



PREPARED BY

Grenzbach Glier and Associates
401 N. Michigan Avenue
Suite 2800
Chicago, Illinois 60611
tel 312.372.4040

Making the Most of Your Prospect Screening Investment

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Paul Mateo

Vice President, Analytical Services
Grenzbach Glier and Associates

ABOUT GG+A

- GG+A is a global philanthropic management consulting firm, founded in 1961, with principal offices in Chicago and London
- GG+A serves as strategic counsel to more than 30 of the 61 current \$1 billion+ campaigns and has provided consulting or support services to 52 of those 61 institutions
- GG+A's Analytics division provides research, prospect analysis, comparative benchmarking, reporting/visualization, and technology services to support our evidence-based consulting practice and drive fundraising results
- GG+A pioneered wealth screening in 1986 and launched DonorScape® (the first completely web-based product) in 2004 and has screened over 150 million records from over 2,000 non-profit organizations across the United States Canada, and the U.K.

PREMISE

- Development budgets are static or shrinking
- Increased pressure to generate and sustain higher levels of private support; in many cases involves efficiency
- Sophisticated major gift programs are organized around gift officer portfolios
- Annual Giving and Membership programs are plagued by low participation and donor churn rates
- Gift planning programs too, are challenged by tax policy, giving trends, competition, and staffing
- Programs must have a sustainable pipeline of prospects to support goals across our organization

PREMISE

- Non-profits across the country are in various stages of some type of prospect screening project
- Development Offices can face myriad of challenges:
 - Budget justification
 - Vendor selection and data needs
 - Stakeholder Buy-in; Competing demands
 - Compliance, Data Security, and PR
 - Project management, IT and systems integration
 - Effective dissemination and resource deployment
- Screening is truly a major investment in time and dollars
- What is the ROI?

PROSPECT SCREENING

- Identification (and prioritization) of new individual prospects
- Better understanding of known prospects and those under management
- Where and how to deploy fundraising resources
- Improved transparency regarding the value of prospects entrusted to development officers (accountability)
- Method to more accurately forecast fundraising results

THE DOWNWARD SPIRAL

"Wow, these results show so much untapped potential!"

**"We spent what we
had in the budget"**

**"We cannot trust
the data"**

"We didn't get what we expected"

"It took too long"

**"The gift officers
ignore the ratings"**

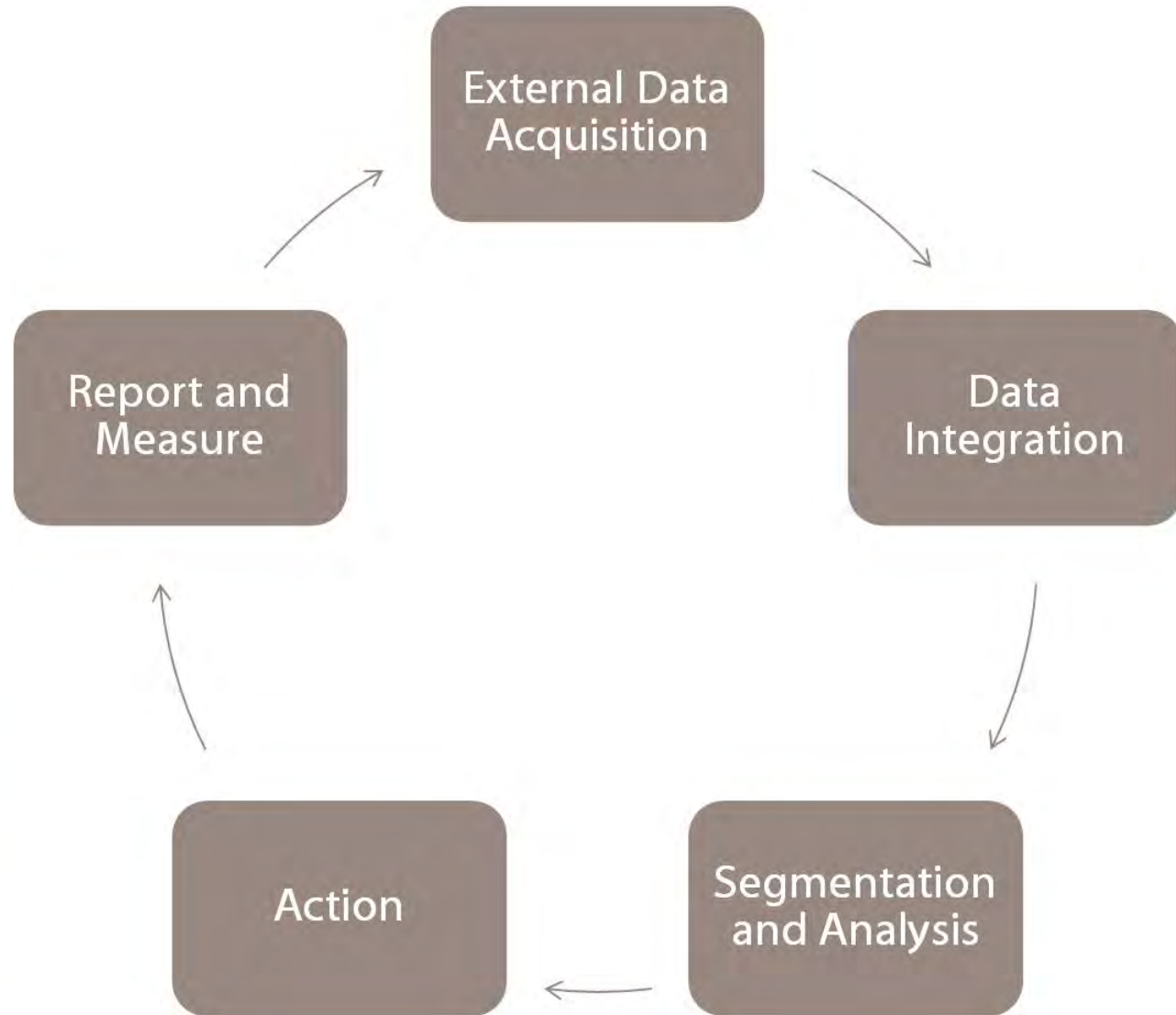
"Too Much Data"

