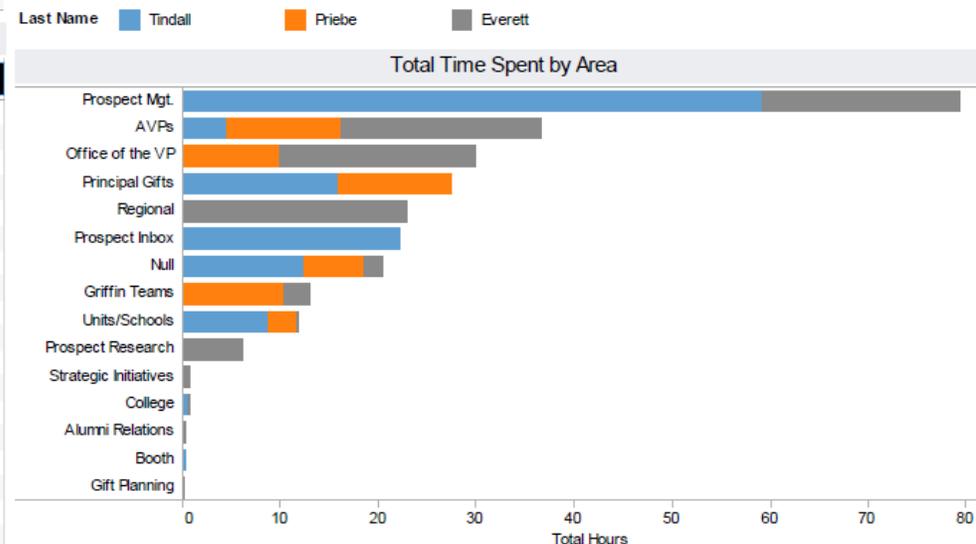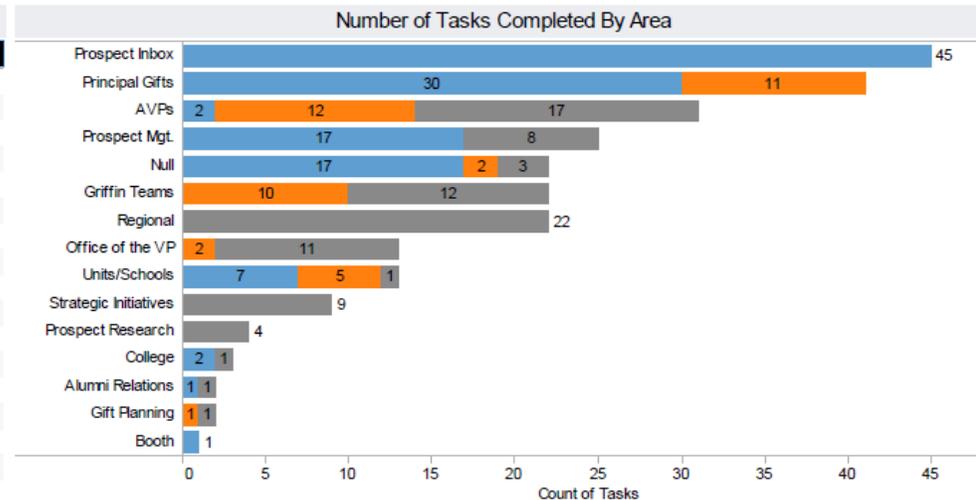
Number of Tasks Completed By Area

