Believe: Working Together with Prospect Research and Frontline Fundraisers

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About Us

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Agenda

1. Prospect development overview.
2. How to show value.
3. What's in your tool kit?
4. Elements of discovery.

Questions for You!

1. Do you have prospect research in your job description?

2. Have you ever worked with a researcher or research consultant?

3. What are some issues that you've run into, either with integrating research or collaboration between advancement services/research and frontline fundraisers?

Prospect Development Overview

Prospect Development/Advancement Services as Mission Control

Leadership relies on prospect development to answer key questions:

- Where are our top prospects employed?
- Which board members are the most effective at connecting us to future major donors?
- Are there common factors that occur in prospect visits that result in successful solicitations?

Anticipate questions, observe patterns, and push out information.

Real-Time Prospect View

Fundraisers are turning to prospect development for recommended approaches to get in the door with a new prospect.

Technological advances help us provide recommendations immediately:

- Dynamic scoring.
- Overnight/on-demand wealth screening.
- Interactive fundraiser dashboards via CRM and/or Power BI.

Professional Associations

aasp
Association of Advancement Services Professionals
Fueling nonprofits. Advancing careers.

apra
INSIGHT
PHILANTHROPY
RESULTS

AFP

What is Research?

- Finding prospects for a feasibility study.
- Finding prospects to fill a new gift officer's portfolio or refill when it is too low.
- Preparing briefs for attendees of an upcoming event.

What is Research?

- Compiling a research profile for a major gift prospect for the executive director's upcoming meeting.
- Helping to track proposals, actions, etc. within the CRM.
- Analyzing and segmenting the results of a recent wealth screening.

Communication is KEY!

How to Show Value

Reference Interview

Determine the requestor's goal:

- What is the question they are trying to answer?
- What do they already know?
- What piece of info will move the prospect to the next step in the relationship?
- When is it needed? Where is it on their list of priorities?

Consider the Audience

- What is the requestor's perspective?
- How do fundraiser's think? What matters most to them?
- Who will read the product? When, where, and how? An iPad, phone, computer, paper?
- Consider different styles and preferences? Prose, bullet points, data, or graphics?

Consider the Audience

Ask the questions:

- What will they use?
- How will they use it?

Highlight key findings—connections to your organization, philanthropy capacity.

Don't be afraid to indicate gaps in knowledge

- Use it to continue the conservation—suggest they try to find out from the prospect.