Negative ROI

THE SCREENING PROCESS



**A
SUSTAINABLE
PROCESS**



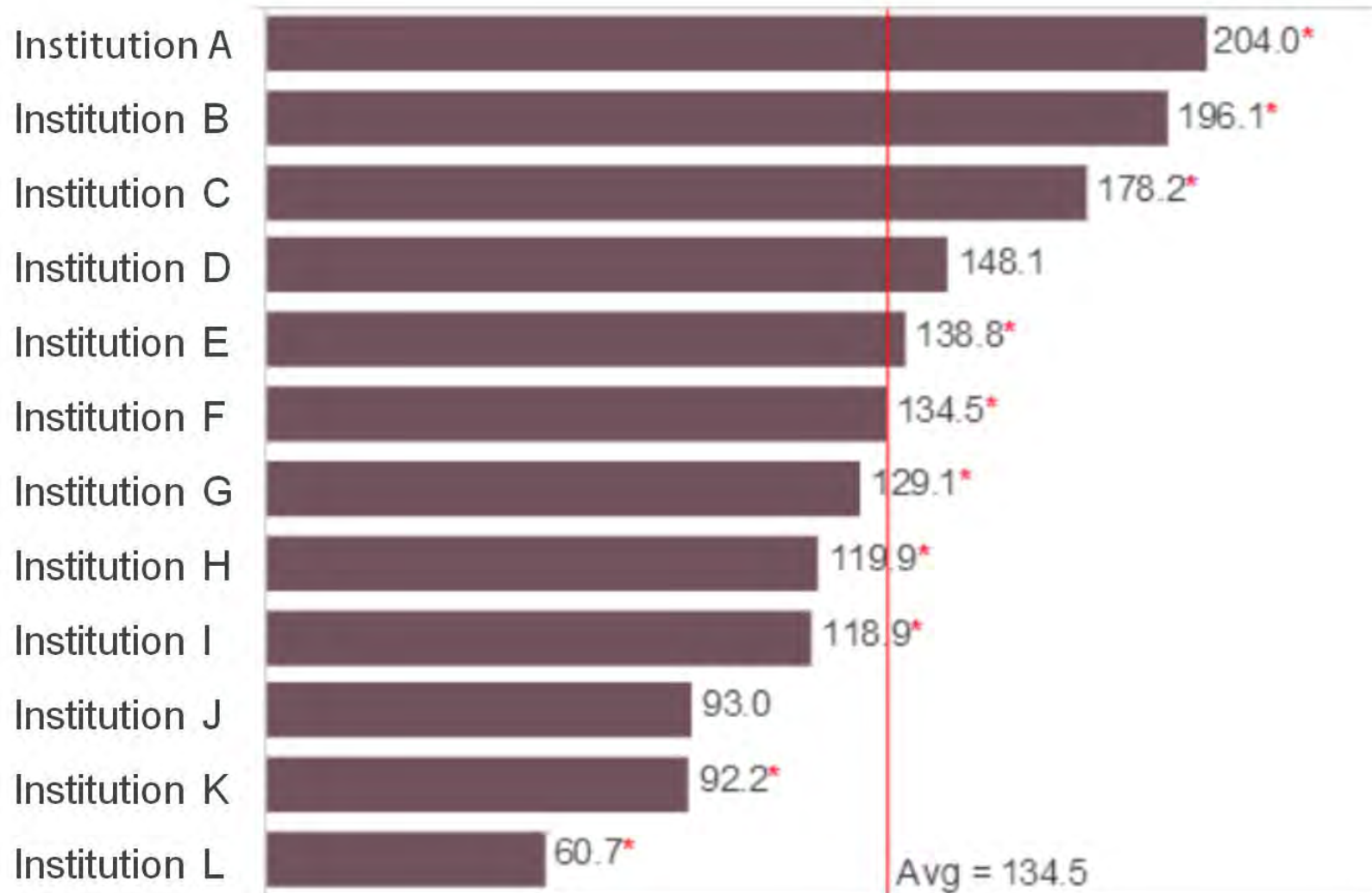
**CRITICAL
OBSERVATIONS:
EXPECTATIONS**

- Screening: one and done!
- Sky-high expectations
- Immediate ROI
- The burden is on the vendor
- “We have a fixed budget”

BEFORE YOU SCREEN

- Prospect Screening and Analysis should be a process, not a project. Expect to do this more than once.
- Define your goals and what success means:
 - Segment/Map 'Universe' of prospects
 - Evaluate and re-align gift staff portfolios
 - Help gift staff creating goals and plans
 - Making the case for investment
 - Staffing
 - Feasibility
 - Begin thinking about metrics/measures

PROSPECT ASSIGNMENTS PER FULLTIME FRONTLINE FTE

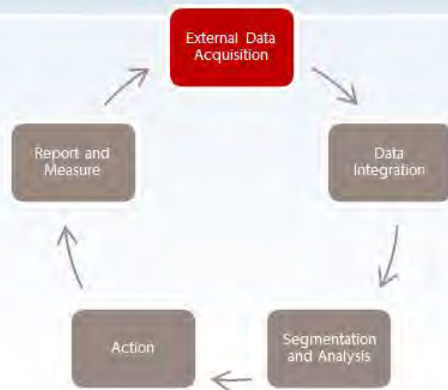


BEFORE YOU SCREEN

- Any sustainable process requires buy-in. Involve all levels of Advancement/Development program (across units too!) who can benefit
 - Research
 - DBAs and Data Analysts
 - IT/IS
 - Information Management
 - Volunteers
 - **Fundraisers**
- Involve the CDO/CAO and the Leadership
- Ideally, budget is a secondary consideration

CRITICAL OBSERVATIONS: EXTERNAL DATA

- "Cherry picking" prospects to screen
 - Artificial selection criteria
 - Mixing constituencies
 - Constituencies with constant influx
- Your data: Perfect is the enemy of good
- Selection process
 - "They have maps"
 - Data Hording: I want all the data



BEST PRACTICES: EXTERNAL DATA

- Complete a comprehensive prospect analysis on all living individual prospects
 - Consider all individual sources including non-natural or auxiliary constituencies
 - Exclusions: the fewer the better
- Don't let data quality slow you down
 - Utilize data cleansing and data appends
- Don't evaluate vendors by features/functions
