MAJOR GIFT METRICS
MEASURING YOUR WAY TO SUCCESS

AFP Congress 2018
You realize you aren't going as fast as you'd thought...

How you planned it.  How it's going.
10 Steps to Data-Driven Decision Making

- Start with Strategy
- Hone in on the business area
- Identify your unanswered business questions
- Find the data to answer your questions
- Identify what data you already have
- Collect the data
- Work out if the costs and effort are justified
- Identify what data you already have
- Incorporate the learning into the business
- Present and distribute the insights

*Bernard Marr, Forbes*
Where’s the Art?
WHEN TO ACT ON A CORRELATION IN YOUR DATA
How confident are you in the relationship? And do the benefits of action outweigh the risks?

CONFIDENCE IN THE RELATIONSHIP

- Frequent correlation; clear causal hypothesis
- Frequent correlation; but many causal hypotheses
- Infrequent, unstable correlation

BENEFITS OF ACTION RELATIVE TO COST OF BEING WRONG

- Risks outweigh benefits
- Benefits outweigh risk

Act

Don’t act

SOURCE DAVID RITTER, BCG

HBR.ORG
Which Metrics?

- Be realistic & focus on priorities
- Use your fund development plan as a guide
- Determine gaps & challenges
- What’s keeping you up at night?
- What can you measure consistently & accurately?
Diversify Your Metrics

Levels
- Individual
- Team
- Organization

Types
- Outcome
- Process
- Quality

Length
- Annually
- Quarterly
- Monthly
Donor Management Model

- Consistent, step-by-step process to ensure effective relationship building with all donors

Performance Management

- Attracts talent & increases retention & accountability through skill development, growth opportunities & measurable goals & objectives

Volunteer Leadership

- Increased success through partnerships with volunteer leadership working with & through them to achieve objectives

Technology & Systems

- World-class solutions for effective donor management, tracking of key metrics and ensuring efficiencies
Donor Management Model

Identify
Research
Plan
Engage
Ask
Close
Thank
Steward
# Table of Gifts

<table>
<thead>
<tr>
<th>Amount</th>
<th>Number of Gifts Needed</th>
<th>Subtotal</th>
<th>Cumulative</th>
<th>%</th>
<th>Needed</th>
<th>Identified</th>
<th>Closed Gifts</th>
<th>Still Needed</th>
<th>Prospects Needed Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>$100,000</td>
<td>1</td>
<td>$100,000</td>
<td>$100,000</td>
<td>10%</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>$50,000</td>
<td>2</td>
<td>$100,000</td>
<td>$200,000</td>
<td>20%</td>
<td>6</td>
<td>6</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>$25,000</td>
<td>6</td>
<td>$150,000</td>
<td>$350,000</td>
<td>35%</td>
<td>18</td>
<td>18</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>$10,000</td>
<td>15</td>
<td>$150,000</td>
<td>$500,000</td>
<td>50%</td>
<td>45</td>
<td>45</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>$5,000</td>
<td>25</td>
<td>$125,000</td>
<td>$625,000</td>
<td>63%</td>
<td>75</td>
<td>75</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>$2,500</td>
<td>45</td>
<td>$112,500</td>
<td>$737,500</td>
<td>74%</td>
<td>135</td>
<td>135</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>
## Name-by-Name Table of Gifts

<table>
<thead>
<tr>
<th>Giving Level</th>
<th>Last Year’s Donors</th>
<th>Last Year’s Totals</th>
<th>This Year to Date - Donors</th>
<th>This Year to Date - Totals</th>
<th>Potential Donors</th>
<th>High</th>
<th>Low</th>
<th>Probable</th>
<th>Solicitation By Date</th>
<th>Relationship Manager</th>
<th>Solicitation Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>$50,000</td>
<td></td>
<td>$55,000.00</td>
<td></td>
<td>$0.00</td>
<td>$50,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>XYZ Foundation</td>
<td>55,000</td>
<td>XYZ Foundation</td>
<td>100,000</td>
<td>25,000</td>
<td>50,000</td>
<td>9/30/16</td>
<td></td>
<td></td>
<td>Jane Smith</td>
<td></td>
<td>Face-to-Face</td>
</tr>
<tr>
<td>$25,000</td>
<td>$30,000.00</td>
<td>$0.00</td>
<td>$15,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bob &amp; Mary Smith</td>
<td>30,000</td>
<td>Bob &amp; Mary Smith</td>
<td>40,000</td>
<td>10,000</td>
<td>25,000</td>
<td>8/15/16</td>
<td></td>
<td></td>
<td>Carl Carlson</td>
<td></td>
<td>Face-to-Face</td>
</tr>
<tr>
<td>John &amp; Jill Jones</td>
<td>30,000</td>
<td>John &amp; Jill Jones</td>
<td>30,000</td>
<td>10,000</td>
<td>25,000</td>
<td>8/31/16</td>
<td></td>
<td></td>
<td>Jane Smith</td>
<td></td>
<td>Face-to-Face</td>
</tr>
</tbody>
</table>
Research Metrics