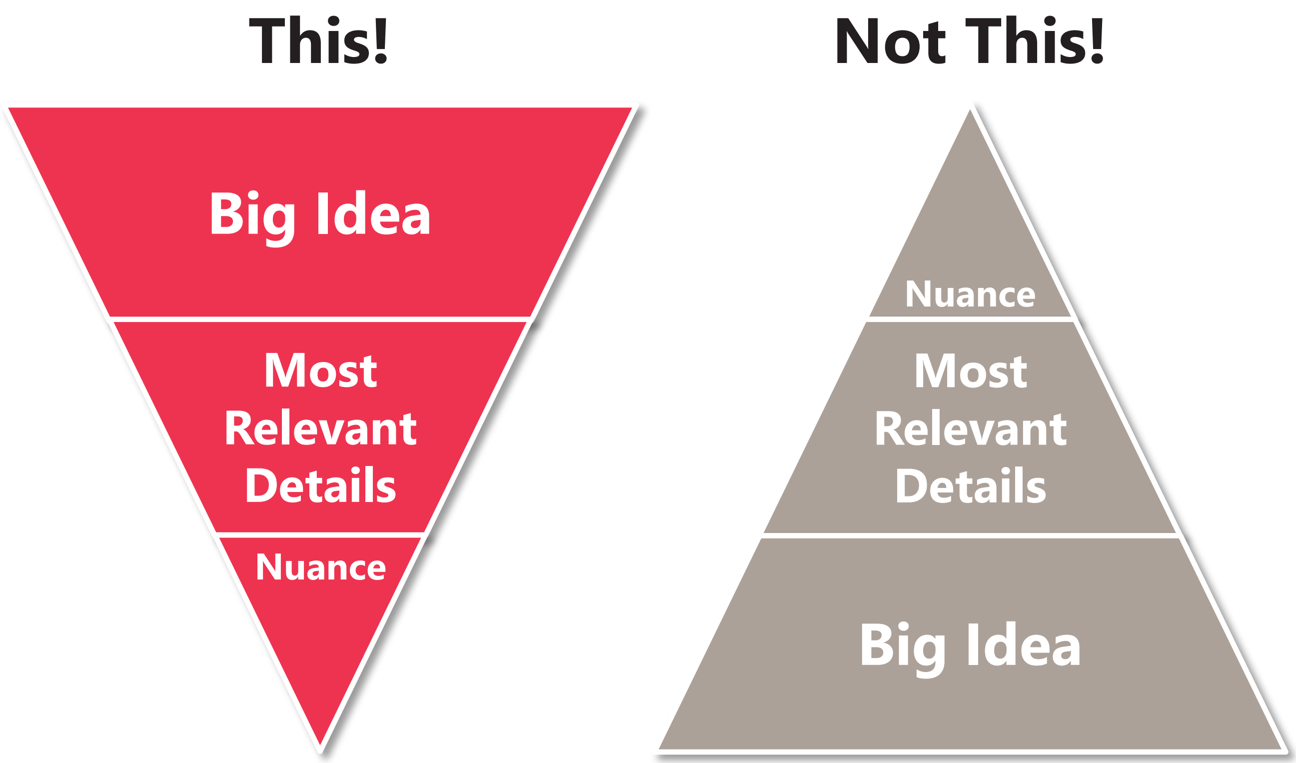
Consider the Audience

When I Need To	I Want To Know	Research Deliverables
Identify the Prospect	▪ People who might support our cause. ▪ Is there a connection to our organization? ▪ Do they have capacity? ▪ How do I get in touch with them?	▪ List of prospects who have supported similar causes. ▪ Relationships with current donors and volunteers. ▪ Baseline capacity rating. ▪ Answer a specific question. ▪ Valid contact information.
Qualify the Prospect	▪ What area might they want to give to?	▪ List of gifts to similar organizations, board memberships. ▪ Other known prospect interests. ▪ Answer a specific question.
Cultivate the Prospect	▪ What else have they supported? ▪ Can anyone help us develop a stronger relationship with them? ▪ When's the right time for an ask?	▪ List of gifts to similar organizations, board memberships. ▪ Relationships with current donors and volunteers. ▪ Alerts on wealth events. ▪ Answer a specific question. ▪ Full capacity rating.
Solicit the Prospect	▪ How much should I ask for? ▪ Are there any red flags before I ask?	▪ Full capacity rating. ▪ Search of news involving prospect. ▪ Answer a specific question. ▪ Full prospect profile.
Steward the Prospect	▪ Can they connect me with anyone else? ▪ When could I put them back into the cultivation cycle?	▪ Relationships with people of influence and other prospects. ▪ Alerts on wealth events. ▪ Answer a specific question.

Getting Buy-In

- Internal and external consultants.
- Expert, pair-of-hands, collaborative.
  "Flawless Consulting," Peter Block
- Attunement, buoyancy, and clarity.
- Being an expert isn't enough.
  "To Sell is Human," Daniel Pink
- Demonstrate value.
- Leadership has limited time.