 - Ignore whiz-bang features
 - Data you will actually use
 - Customer service is key
- At a minimum, a screening effort should produce:
 - Major giving capacity/wealth, e.g. via hard assets
 - Near-term affinity, propensity/likelihood/strength of relationship



WEALTH SCREENING: GIFT CAPACITY RATINGS

- Among 108,007 total households, 1,003 show capacity of \$100,000+ at the Exact & Near level.
- Further research into the Exact, Near & Possible population at \$100,000+ will likely surface additional prospects, but will require additional verification.

Gift Capacity Ratings by Match Quality – All Households

	GG+A Gift Capacity Rating	All Matches (Exact, Near, Possible & Simple)	Exact, Near & Possible	Exact & Near	Exact Only
Highest Value	\$10,000,000+ (1)	51	7	1	1
	\$1,000,000 - \$9,999,999 (2)	336	66	24	21
	\$250,000 - \$999,999 (3)	1,494	336	193	164
	\$100,000 - \$249,999 (4)	2,576	1,040	785	659
Moderate Value	\$25,000 - \$99,999 (5)	30,299	30,254	30,168	29,699
	\$10,000 - \$24,999 (6)	31,551	33,073	33,001	32,999
	\$2,500 - \$9,999 (7)	26,815	27,595	27,859	28,140
	Less than \$2,500 (8)	14,885	15,636	15,976	16,324
	Insufficient Public Wealth Data (9)	0	0	0	0
	Grand Total	108,007	108,007	108,007	108,007

High risk of misinformation

Some research required

Recommended starting point

Most verified data

PREDICTIVE MODELING RATINGS

- Many of the households with a Major Gift rating of A will be known as significant past givers. The B and C rated prospects, however, are excellent prospects for deeper relationship building in hopes of future major gifts.
- Of the 4,841 top-rated (A-C) donor households, 1,354 (28%) have not given in the last five years. GG+A recommends evaluating these prospects among the managed prospect pools.

