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GG+A WHITE PAPER

Prospect Research | 2015

The New Metrics in Prospect Research

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About GG+A

Grenzebach Glier and Associates (GG+A) is one of the leading international consultants to institutions and organizations of all sizes, and a foremost authority on fundraising and engagement best practices. GG+A has served thousands of organizations, helping them build extraordinary fundraising and engagement programs for long-term, sustainable philanthropy that will have a significant impact on their missions.

GG+A's Philanthropic Analytics practice helps organizations find, organize, and understand their own data and use it to achieve more effective, successful fundraising. Our services include prospect research, prospect management, financial forecasting, survey research, predictive analytics/market research, data visualization, and reporting.

Learn more at www.grenzebachglier.com

Introduction

For several years now, **Prospect Research** has been moving away from long, elaborate profiles and toward **more proactive research and moves management**.

A recent GG+A survey of top prospect researchers from around the world bears this out. Our survey asked what they used to be measured by in the past amd what parameters are researchers currently measured.

Respondents indicated that in the past, the top three metrics were:

- Accuracy of profiles completed
- Profiles completed as a measure of time
- Prospects identified for stage move

More recently, the top three metrics have shifted to:

- New prospects identified
- Prospects (wealth) screened
- Profiles completed as measured by time

Metrics	Part of my current assessment	No longer in the assessment	Total Responses
New prospects identified	29	5	34
Prospects you identified who make a stage move (*e.g.*, to cultivation)	12	7	19
Prospect identified who make a gift	14	6	20
Profiles completed (time)	19	8	27
Profiles completed (accuracy)	11	8	19
Prospects screened	19	4	23
Other	5	1	6

Table 1: GG+A sample results from prospect research survey regarding metrices

Survey Results

While the survey did not query a large sample of respondents, data in *Table 1* (above) seem to indicate that, while "profiles completed on time" will continue to be a measure of efficacy, research is moving toward *proactivity*. More and more, **the role of effective prospect researchers is identifying new, promising prospects**.

Respondents were also asked what it is that effective managers of prospect researchers most want to accomplish. The top responses involved innovating and cost savings with existing technology. What researchers themselves wanted to be asked to do did not involve more hand-tooled profiles or more elaborate profiles; but, rather, how they could use the research tools of the trade more effectively.

As one respondent explained, "A good manager would push me to come up with one or two creative approaches to how we're currently using paid subscriptions in a new way to be a better benefit to the organization."

Another respondent described that his or her ideal manager would "underscore that **research is an area of continuous improvement** (re-engineer process, acquire/sunset resources, work with peers and/or consultants who are on the cutting edge)."

The New Metrics

Incorporating the survey results with our work at research shops across the country, GG+A has devised a set of sample prospect research metrics for today's prospect researchers:

- Two or three **innovations** in using research tools and technology **to improve the quality and outcomes of prospect research** (this might include finding prospects for unique constituencies more effectively, or using tools for faster or more effective profiles)
- New adult constituents (*e.g.*, parents, ticket buyers, attendees) are **wealth screened within three months** and suggested for assignment
- New prospects are fed to gift officers at a rate appropriate for the gift officer to have **institution definition of full portfolio of major gift-capable prospects**, taking into account:
  + A 10:3:1 ratio of research-identified prospects : prospects willing to have contact : donor
  + Prospect/relationship management policies for assigning new prospects
- Timely, accurate, and appropriate **research profiles** are provided to gift officers as requested **for prospects that have met with gift officers in person** (research levels should correspond with prospect stages except in exceptional cases)
- Only 10% of prospects identified by researchers receive a **major/principal gift proposal** each year
- More department **time devoted to proactive research**, less than 50% spent on reactive research

How to find prospects for unique units

A recent GG+A survey of top prospect researchers across the country revealed one of their number one frustrations: finding prospects for units that do not have natural constituencies or alumni. University libraries or student scholarships are often in this category; so, too, are new research centers and museums.