Communication Matters

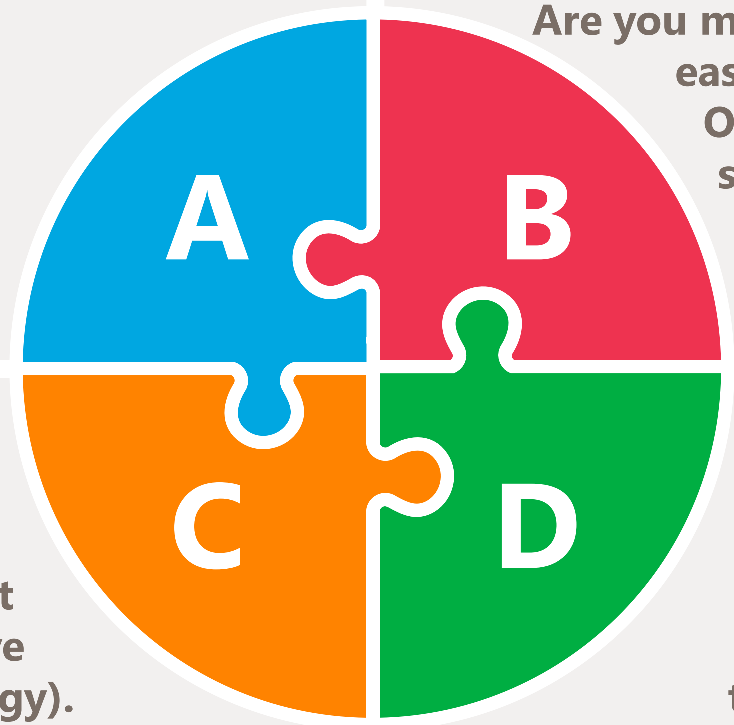


How people *understand* complicated information.

How people *develop* complicated information.

What's in Your Tool Kit?

Understanding Organizational Dynamics



A: Use questions versus statements.

B: Are you making something easier for someone? Or are you making something harder for someone?

C: Practice being directive without seeming directive (Columbo strategy).

D: Position each other as shareholders in the conversation.

Hint: Be the person who helps make something easier … it builds influence.

Position Yourself as a Problem-Solver

Would it be helpful if …?

What is at stake here?

What are you trying to make happen in the next three months?

What do you wish you had more time to do?

Actively Listen

- Lead with big picture, then follow up with detail as they ask.
- Talk with people, not at them.
- The more emotionally loaded the topic, the more silence (listening) is required.

Be Direct About Your Objectives

This is why this is important.

This is what we are working to achieve.

This is what you need to know.

These are our options.

Assert Your Role

1. Our team does regional pool analyses all the time. Let me handle that for you/help you with that. (Pair of Hands)
2. Based on my knowledge of philanthropic behavior among lawyers, I don't think John Smith will make a major gift in the next three years. Can I remove him from your portfolio? (Expert)
3. Can we sit down after the profile has been completed and discuss ideal solicitation timing and amount? (Collaborative)
4. (When meeting a new DO or team member in another area): Nice to meet you, you're in a great department, folks are smart and passionate. I've spent lots of time with this department in the last year. I would be happy to speak with you about my experience. (Free Information)
5. My skills and strengths are strongest in helping you find the unusual suspects, but if I can help guide you through the steps … (Self-Disclosure)

Gain Clarification and Take Your Time

Tell me more, or tell me about …

What is currently impossible to do that, if it were possible, would change everything?

That's interesting. I need a few moments to gather my thoughts on this …

Can I get back to you on that?

Assess and Resolve Conflict— Don't Avoid It

Can we speak candidly? I understand that this is an area that causes some anxiety, but that's all the more reason to explore it frankly now.

I see something I've said troubles you or that we might be approaching this from different perspectives. Please tell me about it.