GG+A Major Gift Rating	# Prospects	% of Prospects	# Ever Donors	Lifetime Penetration Rate	# Recent Donors	% Recent Donors	Average Lifetime Giving	Average Largest Gift Amount
A	484	0.5%	484	100.0%	417	88.7%	\$478,655	\$61,183
B	1,452	1.5%	1,452	100.0%	1,157	80.0%	\$4,510	\$1,664
C	2,905	3.0%	2,905	100.0%	1,913	66.1%	\$1,170	\$420
D	9,682	10.0%	7,921	81.8%	4,247	58.6%	\$209	\$93
E	82,295	85.0%	14,875	18.1%	2,727	20.2%	\$102	\$68

CRITICAL OBSERVATIONS:

RESULTS VERIFICATION AND INTEGRATION

- Where is the data?
 - Under lock and key, or;
 - O:\Development\projects\screening\results\results.xls
- "It will take years to verify all of this data..."
- "We need to talk about who gets access to this..."
- "The researcher(s) will pull..."



BEST PRACTICES:

RESULTS VERIFICATION AND INTEGRATION

- Load key ratings and IM data into database
- Integrated with biographical/demographic with giving relationship, and prospect management (assignment) data
- Don't go overboard
- Research verification:
 - Develop a plan & timing for key segments
 - Perfect vs Good: Is this a prospect or not?
- Avoid BYOB: Bring-your-own-bottleneck
 - Limiting staff access
 - Creating embargoed lists
- Institutionalize: Provide training and materials



SEGMENTATION AND ANALYSIS

- Map the internal and external data elements you plan to use in segmentation
 - Prospect Management Data
 - Assignment
 - Prospect Moves (stages)
 - Giving History
 - Relationships and Interests
 - Geography
- For larger organizations:
 - Develop some guidelines or decision trees to appropriately pair prospects with the right unit/staff; if applicable
 - Use inclination ratings and capacity estimates, assign values to each prospect portfolio



MAJOR GIFT PROSPECT POOL

Assignment Status	Philanthropic Capacity	Likelihood to Make a Major Gift					Grand Total
		A	B	C	D	E	
Assigned to a Major Gift Officer Portfolio	\$10 Million or more (1)	15	1	1	1	8	26
	\$1,000,000 to \$9,999,999 (2)	187	8	5	3	19	222
	\$250,000 to \$999,999 (3)	444	47	19	23	50	583
	\$100,000 to \$249,999 (4)	638	178	65	41	83	1,005
	\$25,000 to \$99,999 (5)	646	642	234	156	200	1,878
	\$10,000 to \$24,999 (6)	60	228	120	102	82	592
	\$2,500 to \$9,999 (7)		135	44	24	31	234
	Less than \$2,500 (8)		15	99	100	164	378
	Insufficient Public Wealth Data (9)				7	92	99
Total		1,990	1,254	587	457	729	5,017
Unassigned	\$10 Million or more (1)	1	1	1	2	15	20
	\$1,000,000 to \$9,999,999 (2)	12	9	11	13	84	129
	\$250,000 to \$999,999 (3)	82	111	150	195	640	1,178
	\$100,000 to \$249,999 (4)	318	562	693	1,161	3,079	5,813
	\$25,000 to \$99,999 (5)	756	4,140	6,342	16,625	47,400	75,263
	\$10,000 to \$24,999 (6)	108	2,061	5,470	20,886	95,732	124,257
	\$2,500 to \$9,999 (7)	3	1,465	2,088	5,759	75,980	85,295
	Less than \$2,500 (8)		250	4,480	20,183	146,675	171,588
	Insufficient Public Wealth Data (9)				326	188,276	188,602
Total		1,280	8,599	19,235	65,150	557,881	652,145
Grand Total		3,270	9,853	19,822	65,607	558,610	657,162

958
Low Value
Prospects

1,951
High Value
Prospects

Note: Philanthropic Capacity is GG+A Gift Capacity Rating at Exact & Near Match Quality
Source: GG+A Portfolio Analysis

ASSIGNMENT GUIDELINES EXAMPLE: UNASSIGNED PROSPECTS

Criteria	Priority
Area of Most Dollars Contributed in Last 5 FYs	1
Area of Most Dollars Contributed in Lifetime	2
Relationship Type Parent: Child School of 1st Degree	3
Varsity Athletics	4
School of First Degree	5
Assign to 'Other'	6

The Trick: Everyone must agree on the process, or at least have faith in the appeals process.