- % of identified donors that have been rated (capacity, inclination & readiness)
- % of donors with capacity rating at Major Gift level with up-to-date research profile
- Number of new prospective major & principal gift donors identified per month
Donor Planning

- # of major & principal gift prospects assigned to gift officer (relationship manager)
- % of major and principal gift prospects with written donor engagement (major gift strategy) plan

<table>
<thead>
<tr>
<th>Strategic Initiatives to Increase Motivation, Decrease Obstacles, Engage Decision Makers, Confirm Rights</th>
<th>Person</th>
<th>By When</th>
<th>Specific Expected Minimum and Maximum Results</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Comments on Relationship, Values, Philanthropy, “Yeses”

*Excerpt from The Osborne Group’s Major Gift Strategy Worksheet*
One data point

Many data points

# Prospect Management

- # of donor strategy meetings held per month
- Progress toward prospect management tracker

<table>
<thead>
<tr>
<th>Name of Prospect</th>
<th>Assigned</th>
<th>C</th>
<th>I</th>
<th>R</th>
<th>Major Gift</th>
<th>Annual Fund</th>
<th>Next Move</th>
<th>Who</th>
<th>When</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joe Donor</td>
<td>JP</td>
<td>C10</td>
<td>H</td>
<td>RD</td>
<td>$5m</td>
<td>$250k</td>
<td>Confirm right purpose</td>
<td>JP</td>
<td>2/15</td>
</tr>
<tr>
<td>Sam Giver</td>
<td>CO</td>
<td>C8</td>
<td>L</td>
<td>RD</td>
<td>$1M</td>
<td>$500k</td>
<td>Raise giving sights</td>
<td>CO</td>
<td>3/31</td>
</tr>
<tr>
<td>Mary Philanthropist</td>
<td>TB</td>
<td>C7</td>
<td>L</td>
<td>RF</td>
<td>$50k</td>
<td>$5k</td>
<td>Visit w/ donor</td>
<td>TB</td>
<td>2/28</td>
</tr>
<tr>
<td>Lilly Patient</td>
<td>JP</td>
<td>C5</td>
<td>M</td>
<td>RC</td>
<td>$25K</td>
<td>$1K</td>
<td>Tour with Dr. O</td>
<td>JP</td>
<td>3/5</td>
</tr>
<tr>
<td>Jim Onthefence</td>
<td>TB</td>
<td>C4</td>
<td>H</td>
<td>RB</td>
<td>$50K</td>
<td>$5k</td>
<td>Visit w/Sue</td>
<td>TB</td>
<td>3/12</td>
</tr>
</tbody>
</table>

* Excerpt from The Osborne Group’s Prospect Management Report
Donor Management Process Metrics

- **Yield Rate**: % of prospects that make it from one step to another:
  - Identify to Plan?
  - Identify to Ask?
  - Ask to Close?

- **Processing Time**: Average time from one step to another:
  - Identify to Plan?
  - Plan to Ask?
  - Identify to Close?
Evaluating Calls & Visits

Call Metrics

• Approaches with most success
  • Email, Note, Call
  • From whom
• Number of calls to get one appointment
• Time of day with most success
• Day of the week with most success
• Three reasons with most success

Visit Metrics

• Number of visits
• Visit plans completed
• Visit outcomes
• Visit yield (long-term)
• Other trends (regions, contacts)
• Manage calendars
The Tarnside Curve of Involvement

*Developed by Patrick Boggen, Tarnside Consulting, UK*
# Know Your E (engagement) Scores

<table>
<thead>
<tr>
<th>Activity</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attended vision meeting</td>
<td>5</td>
</tr>
<tr>
<td>Hosted an event</td>
<td>3</td>
</tr>
<tr>
<td>Raised money</td>
<td>3</td>
</tr>
<tr>
<td>Introduced one or more potential donors</td>
<td>2</td>
</tr>
<tr>
<td>Served on high level committee</td>
<td>5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Activity</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participated in Day of Service</td>
<td>3</td>
</tr>
<tr>
<td>Took tour and brought a friend</td>
<td>3</td>
</tr>
<tr>
<td>Trustee</td>
<td>8</td>
</tr>
<tr>
<td>Provided high level advice</td>
<td>4</td>
</tr>
<tr>
<td>Provided high level expertise</td>
<td>4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Activity</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attended Reunion</td>
<td>1</td>
</tr>
<tr>
<td>In touch with classmates</td>
<td>2</td>
</tr>
<tr>
<td>In touch with faculty</td>
<td>3</td>
</tr>
<tr>
<td>Attended alumni event</td>
<td>2</td>
</tr>
<tr>
<td>Participated in alumni survey</td>
<td>1</td>
</tr>
</tbody>
</table>
Ask & Close