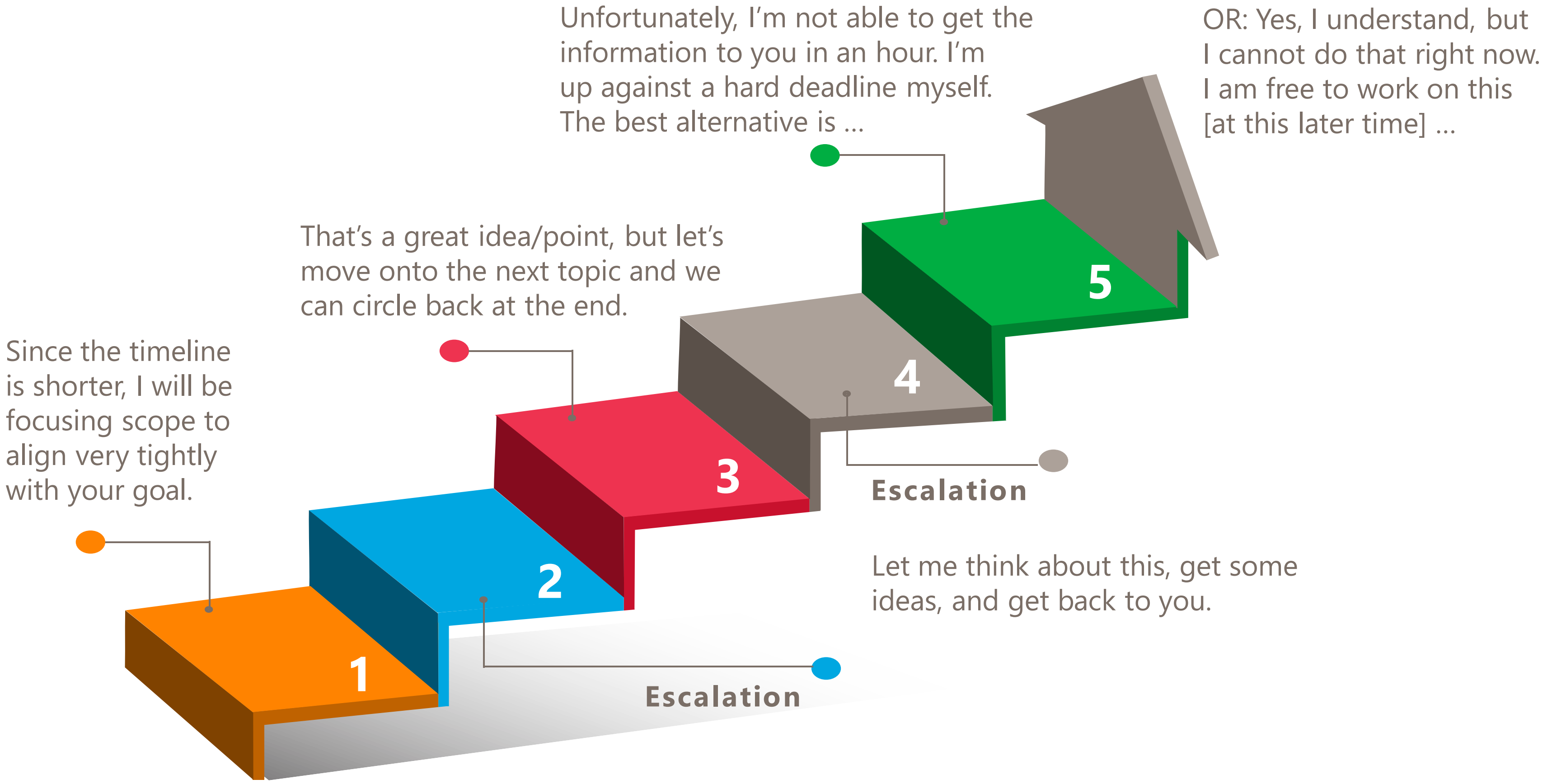
Let me try to articulate/ say this differently …

Target problems, not people.

Although your approach seems to be working fine, I wanted to suggest that some alternatives exist. Maybe you will find them helpful?

It seems to me that we might not be in agreement on this point. What are your thoughts on what I've suggested?

