Northern Illinois University

Your Future, Our Focus

Maximizing Donor Data: Tips and Strategies

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May 17, 2018

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AGENDA

• What type of fundraiser are you?
• What are your BIG donor questions?
• What data do you have?
• Types of data
  – Administrative data, secondary data, primary data
• What data do you need?
• How do you collect it?
• How do you analyze it?
• How do you use it?
What type of fundraiser are you?

- Hand out
- https://askingmatters.com/
- 3 minute asking style quiz

Increasing Focus on Social Justice
- Emphasis on social and systemic change
- Prioritizes and empowers undeserved communities
- Advocacy, community organizing, and civic engagement by those most affected

Philanthropy's Present: Strategic Philanthropy!

Philanthropy's Origins: Charity

Increasing Focus on Strategy
- Emphasis on measurable impact
- Clear goals
- Evidence-based strategy
- Feedback
Fundraising: An Art AND a Science

- **Art:** listening, feeling connected to the donors, empathy, sincerity, thanking donors, respecting donors
- **Science:** donor prospect, analyzing who to approach (prospect research), keeping careful notes and records (database management), donor recognition

In search of the Money

- Large mission or undefined mission
- No strategy
- Look everywhere for money
- Emotional appeals
- Change programs to meet funding requirements
- Uneven revenue streams
- Higher staff/Board turnover
- Narrow support
- Risk-averse organizational culture
Attracting money

- Mission driven: partnerships, strategic alliances
- Transparent
- Have a strategic plan and live it
- Focused on outcomes, results
- Board/staff stability
- Deep and focused support
- Stable and focused sources of support
- Learning organizational culture

Nonprofit Sustainability = “the double bottom line”

Financial EFFICIENCY + Program EFFECTIVENESS

Money
- Are we managing our resources for maximum efficiency?
- Are we getting enough financial return/profitability to continue?
- How do we measure this?

Mission
- Are we meeting our program goals and objectives (inputs, outputs, outcomes)?
- Are we having an impact on our mission?
- How do we measure this?
"Efficiency is doing things right; effectiveness is doing the right things."

Peter Drucker

Nonprofits Struggle to Use Scientific Data in Their Fundraising

By Michael Anft
"Charities are scared of their donors," says Uri Gneezy, a professor of behavioral economics at the University of California at San Diego.

"Instead of shying away from the costs and risks of experimentation, they need to be upfront with donors and tell them that they need to run their operations like a business, seek out the best science, test out their methods, and express that they are doing everything they can to get the most out of the donor’s dollar."

Experimentation can be great for donors who believe in experimentation but not for others.

What are your BIG donor questions?

- Do you know your donors?
- What information do you keep on your donors?
- How accessible is that information?
- Is it available to all staff or board members?
- How confident are you that it is current?
- If you could start over, what would your donor information system look like?
Primary Data Collection

- Administrative data: what data do you already have that could give you insights about your programs or services?
- What data would you like to have and how would you use that data?
- What questions do you have that you can’t answer right now?
- Gap?
  - College/university faculty, programs, courses, independent studies
  - Consultants
  - Staff/volunteers

Secondary Data Sources

- Free and publicly available data sources:
  - Data Ferrett [http://dataferrett.census.gov/](http://dataferrett.census.gov/)
  - American Community Survey (ACS) American Community Survey (ACS) [https://www.census.gov/programs-surveys/acs/](https://www.census.gov/programs-surveys/acs/)
  - PUMS Data [www.ipums.org](http://www.ipums.org)
- Data assistance: Sherrie Taylor, Research Associate, Center for Governmental Studies, NIU, Phone: (815)753.0925 E-mail: taylor@niu.edu
Why Embrace Data? *Competition*

- For philanthropic support
- For grants
- For volunteer time
- For community support
- For government/political support
- For corporate support

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When do you need data for fundraising?

- **Prospect research**: who are potential donors; likes, dislikes, capacity to give, interest in your mission, history of giving
- **Planning**: history of giving, segmentation of donors, annual goals by campaign, setting fundraising budgets, attrition or growth of donor support, trends
- **Cultivation**: timing, when to reach out, how to get them involved, listening, gathering information, building relationships, motivations for giving, personal recognition desired
- **Solicitation**: how, when, how much, responses, who should solicit
- **Stewardship**: how do they want to hear from you and when, knowing what’s going on their life
- **Organizational Learning**: What’s working or not in your fundraising, what campaigns are more successful, what appeals, donor retention rates, donor gift level info, building a culture of philanthropy

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Planning: The Donor Pyramid

How many donors do you have at each level and what $ from each level?

Cultivation: Know Your Donor Types

• Checkbook Philanthropists
• Responsive Funders
• Venture Philanthropists
• Results-based Philanthropists
• Collaborative Funders
Where do you gather the data?

- Software or system used?
- Who is responsible for the input of data?
- Who needs the outputs of the data (reports)?
- Who else should have access to donor information?

Spreadsheet versus Database

**Spreadsheet (Excel)**
- Rows and columns of data
- Data to feed into database
- For mail merges
- Easily analyze numeric data
- Great for financial reports
- Summary data but not relationships between data
- Create charts and graphs
- Limited numbers of rows and columns, difficult to see

**Database**
- Fields (columns) and records of data (rows)
- Can incorporate all different types of data
- Easily manipulate large amounts of data
- Create queries and reports easily
- Understand relationships between data
- Multiple users, cloud
- Work in database to create emails, mailing labels
- Better search functions
- Standardization of data entry
Donor Segmentation

- Video

Back to your donor questions

- What questions could you answer using a spreadsheet and what questions would better be answered using a database?
- Example?
Excel Data Demo

• Data Entry: rows versus columns
• Clean data
• Sorting Data
• Analyzing Data

Databases

• Software
• Cloud programs
• Access
Salesforce

- Teach yourself online for free using Trailhead by Salesforce

Downside of NOT tracking data

- Don’t know what’s working or not
- Using bad information in cultivation or solicitation (outdated information, wrong names)
- Appearing unprofessional or trustworthy with information
- Weak culture of evidence-based decision making and philanthropy
Book Recommendations

- IMPACT & EXCELLENCE by Sheri Chaney Jones
- THE END OF FUND RAISING by Jason Saul

Podcast Recommendations

- Doing Good Podcast
- Social Good Instigators
- Nonprofits are Messy: Joan Garry
- Nonprofit Hub Radio
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