Total Time Spent by Area

Last Name: Tindall, Priebe, Everett

Data-Focused Metrics: Relationship Management Team and Individual
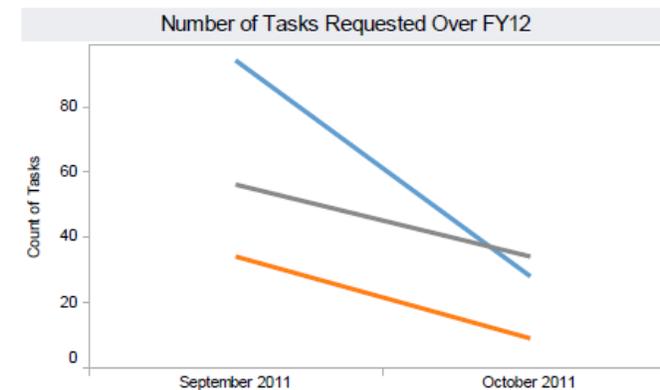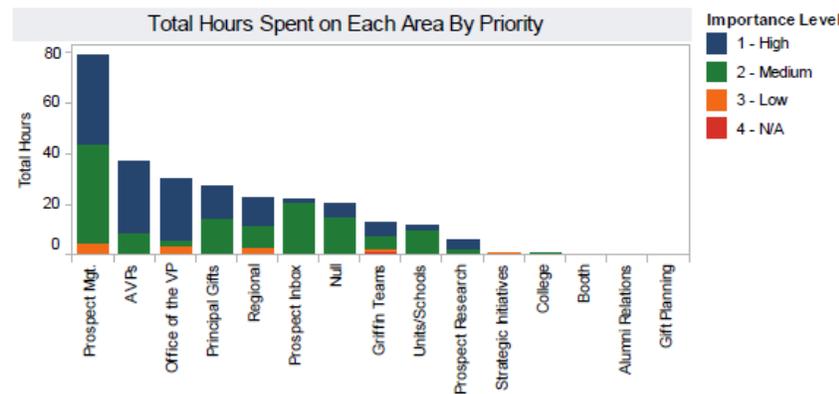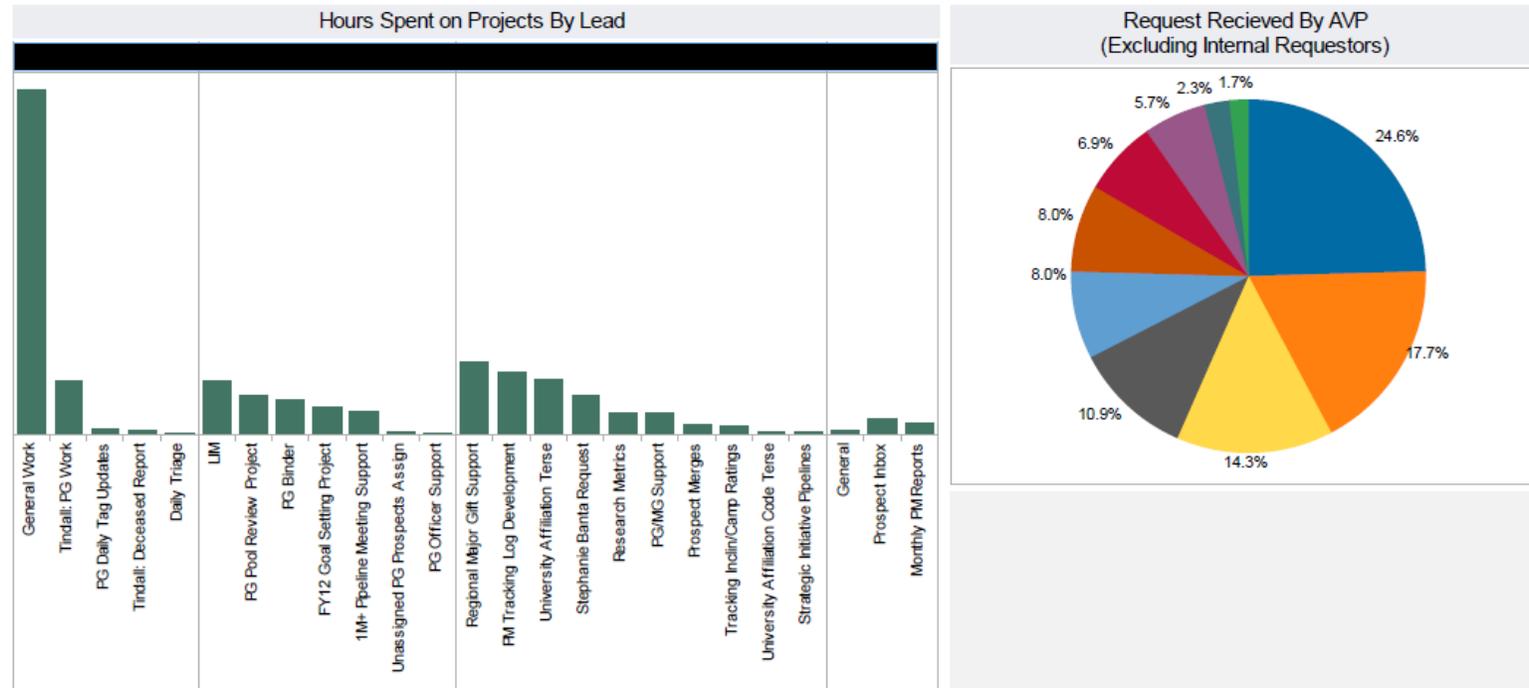
We're only just getting started...

