Tools for Data Management and How Data Impacts Fundraising

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Learning Objectives

- Why a specialized database is necessary for fundraising and how to make a case for it
- How to set up a fundraising database for success
- Effective management of your database
- Using your database to improve your fundraising
- How good data management can improve donor relationships

Why should Development Directors care about Data Management?

Quiz – What's wrong with this picture?

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3l25 Main Street
Baltimore, MD 2l2l2

Here's a clue

The Lesson?

- Little things can wreak havoc on your data.

- The database is the lifeblood of your fundraising program. If it is poorly managed, your results will suffer.

- The DoD needs to understand data management and be involved in critical decisions, especially when converting to a new database.

- BUT – all staff need to understand and play a role in keeping the system in top shape!

- Decisions should be driven by fundraising needs, not technology.

Why a specialized fundraising database is necessary and how to make the case for it

Why can't we use Access (or Excel) for our fundraising database?

- You are re-inventing the wheel – someone has already figured out best database practices for fundraising
- Won't be integrated with other applications, particularly online
- Have to maintain it yourself/No support
- Knowledge lost when staff turns over
- Can't hire someone with existing knowledge of your system

In the end, a homemade system is the most expensive system you can get because it will severely limit your ability to raise money

What does a fundraising database have that a generic database doesn't?

- Ability to properly handle soft credits
- Standard reports based upon fundraising best practices
- Ability to do moves management (track prospect progress)
- A user group or other resource for tips and tricks
- Regular updates that improve the software
- The ability to establish relationships between constituents

A database created for fundraising is essential to securing major gifts!

Truths about fundraising software

- No software is as good as the company says it is
- It will always cost more than the initial quote (if not the software, you may need new hardware)
- It will require either extra staff or extra hours to implement (and probably both)
- You will probably have to change some of your workflow to accommodate a new system. This isn't always a bad thing.
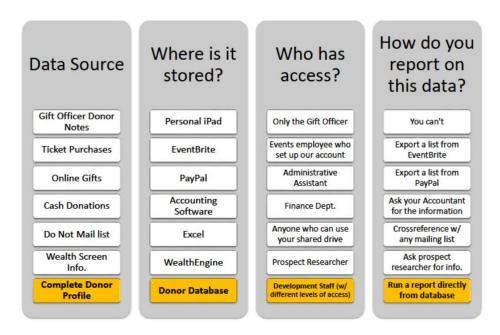
How to set up your fundraising database for success

Exercise – Where does data come from?

Donor Data Exercise

Data Source	Where is it stored?	Who has access?	How do you report on this data?

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Donor Data Exercise - Example

Data Source	Where is it stored?	Who has access?	How do you report on this data?
Gift Officer Donor Notes	Personal iPad	Only the Gift Officer	You can't
Ticket Purchases	EventBrite	Events employee who set up our account	Export a list from EventBrite
Online Gifts	PayPal	Administrative Assistant	Export a list from PayPal
Cash Donations	Accounting Software	Finance Dept.	Ask your Accountant for the information
Do Not Mail list	Excel	Anyone who can use your shared drive	Crossreference w/ any mailing list
Wealth Screen Info.	WealthEngine	Prospect Researcher	Ask prospect researcher for info.
Complete Donor Profile	**Donor Database**	**Development Staff (w/ different levels of access)**	**Run a report directly from database**

Common Terms

- **Fund** – The gift designation, such as annual fund, a specific program, or building project. This typically needs to be coded in a way that will align with the way your Finance dept. enters the money into their accounting software.

- **Appeal** – The initiative that led to the donation, such as a specific mailing or event.

- **Campaign** – Overarching category for your initiatives, such as Direct Mail, Capital Campaign, or Events. Useful for tracking year-over-year results.

- **Import** – Uploading information to a database in bulk, such as a list of new donors or gifts.

- **Export** – Extracting information from the database in bulk, usually in Excel format.

- **Report** – This usually refers to data that has been put into a more user-friendly format, rather than an Excel sheet.

- **Actions** – Different software products use different terminology, but this refers to any donor interaction that is recorded in the database, such as a phone call, in-person meeting, mailing, etc.

Engage Key Stakeholders

Ex: Data Entry Staff, Administrative Assistants, Gift Officers, Events Team, Marketing Team, Finance team, Senior Management, I.T. Staff

- Take inventory of existing data sources
- Set broad goals
- Assess reporting needs
- Map out a coding structure
- Set expectations for data entry and responsibilities

Who/What Should Go in Your Database?

The database exists to track DONORS, PROSPECTS, and GIFTS. Consider whether you also want to include:

- Volunteers
- Marketing lists – people who have signed up at events, through website, etc.
- In-kind donations
- Patients/Clients
- E-commerce purchasers

Create Data Entry Standards

- Name and address formatting
- Phone and E-mail formatting
- Coding for Segmentation – *Use codes, not notes!*
- Campaign/Fund/Appeal Coding
- Gift Types
- Contact Preferences – No Mail, No Phone Calls, No Solicitations, etc.

Handout available upon request

Effective Management of your database

Policies and Procedures

- Write with the assumption that the person already knows how to use the software.

- Write the steps when completing a task, especially for data projects that come up infrequently.

- Screen shots are great, but don't go crazy!

- P & P should be a living document. Record last updated date. Remove sections that are obsolete.

- Make accessible to all, but don't let just anyone edit!