Managing Scope



- Let me confirm that with [manager] and follow up with you.
- I think (insert leader name here) will want to confirm that with (other staff member) and one of us will follow up with you.
- This is an expectation of leadership, so it sounds like it would be best if (insert leader name here) spoke with you. I'll have her/him reach out.

Elements of Discovery

What is a Good Prospect Exercise

Goal: Gain an understanding from frontline fundraisers on what factors are the most significant in defining a good prospect for their portfolios

Instructions: Use dots on a large sheet of paper to rank the top characteristics they consider when contacting a new prospect. Essentially, of these items, what are the most important factors that help them decide to reach out to a prospective donor?

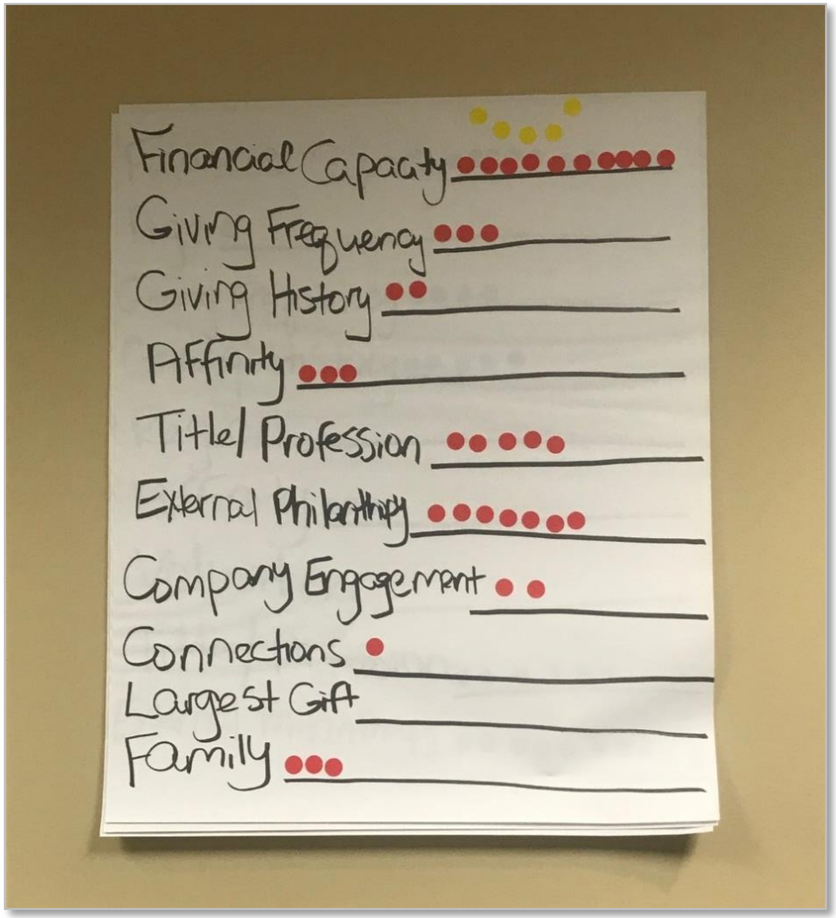
What is a Good Prospect Exercise

Key Data Points—Good Prospects

- Financial capacity.
- Age.
- Frequency of giving.
- Region.
- Affinity.
- What Else?

Elements of Discovery

Good prospect workshop sample outcome



Discovery Defined

- **Discovery.** The process by which the entire fundraising team determines if a prospect is ready to engage in the major gift cultivation process. Can apply to prospects at the annual gift or alumni relations levels as well.
- There are two elements of major gift discovery: verification and qualification. These terms, as well as disqualification (also a qualification activity) are defined below.
  - **Verification.** The process by which prospect development confirms a prospect's capacity rating that is returned by a wealth screening provider and reviews existing affinity/engagement with your organization.
  - **Qualification.** A stage in the cultivation cycle in which the prospect is receptive to contact by a major gift officer. The goal for the primary manager is to identify the donor's key interest areas and assess if they can make a major gift.
  - **Disqualification.** A stage in the cultivation cycle in which a prospective donor has been determined to be unable to make a major gift commitment to your organization.