Examples:
Relationship-Focused Metrics

Fundraisers are our Friends...
Not our Enemies!

Relationship-Focused Metrics: Prospect Development

- Tie to Fundraiser Goals: Assigned Leads

- Proactive Referrals

- Create a "Contract" for PD Services within Liaison Areas (Menu of Services)

- Goal for Meetings with Fundraisers/Clients

- Fundraiser/Client Satisfaction Survey

Relationship-Focused Metrics:

Relationship-Focused Performance Measures	This Month	Monthly Goal	YTD	YTD Goal	FY Goal
Analytics-Specific					
% of Units Benefitting from Project		25%			100%
% of Modeled Prospects in top decile		80%			80%
Prospect Research-Specific					
% major asks within 50% of Research Target		50%			50%
% requests completed before target delivery		33%			33%
% requests completed by targeted delivery		90%			90%
Relationship Management-Specific					
% of portfolios within 10% of target size		90%			90%
% of portfolios with prospects in top 25% of predictive model		50%			50%
% of assigned with a F2F action in last/next 6 months		80%			80%
% of prospects moved at least one stage in cultivation		5%			60%
% of assigned with a solicitation plan, inc. ask amount		33%			33%
% of solicitations resulting in a commitment		66%			66%

Relationships are everything...

Relationship-Focused Metrics: Prospect Research Proactive Referral Goals vs. Actual (Sample)

Order	COLLEGE/UNIT	Campaign	# of DOs	# Referrals Goal	# Referrals Actual	Date Sent
1	College of SBS	SBS	3	25	24	Sent to Ginny 12/3/15
2	Athletics	ICA	10	50	68	Sent 48 to Scott Shake 12/23/15
3	Institute of the Environment	IE	1	10	14	Sent to Jeffrey 1/8/2016
4	Honors College	HON	1	10	12	Sent to DSA 1/22/16
5	College of Engineering	ENG	2	20	21	Sent to Margie & Mike
6	College of Education	ED	2	20	21	Sent to Rick 2/11/15
7	College of Agriculture	CALS	3	30	30	Sent to Jim Davis 2/19/16
8	College of Science	SCI	3	30	30	Sent to Dan & Cheryl
9	Student Affairs	SLS	2	20	20	Sent to Rachel 4/28/16
10	AZ Public Media	KUAT	3	30	26	Sent to Enrique 3/16/16
11	Astronomy	SCI	1	10	12	Sent to Ruth 3/30/16
12	College of Optical Sciences	OpSci	1	10	12	Sent to Kaye 3/21/16
13	University Libraries	LIB	1	10 to 15	15	Sent to Sara 4/8/16
14	College of Humanities	HUM	1	10	11	Sent to Michele 5/16/16
15	Rogers College of Law	LAW	2	20	21	Sent to Jonelle 4/20/16
16	College of Fine Arts	CFA	3	20	21	Sent to Lisa 2/24/17
17	College of Architecture, Planning,	CALA	1	10	12	Sent to Kay 7/13/16

Relationship-Focused Metrics: Prospect Research
Tracking Prospect Referral Follow-up Meetings