- Use position titles, not employee names.

- Use your Word skills. Include page numbers, table of contents, headers, etc. This should be a professional-looking document that may be seen and used by many.

Protecting Data Health

- Restrict who can add new records. Search for a person before adding a new record.

- Enforce your data entry standards!

- De-dupe on a regular basis

- Run monthly data-audits

- Do not delete constituents! In most cases, you want to de-activate rather than delete. For addresses, mark as previous rather than overwriting with new information.

- Techniques for mass clean-up of data

Accuracy is paramount!

- If the data isn't right, the mail won't go through.
- Data standards will improve your delivery rate and your response rate
- Accuracy is critical when submitting data for wealth screening. Otherwise, information will be of little value.
- *Pro tip:* Include middle initials!

User Management

- Determine what each individual user needs to see/edit in order to do his/her job.

- Set up security settings for different groups, such as data entry staff, gift officers, management.

- Restrict access to confidential information.

- Strictly limit the ability to delete any information.

Training

- Invest in professional training.

- Develop standard training protocols for new hires. Internal training should complement professional training.

- Don't hesitate to contact Customer Support. Let them solve your problems rather than spending hours tinkering with an issue.

- Attend user groups or join online forums. You're usually not the only person who has run into a particular problem.

Make Friends with I.T.!

We recommend external hosting/sending your data to the cloud. If this is not possible at your organization, however:

- Make sure that your database is regularly upgraded when new versions are introduced.

- Frequent backups are critical! Data accidents happen, and you may run into a situation where the only way to retrieve lost information is through a backup.

- Think of worst case scenarios—natural disasters, fire, a disgruntled employee—would your data be safe?

Tips & Tricks

Use Excel to complement your reporting and to clean-up your data

Export records to Excel, clean-up and import updates

Find and replace

• Search for an error and globally replace, such as Baltimroe → Baltimore

Conditional formatting

• Highlight cells based on various factors, such as duplicate values.

Auto dupe removals

• Use to clean-up a mailing list, event registration list, etc.

	A
1	356789
2	356798
3	123456
4	155367
5	356798

Using your database to improve your fundraising

Getting to know you

- Only capture data that you will use! Have a plan for what data you will and won't keep. Maintaining data costs time and money. Be sure it is worth it.

- Capturing relationships is vital – familial, employers, professions, education, etc.

- How did you acquire that donor – event, referral, service user, etc.

- What mailings did the donor receive? Which ones did he/she respond to?

- What events did the donor attend?

Segmentation is key – and the power of your database

- Will allow you to solicit different groups using different timing and methods.
- Segmenting by giving history allows you to use customized "ask strings"
- Can reduce mail costs by excluding groups that aren't relevant (and this will improve your ROI).
- Allows you to micro target for special appeals – the new bleacher fund, the neonatal campaign, etc.

Segment by affiliation with your organization

Does your constituency lend itself to being defined by affiliations that may or may not be mutually exclusive, e.g.

- Alumni, parents, grandparents (education)
- Members, ticket purchaser, advertiser (cultural)
- Patient, vendor, physician, employee (hospital)
- Volunteer, community association member, legislator (grassroots)

Do the affiliations have a hierarchy if they are not mutually exclusive?

- *Pro tip:* Don't use "Donor" or "Prospect" as an affiliation because it will need to be updated constantly!

Past performance is no guarantee, but…..

- Use data to establish patterns – when do people typically give? Target solicitations based on their schedule, not yours.

- Gift frequency can be a clue for planned gifts, sustainer gifts, gift upgrades.

- Do a Recency, Frequency, Monetary (RFM) screen 1x a year to identify top donors.

- Identify common characteristics of your major donors, then search your database for people with similar characteristics, i.e. profession, employer, ZIP code, acquisition source, affiliation.

All the right moves – moves management and major gifts

- Tracking all contacts especially important for major donors and prospects

- Phone calls, emails, meetings should be documented – date and substance

- Identify opportunities for stewardship and solicitations

- Use both free-form notes and coded fields. For example, include children's or pets' names in free form, bequest status in coded. Rule – If you will want a list of people with a specific criteria, use a code!

How good data management can improve donor relationships

Beyond birthdays

Knowing what interests and motivates donors is the key to strengthening the relationship. Keep those in your database.

- Hobbies
- Travel
- Educational background
- Spouse, children, pets

The more you know

The more you know about donors and their interests, the better you can cultivate them

- Call key prospects with organization news relevant to their interests

- Invite people to events based upon interests or other attributes

- Send articles, emails to donors based upon interests

- Connect donors with other donors with relevant interests

- Provide top donors with "concierge level" attention

How information translates into bigger gifts

- Provides more reasons to contact donors outside of solicitations
- May provide benefits to donor (connections, answers to problems, etc.)
- Enables you to get a better indicator of capacity (vacation homes, corporate boards, clubs)
- Get a better handle on timing of asks – are there major expenses or incomes on the horizon

Essential questions that better data answers

Strive to answer three critical questions for every prospects/donor:

- Does the person have wealth (and how much)?
- Is the person philanthropic?
- Where does your organization fall on their list of priorities?

And a fourth question that will increase the size and likelihood of a gift:

What about your organization is this donor truly passionate about?

Questions?

More Information

Today's slides and additional resources available at
catalystfundraising.com/free-stuff.html

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