PROSPECT ASSIGNMENTS AND OPPORTUNITIES

Managed Prospects

Unmanaged Prospects

	High Priority			Low Priority				High Priority		
	# of Prospects	Sum Adjusted Portfolio Value	Average Adjusted Prospect Value	# of Prospects	Sum Adjusted Portfolio Value	Average Adjusted Prospect Value		# of Prospects	Sum Adjusted Portfolio Value	Average Adjusted Prospect Value
Unit A	13	\$35.0M	\$2,694.2K	2	\$0.0M	\$3.1K		10	\$5.0M	\$502.5K
Unit B	316	\$33.4M	\$105.6K	193	\$0.4M	\$2.1K		317	\$33.4M	\$105.4K
Unit C	53	\$8.6M	\$162.4K	14	\$0.0M	\$1.1K		53	\$8.6M	\$162.4K
Unit D	54	\$18.2M	\$336.5K	23	\$0.0M	\$0.3K		53	\$8.2M	\$154.1K
Unit E	430	\$67.6M	\$157.3K	100	\$0.1M	\$1.3K		429	\$50.2M	\$116.9K
Unit F	167	\$32.5M	\$194.8K	80	\$0.1M	\$1.5K		166	\$22.5M	\$135.7K
Unit G	117	\$51.0M	\$435.8K	65	\$0.1M	\$1.1K		113	\$16.0M	\$141.5K
Unit H	151	\$18.1M	\$119.9K	48	\$0.0M	\$0.5K		151	\$18.1M	\$119.9K
Unit I	216	\$35.8M	\$165.7K	23	\$0.0M	\$1.1K		215	\$25.8M	\$119.9K
Unit J	173	\$43.0M	\$248.7K	20	\$0.0M	\$1.6K		175	\$23.1M	\$132.0K
Unit K	22	\$9.1M	\$413.1K	7	\$0.0M	\$0.0K		31	\$10.2M	\$330.4K
Unit L	352	\$51.8M	\$147.1K	94	\$0.1M	\$1.1K		353	\$51.9M	\$146.9K
Unit M	232	\$55.4M	\$238.9K	51	\$0.1M	\$1.4K		231	\$45.4M	\$196.7K
Unit N	473	\$66.9M	\$141.5K	81	\$0.1M	\$1.4K		475	\$57.5M	\$121.1K
Unit O	361	\$65.3M	\$180.8K	157	\$0.2M	\$1.1K		362	\$56.3M	\$155.5K
Grand Total	3,130	\$591.7M	\$189.0K	958	\$1.3M	\$1.4K		3,134	\$432.2M	\$137.9K

ANNUAL GIVING RATINGS

- 38% of leadership annual giving (gifts of \$1,000 to \$24,999) rated alumni donors have not made a gift in the last 5 years.
- Prioritize and review these donors for potential assignment to leadership annual giving staff portfolios.

Household Type	Annual Giving Rating	# Prospects	% of Households	# Ever donors	Lifetime Penetration Rate	# Recent Donors	% Recent Donors	Average Lifetime Giving	Average Largest Gift Amount
Alumni	\$5,000+ (1)	229	0.3%	229	100.0%	165	72.1%	\$181,754	\$51,205
	\$2,500 to \$4,999 (2)	447	0.5%	447	100.0%	296	66.2%	\$9,776	\$1,333
	\$1,000 to \$2,499 (3)	646	0.8%	646	100.0%	357	55.3%	\$3,260	\$657
	\$500 to \$999 (4)	6,016	7.2%	6,016	100.0%	3,289	54.7%	\$1,078	\$175
	\$100 to \$499 (5)	33,180	39.5%	14,295	43.1%	4,692	32.8%	\$295	\$48
	Less than \$100 (6)	43,486	51.8%	0	0.0%	0			
Non-alumni/Other	\$5,000+ (1)	313	2.4%	313	100.0%	160	51.1%	\$559,033	\$59,785
	\$2,500 to \$4,999 (2)	195	1.5%	195	100.0%	103	52.8%	\$4,267	\$1,381
	\$1,000 to \$2,499 (3)	235	1.8%	235	100.0%	85	36.2%	\$1,705	\$766
	\$500 to \$999 (4)	945	7.4%	945	100.0%	515	54.5%	\$1,225	\$189
	\$100 to \$499 (5)	2,789	21.8%	2,263	81.1%	799	35.3%	\$3,457	\$64
	Less than \$100 (6)	8,337	65.1%	0	0.0%	0			

ACTIONS

- If this is your first screening:
 - Present findings to all stakeholders and leadership
 - Describe overall strategy for use of external data
 - Provide training
 - Consider consulting services
 - Culture change
 - Non-biased third-party assessment



ACTIONS

- Research staff focused on confirmation of unassigned high-value prospects
- Delay decisions about where new staff should be deployed until after a review of current individual gift officer assignments
 - Evaluate prospect assignments against FTE status
- Distribute a list of currently-assigned prospects with inclination ratings and capacity estimates
 - Clean up inaccurate or outdated prospect assignments and consider “releasing” prospects from portfolios



STAFFING

	Principal/Major/Planned/ International Gifts		Leadership Annual Giving	
Total Assigned Prospects	1,026		201	
Low Value Assigned	(279)		(9)	
High Value Unassigned	100% = 428		10% = 471	
Total Prospect Load	1,175		663	
<i>Prospects per FTE</i>	150	120	250	200
Total FTE Required	7.8	9.8	3.1	3.9