Date	Time	Campaign	DO Participants	# of Participants	Conf Email Sent	Outlook Invite Sent	DRR Participants	Key Takeaways
Tues, June 7	3:30pm-4:30pm	SBS	**Ginny Healy, Colleen Bagnall**	5	Sent reminder to Ginny 6/6/16	Ginny sent 5/10/16	Susie, Jeanne, Jason	Won't be able to travel to geographic areas w/o concentration, such as Kansas City. Got clarity of their definition of prospect pool--e.g. majors that have moved out (psychology), Mt. Lykaion donors.
Thurs, June 23	9:00am-10:30am	ICA	**Scott Shake, Judi Kessler, Danielle Claudio, Thom Theodorakis, Joe McLean**	8	Sent reminder to Scott, Judi, Danielle on 6/21/16	Sent 5/26/16	Susie, Jeanne, Jason	Provided their own summary report of activity. Shared some real successes, and have done a lot, but most of it had not been recorded in RE. Provided info on which funds (seating) not really considered philanthropic. Ready for a new list.
Mon, Jul 18	9:00am-10:00am	IE	**Jeffrey Fischer-Smith**	4	Sent reminder to Jeffrey 7/14/16	Sent 6/13/16.. Updated 7/7/16	Susie, Jeanne, Jason	Says had made contact attempts (mainly invited to events), but not recorded in RE yet. Had difficulty getting IE to develop case for support appealing to individual donors (more suited to CFR?). Asked to set up recurring meetings.
Thurs, Jul 21	9:00am-10:00am	HON	**David Scott Allen**	4	Sent reminder to DSA 7/19/16	Sent 7/11/16	Susie, Jeanne, Jason	Strategically using Advisory Board to help try to engage prospects. Used a detail we provided to connect with Rebecca Block--have matched her with a student intern.
Wed, Aug 31	9:00am-10:30am	ENG	**Margie Puerta Edson, Mike McKelvey**	5	Sent reminder to Mike & Margie 8/19/16	Sent 7/11/16	Susie, Jeanne, Jason	Asked questions about how we chose the names on list. Says have made some attempts that are not recorded in RE. Not yet ready to disqual any at this point. Not that interested in details like hobbies.

Relationship-Focused Metrics: Prospect Development Client Satisfaction Survey

Relationship-Focused Metrics: Prospect Development Client Satisfaction Survey

Please provide your name (optional).

Please provide a brief description of your completed request.

Please rate the following regarding your customer service experience.

|	Very satisfied	Somewhat satisfied	Neutral	Somewhat dissatisfied	Very dissatisfied
The courtesy of the team member	○	○	○	○	○
The timeliness of the response	○	○	○	○	○
The knowledge of the team member	○	○	○	○	○
The usefulness of the information you received	○	○	○	○	○
The overall service experience	○	○	○	○	○

Additional feedback or suggestions:

Relationship-Focused Metrics: Prospect Development Client Satisfaction Survey

Where do you go for the following requests? Please select all that apply.
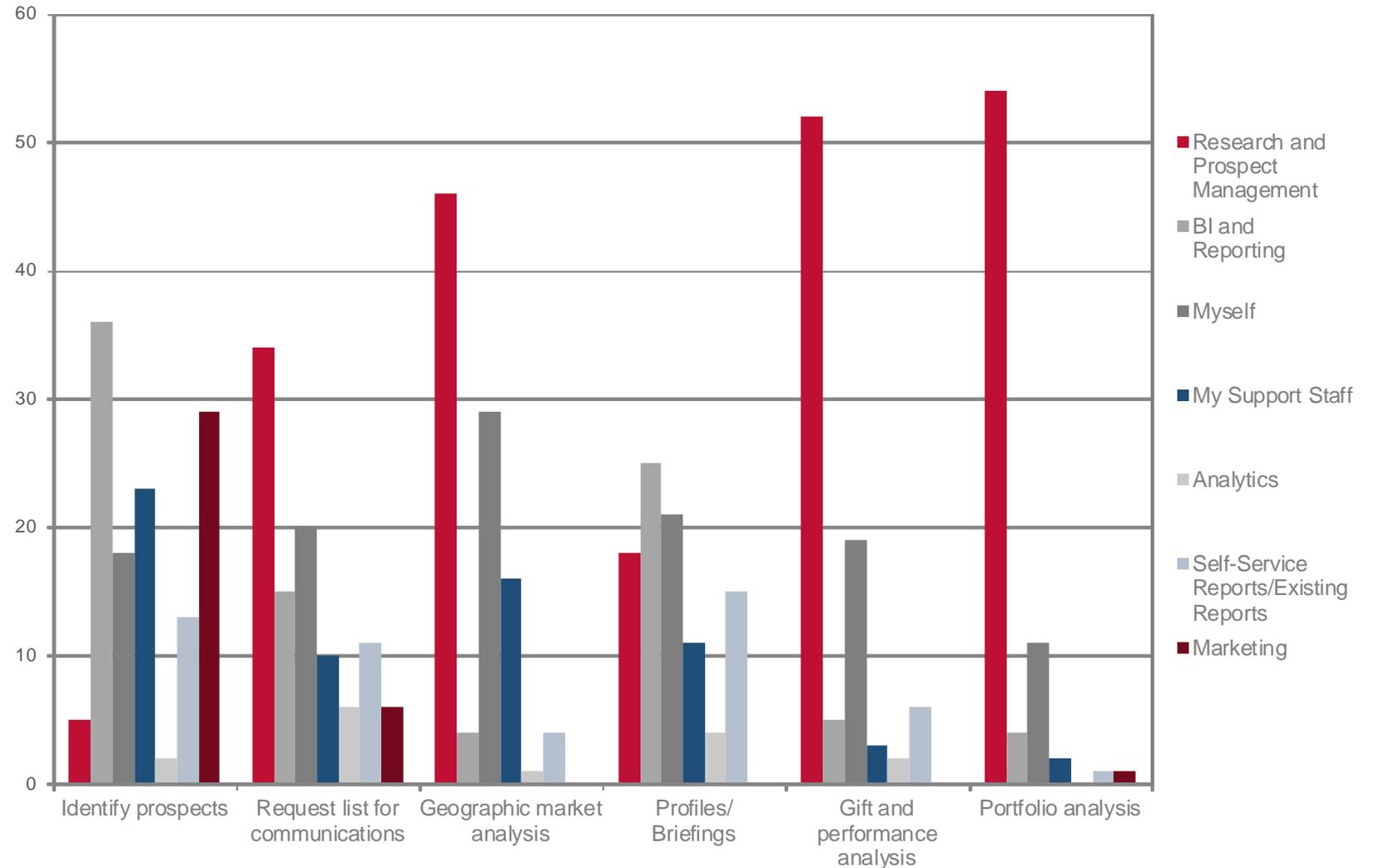
Relationship-Focused Metrics: Blended