- Number of asks (total and by solicitor)
- Asks made within donor plan timeline
- Yes/Success Rates
  - % of closed gifts to requests made
  - % of amount received to amount requested
  - % of amount received to capacity rating
  - By solicitor
  - By solicitation method/appeal
Would appreciate a thank you call within a day or two of the organization receiving their donation

Said such a thank you would influence them to give again

Said they would definitely or probably give a larger gift

Average amount of increase in giving by those that received a thank you call compared to similar donors who did not (tracked after 14 months)

During the renewal cycle, those who received a thank you call were 39% more like to renew their support

*Penelope Burk, Donor Centered Fundraising*
Thanking Metrics

• Process:
  • % of donors receiving a thank you call at the time the gift is made (from a board member?)
  • Average gift acknowledgement turnaround time (24 hours, 48 hours, etc.)
  • % of new donors receiving welcome package

• Outcomes:
  • New donor retention, time to second gift
  • Donor retention, upgrades by thank you type
Every 100 donors gained was offset by 96 lost donors through attrition

46% Donor RETENTION

54% Donor ATTRITION

Overall RETENTION RATE 46%

DONOR RETENTION
- 2% net gain in donors retained from 2014 to 2015.
- 79% of the gains were from NEW donors.
- 21% of the gains were from REACTIVATED donors.

Every $100 dollars gained was offset by $91 lost

$100 gained

$91 lost

DOLLAR RETENTION
- 5.3% net gain in revenue from 2014 to 2015.
- 44% of the gains were from NEW donors.
- 37% of the gains were from UPGRADED donors.
- 19% of the gains were from REACTIVATED donors.

*2016 AFP Fundraising Effectiveness Project, Bloomerang
Likelihood of Obtaining an Additional Gift

- **Existing**: 60% - 70%
- **Lapsed**: 20% - 40%
- **New**: 2%

*Roger M. Craver*
Stewardship Metrics

- Donor retention rate (first year, multi-year)
- Dollars gained/lost from retained donors
- Upgrades
- Pledge fulfillment rate
- # of stewardship moves delivered
- Donor satisfaction (survey)
Volunteer Leadership

- % of board/committee members giving
- % of board/committee members giving leadership gifts/major gifts; at capacity
- Amount raised from the board as a percentage of the annual fund
- Amount raised by the board as a percentage of the annual fund
- % of members actively involved in helping secure major & principal gifts (from all sources)
- Progress toward individual fundraising plans, progress toward team goals
- # of touches/visits with principal & major gift donors & prospective donors
- # of hours per week spent working directly with CDO on donor strategies
Culture of Philanthropy

Every constituent understands, embraces, believes in and acts on his or her collective and individual roles and responsibilities in philanthropy in a collaborative and donor-focused manner.

Non-Development Staff Major Gift Objectives

• % of time dedicated to fund development including strategy development, phone calls and visits
• # of touches/visits with principal & major gift donors & prospective donors
• # of hours per week spent working directly with CDO on donor strategies
Performance Management: Frontline Fundraisers

Progress toward performance objectives

- Total dollars raised
- Number of prospects assigned
- Number of visits completed
- Solicitations made
- Stewardship “moves” delivered

- Other campus liaison responsibilities
- Professional development goals & activities
- Connection to Program
## Time Allocation and Priorities

<table>
<thead>
<tr>
<th>Priorities</th>
<th>% Actual</th>
<th>% Desirable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donor Work – Direct</td>
<td>10%</td>
<td>50%</td>
</tr>
<tr>
<td>Donor Work – Planning</td>
<td>30%</td>
<td>20%</td>
</tr>
<tr>
<td>Managing Staff</td>
<td>40%</td>
<td>10%</td>
</tr>
<tr>
<td>Supporting Board, Head of School</td>
<td>5%</td>
<td>15%</td>
</tr>
</tbody>
</table>

- Review big picture priorities and percentage of time with supervisor
- Agree on what you won’t do!
- Use a time study when necessary
- TOG Spending Time Wisely Worksheet
Implementation & Tracking

- Decide on key metrics
  - Analyze gaps, challenges
  - What’s keeping you up at night?

- Determine process for pulling data regularly
  - Timeline: Due Dates & Responsibilities
  - Scorecard

- Implement regular strategy sessions
  - Challenges, Successes
  - Brainstorm & Problem Solve
  - Course Corrections
Thank You!

Robert Osborne – The Osborne Group
bob@theosbornegroup.com
@bobosborne17