ACTIONS

- Stages
 - Review current prospect solicitation cycle “stages” model (if you have one)
 - Assign “homework” to gift officers so that they report current “stage” of each assigned prospect
 - Allow gift officers to request that any assigned prospect be removed from assignment
 - After this “homework” is completed, research/prospect management can present stages analysis report for each area and each gift officer
- Carefully distribute “unassigned priority” prospects to gift officers



REPORT AND MEASURE

- Make management reports available to review status of prospects at unit and individual gift officer level
- Utilize reports to identify prospects who are not moving at expected rate
- Management questions:
 - Are staffs configured to maximize opportunities
 - Are prospects portfolios balanced/optimized or tailored to staff strengths?
 - How have we changed the quality and composition of portfolios?
 - Have we been successful at getting donors to give at their capacity?



PROSPECT PORTFOLIOS VALUE BY GIFT OFFICER

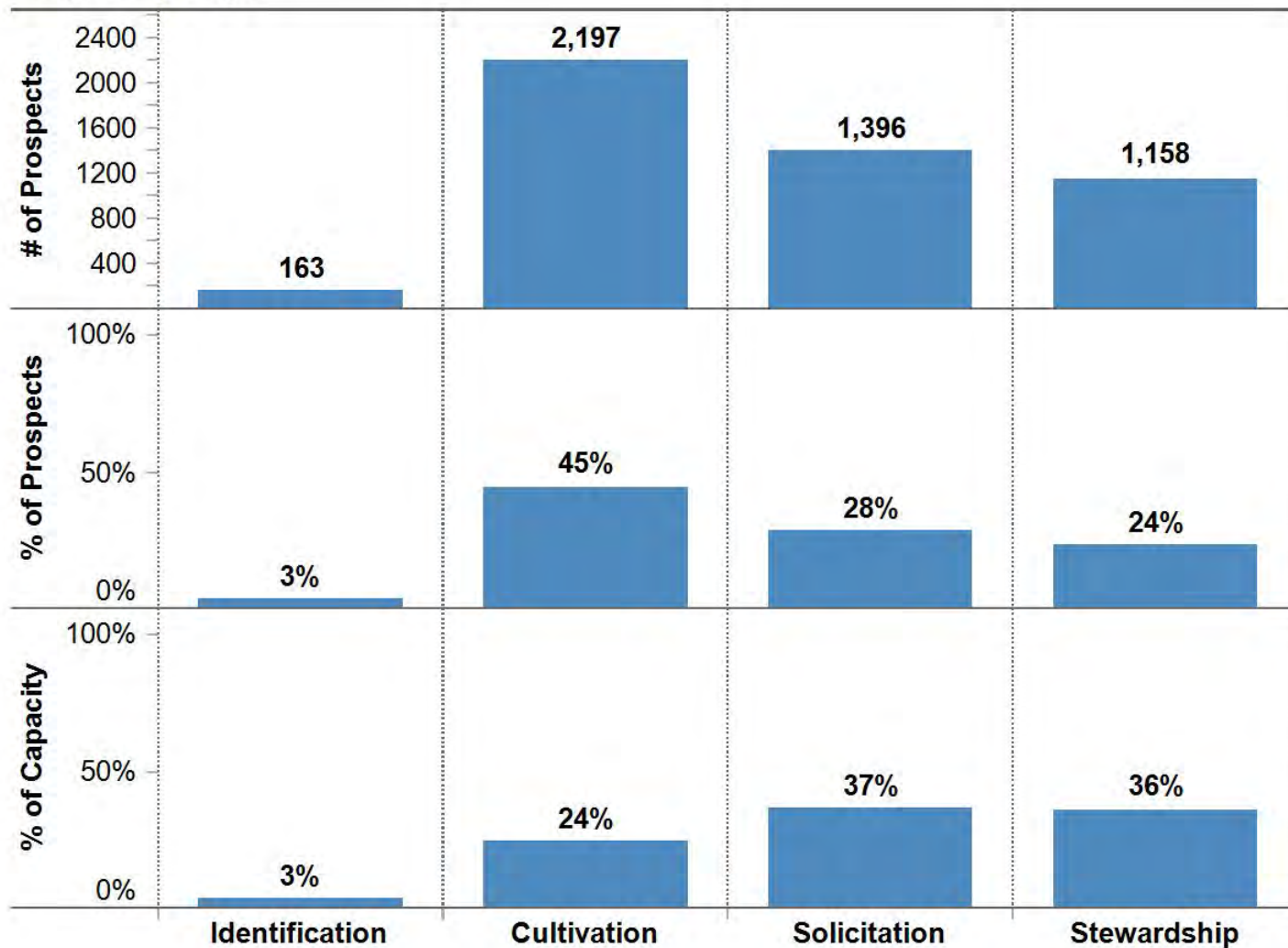
Portfolio size among FTEs: What is optimal?
Range among clients is 90 - 600;
Visits per month ranges from 6 - 12