Development Officer: ███████

Category	Goal for FY 2018
FUNDRAISING	
Amount ($) of all proposals booked	$ 1,525,935
Number (#) of all submitted proposals	76
Amount ($) of all submitted proposals	$ 5,050,935
Number (#) of submitted planned gift proposals	11
Amount ($) of submitted planned gift proposals	$ 345,000
Number (#) of submitted endowment proposals	2
Number (#) of submitted major gift ($25K+) proposals	22
ACTIVITY	
Number (#) of qualifications/disqualifications	84
Number (#) of personal visits	125
CULTURE	
Number (#) of joint proposals	2
Number (#) of DEV Prospect Referrals	0
Amount ($) of college/unit total FY 2018 fundraising goal*	$ 1,300,000

Development officer key metrics are highlighted in green.
* This amount automatically populates based on the overall annual college/unit goal listed on the AP_Priorities and Goals tab.

How does the work we do support the work they do?

How should their metrics inform our metrics?

Best Practice Tip: Don't Be Like Them:

Examples:
Project-Focused Metrics

Project-Focused Metrics

Project-Focused Performance Measures	This Month	Monthly Goal	YTD	YTD Goal	FY Goal
Major Gift Prospects Identified via Analytics		2,500			30,000
Major Gift Prospects Qualified via Prospect Research		100			1,200
Major Gift Prospects Assigned via Relationship Management		250			3,000
Analytics-Specific					
Total Projects Completed		4			48
% of Units Benefitting from Project		25%			100%
% of Modeled Prospects in Top Decile		80%			80%
Major Gift Projects Completed		1			12
Special Initiative Projects Completed		1			12
Gift Planning Projects Completed		0.25			3
Prospect Research-Specific					
Research-Identified Prospects Assigned		50			600
Ad Hoc Requests Completed		150			1,800
Relationship Management-Specific					
New Qualified Prospects Discovered		300			3,600
New Qualified Prospects Assigned		200			2,400

Project-Focused: Analytics

Space Initiative Model Notes

- Goal: Identify constituents who are most likely to populate the prospect pipeline for the office of Research, Discovery, and Innovation (RDI) around the Space Sciences initiative.

- Opportunities:

  - 7,727 individuals who have never made a $1K gift to Space Sciences programs score in the Top 1% of the model.