Prospect Development's Role

- Prospect development is responsible for vetting names for qualification by major gift officers, a process referred to as verification.
- The goal of verification is to determine if a prospect identified from base prospecting activities or from referrals should be forwarded for assignment. Verification answers the question: Is this individual a major gift prospect?
- If yes, then prospect development should provide:
  - Basic information (spouse name, job title, company, location, industry, employee count, revenue for companies).
  - Initial capacity rating.
  - Connection to your organization or similar interests (modify based on results of good prospect exercise).

"Mr. Smith's initial capacity rating is $500K–$999.9K, based on the estimated market value of his $5M, 10,000 square-foot home in Houston. Mr. Smith began his career at FifthThird Bank in risk assessment. In 2010, he founded his own venture capital firm, Blue 53, which has grown to five active funds and 131 employees. He is a trustee of the City Memorial Children's Hospital."

Capacity Verification

Estimate giving capacity

- A gift capacity rating is an estimation of a prospect's philanthropic capacity over a five-year period of time, regardless of institution.

Illustrate philanthropic inclination

- What other organizations does the prospect support?
- What type of support is it (capital, one-time, multi-year, in-kind, volunteer)?

Identify opportunities to engage

- Interests
- Connections

Elements of Discovery

Capacity verification

Sample Verification

Constituent Information	Client-provided information (Name, Spouse, Address, etc.)
Verified Capacity Rating	\$100K–\$249K
Rationale	Initial capacity rating of \$100K–\$249K based on real estate
Calculation	Real estate, 2 properties @ \$1.1M*.15
Supporting Data	4020 Hennepin Avenue Minneapolis, MN 55409 = \$756,000 1000 Main Street Naples, FL 34102 = \$326,000 Largest gift = \$5K+ to Animal Humane Society (2014)

Major Gift Officer's Role

- Qualification can be conducted by many people within your organization.
- The goal of qualification for major gift officers is to meet with prospects to determine if they are major gift prospects by:
  - Confirming capacity
  - Gauging propensity
- These calls are more efficient and productive if names are first verified by prospect research.

Major Gift Officer's Role

It takes a lot of work to achieve results. It's all about the numbers.

- 50 — Prospects to call
- 30 — 60% answer the phone
- 20 — 66% are "good" conversations
- 10 — 50% convert to prospect visits
- 5 — 50% visited: willing to become donors
- 1 — 20% are ready to give in 12–18 months

Follow-Up Partnership: Prospect Development and Major Gifts

- Research/advancement services staff should meet regularly with each major gift officer to review portfolio balance, assess progress toward metrics, and discuss any research needs.

- These meetings are typically called portfolio review meetings and are held one-on-one. Prospect strategy meetings are held as a team and have more of a brainstorming, collaborative problem solving focus.

Assigning Discovery Prospects

- How often do you have meetings with fundraisers to discuss discovery prospects?
- What do you do if the fundraiser does not want to meet but is willing to have a phone meeting or asks you to email him/her names?
- What do you do if the fundraiser declines names you provide?
- What do you do if the fundraiser wants more and more prospects but has barriers to seeing those prospects?

Assigning Discovery Prospects

- What would you like to change about the current process of assigning newly qualified major donor prospects?
- What information do you want fundraisers to ask to learn about a prospect's financial capacity?
- How have you used a meeting with a fundraiser to share or learn about a prospect's involvement with your organization?
- What types of information would you like gift officers to include in their contact reports to inform your assignment recommendations?
- How do you see this information being the same or different when you have meetings to assign discovery prospects?

Discussion

- Questions?
- Ideas?
- Of all the ideas discussed, what would work best for you?

Thank You!

Connect With Us!

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