Assigned Prospects by Gift Officer
Sorted by Sum Adjusted Portfolio Value

	# of Prospects	Sum Adjusted Portfolio Value	Sum Adjusted Portfolio Value Index (100)	Average Adjusted Prospect Value	Average Adjusted Prospect Value Index (100)	Major Gift Code (A-C) Top 5%	Major Gift Code (D-E) Remaining 95%
Katniss Everdeen	16	\$35.0M	489	\$2,189.5K	1,497	81%	19%
Peeta Mellark	68	\$33.2M	463	\$488.6K	334	88%	12%
Gale Hawthorne	624	\$31.7M	442	\$50.8K	35	71%	29%
Haymitch Abernathy	76	\$27.4M	383	\$361.2K	247	72%	28%
Primrose Everdeen	102	\$24.9M	348	\$244.4K	167	95%	5%
Caesar Flickerman	86	\$24.8M	345	\$288.0K	197	60%	40%
Seneca Crane	71	\$24.6M	343	\$346.3K	237	82%	18%
Effie Trinket	70	\$23.3M	325	\$333.3K	228	79%	21%
Claudius Templesmith	62	\$20.4M	284	\$328.4K	225	82%	18%
William Riker	93	\$19.0M	264	\$203.9K	139	78%	22%
Wesley Crusher	82	\$17.1M	238	\$208.0K	142	94%	6%
Katherine Pulaski	17	\$15.1M	211	\$890.6K	609	71%	29%
Reginald Barclay	61	\$13.7M	191	\$225.0K	154	92%	8%
Jon Archer	104	\$8.3M	116	\$79.6K	54	92%	8%
Tom Paris	106	\$7.6M	105	\$71.3K	49	75%	25%
Travis Mayweather	148	\$6.1M	85	\$41.4K	28	88%	12%
James Kirk	131	\$5.7M	80	\$43.9K	30	85%	15%
Alex Rozhenko	86	\$3.7M	52	\$43.4K	30	88%	12%
Grand Total	5,017	\$602.0M		\$120.0K		76%	24%

