Work Smart: Effective Partnering with Prospect Development
Minnesota Planned Giving Council, November 16, 2016

Objectives
- Identify prospects for all planned gift types
- Provide relevant biographical and financial information on prospective donors
- Help you to prioritize your portfolios, stay focused on your most important work and track progress towards your goals
- Assist you with developing a multi-year prospecting plan

What is prospect development?
- The strategic arm of fundraising operations focusing on prospect pools and pipelines
  - Growing exponentially with advances in information management and as nonprofits large and small aim to work smarter
  - Thorough collaboration ensures fundraising is focused on the right donors at the right time on the right initiatives (and at the right level)

Prospect Development Functions
- Research and Identification
  - “In the field” and online, and most effectively employed to move prospects to the next step in a major/planned gift solicitation strategy
- Data Analytics
  - Using larger data sets to identify trends and derive conclusions through statistical analysis of internal and external data
- Prospect Management
  - Managing, tracking and reporting on an organization’s contacts with its prospect pools to drive fundraiser and campaign activity toward success

Identification
- Some differences in focus and activities, for example:
  - Major gifts may be within an existing pipeline in the prospect management system and be considered current and not necessarily ultimate. Key prospecting focus: capacity.
  - Planned gifts may come from a broader pool and outside of the prospect management system. Key prospecting focus: loyalty.

Prospect criteria for main types of planned gifts
- Bequests
  - E.g., loyal giving and volunteerism, age 40+, no children
- Charitable Gift Annuities
  - E.g., consistent giving, age 70+, retired with wealth and stock holdings
- Charitable Remainder Trusts
  - E.g., committed donors, corporate titles/public company insiders, larger donations to your organization and others

Data enhancements to aid identification
- Screening and modeling can enhance your data for more efficient prospecting
  - Straight wealth screens not recommended
- Planned giving scoring/modeling
- In-house vs. outside vendor

Prospect Research
- Successful research stems from ongoing conversation between fundraising staff conducting primary research in the field and those searching online and in other secondary resources.

Using research strategically
- Online research is most effective when answering targeted questions to get prospect to the next step in the solicitation cycle
- Effective = efficient and actionable

Best practices
- Use your researchers
  - Colleagues with dedicated resources and training to do this work most efficiently
- Ask for what’s relevant
  - Aim for the right information at the right time
    - Background, interests, basic asset information first
    - Detailed financial information closer to the ask
- Commit to two-way communication

Typically found
- Information about public companies, their top officers and directors
- Stock information for major players in public companies
- News about particular subject or well-known individual
- Foundation information for organizations filing 990s
- Real estate assessments (varies by state and county)
- Educational background, practice foci, and licensing information for physicians and attorneys

Sometimes located . . .
- Business relationships of current employees and well-known, recent retirees
- Wealth information for retired directors and officers of public companies
- Nonprofit and other community volunteer involvement
- Annual salary estimates for common professions
- Political contributions
- Educational background
- Hobbies/recreational interests
- Approximate age and names and ages of children or other relatives

More difficult to find
- Detailed information about private companies, their top officers and directors
- Wealth information for top officers and directors of private companies
- Address and employment confirmation for employees of small, private companies
- Family history of anyone not very well known
- Specific details of commercial real estate holdings
- Anything the prospect wishes to keep private
Field research vs. online

- Prepare before the visit - focusing on past record of interactions with your organization
- Questions to ask during the visit - considering what is most efficiently and fully learned in person
- Returning from the visit – including circling back with new leads to streamline further online research

You’re doing both kinds of research?

- Focus online research on essentials and what can be found more easily
  - Real estate: http://pulawski.net
  - FEC: http://www.fec.gov/finance/disclosure/advindsea.shtml
  - 990s: http://guidestar.org
  - Efficient Googling

Consider exactly what you’d like returned

- Tactics
  - Key words
  - Restricting
    - Quotation marks
    - Wildcard * for one or more words
    - Domain/web site
    - File type

A few Google tips toward targeted hits

- Streamline searches for answers to questions like . . .
  - Is Paul Marvin on the Children’s MN board?
    - site:childrensmn.org intext:“paul marvin”
  - Where do Mark Zuckerberg and (?) Chan direct their charitable giving?
    - intext:“mark zuckerberg ** chan” intext:gifts –pope
  - What company did Cargill spin off in 2011?
    - “Cargill spun off * in 2011

Prospect management, or making you look good.

- Helps to prioritize portfolios
- Stay on top of your work
- Track progress toward goals

Use your database* to help manage your work

- Prospect Status (Cultivation Stage), Classification
- Contact reports
- Proposals
- Dashboards
- Reports/metrics

Your portfolio – beyond the concept (your people and your tool!!)

- Use prospect development to keep it real
  - Management of portfolio
  - Strategies for each prospect (beyond next steps, the overarching plan)
  - Portfolio Review Meetings
Multi-year prospecting plans – first considerations
- Prospect development can identify loyal donor segments to prospect and approaches to target
  - Current planned gift donors (known or unknown*)
  - Current and past board members
  - Professional staff (e.g. doctors), other long-term employees
  - Giving histories, five figure single gift donors, stock/mutual fund donors, # of gifts, consecutive or near consecutive giving over time

Multi-year prospecting plans - continued
- Use prospect development to mine data and evaluate
  - Number of prospects in each segment
  - Estimated conversion rate for each segment
  - Average expected planned gift from each segment
  - Future revenue potential for each segment and a total for all
- Complete by attaching timelines and vetting with others