Finding prospects for these types of units is as much a database as it is a research challenge, and requires a group effort of prospect research, advancement services, and the gift officers in the unit. Here is a **simple three-step group approach** for more fruitful prospecting:

Step 1—Compile a list of which **qualities your best prospects tend to have**. In the case of libraries, the list might include, *e.g.,* former employees or volunteers, map or stamp collectors, or hobbyists interested in book-binding

Step 2—Compile a second list of **keywords that might elicit good prospects**, such as *library, collection, antiquity, antique, books, binding, paper, cartography, letter press*

Step 3—Assess what **databases are available for keyword or field searching**. These might include electronic contact reports, student employment or activity records, and biographic tables from Guidestar, Marquis *Who's Who*, and other basic wealth screening databases that can be searched for key words and then matched to prospect records.

The same methodology would apply to finding prospects for medical or other scientific research projects. When you **combine the different data sources available within the organization**, there is immense power to identify potential prospects for even the most obscure projects. Generally the group effort to find prospects for these projects results in creative, innovative solutions. ◊

Pro-active Research Tasks

- Finding prospects for major and principal gift officers, **typically using screening and internal analytics** as a starting point, including parents, reunion classes, and any new prospects
- Working with Advancement Services, bulding searches that **combine interests, keywords in contact reports, and prospect histories** to find lists for units lacking in obvious affiliation. Some data may be present in the main database, but **additional databases available through wealth screening and other appends** may also be necessary to find outside philanthropic interests, publications, and so on.

Reactive Research Tasks

- **Generating profiles** for meetings, events, or proposals that come in through requests
- **Leadership** requests
- **Special activity** requests

Designing Integrated Development Metrics for Campaign Success

What are the major gift officer metrics for the department? In a well-run shop, development officer metrics align like a flow-chart, and Prospect Management, Prospect Research, and even Advancement Services metrics are built around reinforcing and achieving those fundraising goals.

The table below shows how these work:

Gift Type	Fundraiser Metrics	Prospect Research	Prospect Management	Advancement Services
Principal Gifts	• Proposals, moves, and meetings $1M or more	• Identification of new prospects $1M+ • Specific research to help craft $1M+ proposals	• Strategy and monitoring needed for $1M+ gifts • Ensuring that all necessary players are involved in complex gifts	• Reporting, forecasting, and complex gift processing for highest level gifts
Major Gifts	• Proposals, moves, and meetings $100k - $1M • Referrals and assistance in gifts $1M+	• Identification of new prospects $100+ pros-pects across units • Specific research to help craft $1M+ proposals	• Targeted, reliable moves management based on time in stage, last contact, and strategy for movement	• Reporting and forecasting $100k+ gifts in current and future fiscal years • Gift officer performance dashboard
Leadership Annual Gifts	• Asks $10,000 to $100,000 • Referrals and assistance in gifts $100,000+	• Timely screening for new adult constituents to be placed in Leadership Annual Giving portfolios	• Effective referral and hand-off from Leadership Annual to Major Gifts	• Trends and reporting for potential upgrades to Leadership Annual Giving

Table 2: GG+A sample Development Officer metrics for major gifts

Rarely are departments integrated and oriented in the manner the above chart suggests. When they are, though, the effect on the departments is positive because the success is an obvious, integrated group effort toward campaign success. That's a win for everyone. ◊

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Kat assists clients across industries to maximize prospect management and research, gain insight into donor preferences and behavior, create effective prospect pipelines, and improve donor outreach and engagement efforts. She recently designed and implemented portfolio review processes, metrics, and dashboards at Vanderbilt University and Medical Center, the University of North Carolina Chapel Hill, the University of Delaware, and the American Heart Association.

Kat also runs GG+A's Medical Annual Giving/Grateful Patient roundtable, assessing premier standards in renewable medical center fundraising.

The GG+A Philanthropy Survey Lab partners with not-for-profit clients to collect information directly from their constituents on issues including charitable giving intent, attitudes toward an organization, and case/brand messaging testing. As Associate Director of the GG+A Survey Lab, she has worked with Texas Children's Hospital, Drexel University Medical Center, University of Maryland Baltimore, and Hobart and William Smith Colleges to design donor surveys with actionable insight.