  - More than 85% of existing donors score in the Top 10% of this model.

Project-Focused: Analytics

Space Initiative Model Opportunity:
Top 1%

	Non-$1K Donors	$1K Donors
Unassigned	**7,727**	14
Assigned	1,076	18

Space Initiative Model Opportunity:
Top 1% AND Capacity or Screening
$25K+

	Non-$1K Donors	$1K Donors
Unassigned	**3,887**	8
Assigned	1,024	18

Project-Focused Metrics: Blended

Align Prospect Development Goals to Fill This Section

		GOAL:	$ 150,000,000	
Prospects	# Gifts	Size	Totals	Cumulative
3	1	$ 25,000,000	$ 25,000,000	$ 25,000,000
6	2	$ 10,000,000	$ 20,000,000	$ 45,000,000
18	6	$ 5,000,000	$ 30,000,000	$ 75,000,000
45	15	$ 1,000,000	$ 15,000,000	$ 90,000,000
60	20	$ 500,000	$ 10,000,000	$ 100,000,000
90	30	$ 250,000	$ 7,500,000	$ 107,500,000
150	50	$ 100,000	$ 5,000,000	$ 112,500,000
450	150	$ 50,000	$ 7,500,000	$ 120,000,000
600	200	$ 25,000	$ 5,000,000	$ 125,000,000
900	300	$ 10,000	$ 3,000,000	$ 128,000,000
	many	smaller	$ 22,000,000	$ 150,000,000
2322	774			$ **150,000,000**

apra

Brilliant Ideas? Discussion Time!

Group Discussion:

- What types of metrics for PD do you currently track that are data/relationship/project-focused?

- What metrics do you WISH you tracked in each category?

Incorporating Metrics into PD Individual and Team Evaluations

- Incentive-based?
- Body of Knowledge: identify areas to improve?
- 360-degree assessments?

Incentive-Based Metrics Creation

Performance Objective/Measure	Points (Meet 100% Goals)	Points (Maximum)	Bonus Schedule	
			Points Earned	Bonus %Salary
1. Proactive Research: new potential major gift prospects identified and qualified for discovery calls plus disqualified prospects (number).	30	45	110–119	2%
			120–129	3%
2. Reactive Research: research profiles prepared within five business days of request by development officers (percentage).	30	45	130–149	4%
			150	5%
3. Updated campaign pipeline reports, top campaign prospect lists, and prospect status reports produced within 3 days of financial report.	15	20		
4. Development Officer ask amounts at least 50% of prospect research's recommended target ask amount at least two-thirds of the time.	20	30		
5. Teamwork/Working Relationships.	5	10		
Total Points	100	150		

Actual points earned for 1. through 5. are computed as follows:

a. Take the actual amount achieved (e.g., 120 Proactive Research prospects) and divide by the yearly objective (e.g., 100) to arrive at the attainment percentage (e.g., 120%).

b. Multiply the points for meeting 100% of goal (e.g., 30) by this attainment percentage (e.g., 120%) to arrive at the actual points earned (e.g., 36).

c. Actual points earned are capped at the Points (Maximum) for each category.

Example: Incentive-Based Metrics

Example	Actual Performance (%)	Points Earned		
1. Proactive Research: new potential major gift prospects identified and qualified for discovery calls plus disqualified prospects (number).	120%	36		
2. Reactive Research: research profiles prepared within five business days of request by development officers (percentage).	110%	33		
3. Updated campaign pipeline reports, top campaign prospect lists, and prospect status reports produced by 10th day of month.	100%	15		
4. Development Officer ask amounts at least 50% of prospect research's recommended target ask amount at least two-thirds of the time.	110%	22		
5. Teamwork/Working Relationships.	200%	10		
Total		**116**	**Bonus**	**2%**

Metrics and Evaluations:
It's not that bad…

To Sum It All Up:

- Setting goals is more effective if you have a way to track them.

- Tie PD goals to fundraiser goals so we're all incentivized by the same things.

- Review what behaviors lead to the success of your overall fundraising program and incentivize those!

Speaker contact information:

- Bond Lammey
    - blammey@bwf.com
    - (800) 921-0111
    - https://www.linkedin.com/in/bondlammey/
    - @lammeyb (Twitter)

Good luck!

Have fun storming the castle!