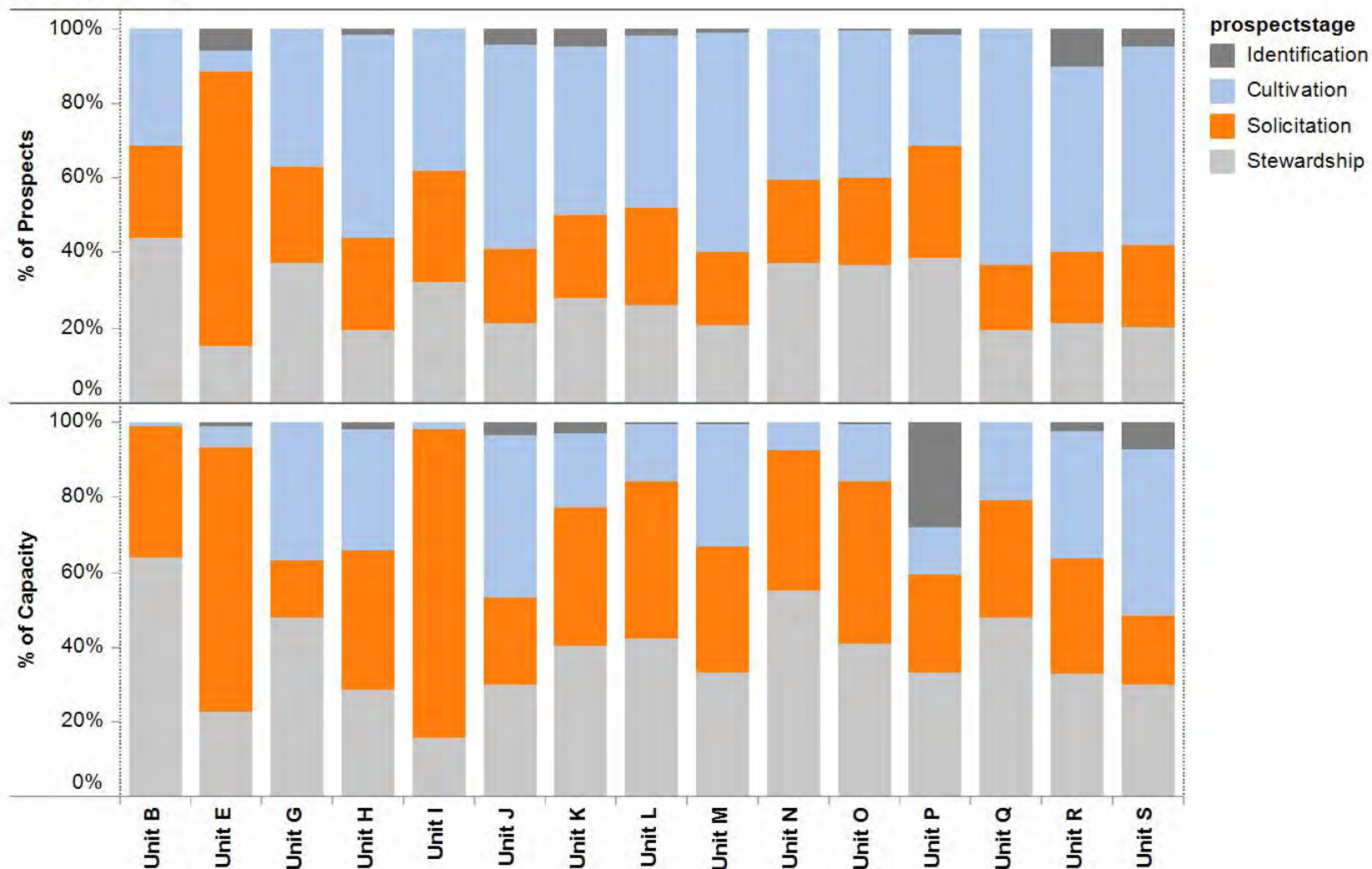
PROSPECTS BY STAGE

Prospects by Stage:



PROSPECTS STAGE DISTRIBUTION BY UNIT

Prospects by Stage:



THE IMPACT OF PORTFOLIO ADJUSTMENT

	Number of Prospects	Total Prospect Value	Average Prospect Value
Current Assigned Prospects	9,725	\$1,603.4M	\$165k
"Low Priority" Assigned Prospects	3,155	\$9.4M	\$3k
All Assigned Prospects - "Low Priority" Assigned Prospects	6,570	\$1,593.9M	\$243k
"High Priority" Unassigned Prospects	1,560	\$119.9M	\$77k
All Assigned Prospects - "Low Priority" Assigned Prospects + "High Priority" Unassigned Prospects	8,130	\$1,713.9M	\$211k
Net Change	(1,595)	\$110.5M	\$46k

MOVING THE NEEDLE: DONOR PENETRATION RATES

Institution	Type	Total Enrollment	Number of Living Alumni	All Alumni Donor Penetration				High-Capacity Alumni Donor Penetration			
				Ever Donors	\$100+ Donors	\$1,000+ Donors	\$10,000+ Donors	Ever Donors	\$100+ Donors	\$1,000+ Donors	\$10,000+ Donors
Institution A	Private	1,000+	Over 20K	45.2%	29.1%	9.5%	1.4%	60.4%	47.4%	21.4%	4.5%
Institution B	Private	1,000+	15-20K*	61.0%	48.7%	26.1%	7.2%	80.3%	72.4%	48.4%	17.1%
Institution C	Private	750-1,000	15-20K	74.1%	61.6%	33.5%	10.6%	89.1%	83.7%	63.0%	31.3%
Institution D	Private	500-750	10-15K	60.5%	49.6%	26.7%	7.2%	84.2%	76.0%	52.5%	17.5%
Institution E	Private	750-1,000	10-15K	52.8%	36.3%	14.3%	2.9%	78.5%	67.4%	37.4%	9.6%
Institution F	Private	500-750	Under 10K*	65.4%	56.9%	33.2%	9.6%	86.6%	81.9%	60.7%	22.2%
Institution G	Private	500-750	Under 10K	74.4%	63.9%	37.3%	12.5%	88.6%	83.7%	66.6%	31.1%
Institution H	Private	500-750	Under 10K	64.3%	50.7%	20.6%	5.5%	79.3%	69.3%	39.6%	13.7%
Institution I	Private	500-750	Under 10K	73.3%	63.5%	30.0%	7.1%	86.5%	81.3%	55.4%	18.1%
Institution J	Public	1,000+	15-20K	77.9%	70.5%	38.5%	11.2%	87.3%	83.6%	61.7%	28.3%
Institution K	Public	500-750	Under 10K	59.4%	45.6%	19.2%	4.6%	78.9%	70.9%	45.0%	16.8%
Mean				64.4%	52.4%	26.3%	7.3%	81.8%	74.3%	50.2%	19.1%
Median				64.3%	50.7%	26.7%	7.2%	84.2%	76.0%	52.5%	17.5%

OUTCOMES

- Will we raise more money?
- Critical intelligence data is widely available
- Buy-in from all levels; increased transparency
- Better management: Regular meetings with managers and gift officers on issues of prospect management, movement through stages
- "The universe is narrowed"
- Fact-based assessments; external validation



CONTACT ME

Paul Mateo

Vice President, Analytical Services

Grenzebach Glier and Associates (GG+A)

312-372-4040 x4034

pmateo@grenzglier.com