Why look at your Prospect Pipeline?

- To ensure overall that prospect development is working well, from identification through to stewardship
- To systematize development reviews and maximize opportunities
- To course-correct and coach, supporting team members’ success
Unlocking the potential...

- What does a healthy pipeline look like?
- How do you know if your pipeline is healthy?
- How do you maintain the health of your pipeline?
- How do you stop your pipeline from ‘leaking’?
What is the prospect pipeline?
The giving pyramid

- Major Gifts?
  - Yes

- Donor Pipeline?
  - Hmmm...

- Annual Fund?
  - Yes
From the ideal...

Identify

Interest

Invest

Inform

Involve
...to the real

Identify -> Interest -> Invest -> Involve

Inform
The healthy pipeline

- Active prospects at all gift levels
- Mechanisms to feed new prospects into pipeline
- Leakage is minimized
- Ability to monitor
Prospects at all stages

Emerging Programs
- Identification: 15%
- Cultivation: 30%
- Solicitation: 50%
- Stewardship: 5%

Mature Programs
- Identification: 20%
- Cultivation: 30%
- Solicitation: 30%
- Stewardship: 20%
### Gap analysis

<table>
<thead>
<tr>
<th># of Gifts</th>
<th>Amount</th>
<th>Prospects Required</th>
<th>Actual Prospects</th>
<th>Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$100,000</td>
<td>4</td>
<td>2</td>
<td>-2</td>
</tr>
<tr>
<td>2</td>
<td>$75,000</td>
<td>8</td>
<td>4</td>
<td>-4</td>
</tr>
<tr>
<td>8</td>
<td>$50,000</td>
<td>28</td>
<td>20</td>
<td>-8</td>
</tr>
<tr>
<td>10</td>
<td>$25,000</td>
<td>40</td>
<td>42</td>
<td>2</td>
</tr>
<tr>
<td>10</td>
<td>$10,000</td>
<td>40</td>
<td>30</td>
<td>-10</td>
</tr>
<tr>
<td>Total</td>
<td>120</td>
<td>98</td>
<td></td>
<td>-22</td>
</tr>
</tbody>
</table>
Feeding the pipeline

• Yes, function of Research Department, but can’t end there!
  – Performance metric for all Development staff
• Cast the net widely
  – View all interactions opportunity to collect names
    – Volunteers, Faculty, Donors
• Culture of inquiry
  – Requires time and patience to build trust
‘Data Deluge’

- Hand in hand with these developing technologies is a corresponding boom in information, most of it “unstructured”

Source: The Economist, Feb 25, 2010
Growing role of analytics

Source: DonorCast March 2010 Survey on Current Perspectives & Applications of Analytics in the Nonprofit Fundraising Industry
Not just ‘data mining’

• Prospect Screening
  – Screening a list against an external database to find additional information on matching individuals

• Data Mining
  – Analysis of trends within a database

• Predictive Modeling
  – Using internal and/or external data to predict behavior or outcomes with statistical techniques
What to use?

• The specific mix of techniques depends on factors such as:
  – Project goal
  – Available depth and breadth of data
  – Budget
  – Internal resources available
  – Potential partners

• Consultation required for each case
An example...

- Comprehensive biographic and giving data was supplied to KCI.
- Individual factors and their relation to giving were analyzed. Key distinction is Donor Level – Non Donors vs. Donors vs. Top Donors.
- Top Donor threshold was set at a level between 95th and 97th percentile for lifetime giving, depending on specifics of group.
## Results of exercise

<table>
<thead>
<tr>
<th>Lifetime Giving</th>
<th>Major Giving Score</th>
<th>Good Prospects – Build Relationships</th>
<th>Immediate Prospects – Review and Qualify</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0</td>
<td>123 in Total</td>
<td>240 in Total</td>
</tr>
<tr>
<td></td>
<td>95</td>
<td>34 already Prospects</td>
<td>112 already Prospects</td>
</tr>
<tr>
<td></td>
<td>100</td>
<td>123 in Total</td>
<td>240 in Total</td>
</tr>
<tr>
<td></td>
<td></td>
<td>34 already Prospects</td>
<td>112 already Prospects</td>
</tr>
</tbody>
</table>

- **Remaining – Use scores to segment and adjust ask levels**
  - 570 in Total
  - 21 already Prospects
- **Pipeline-Building Prospects – Build Strategy**

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[Image: York University logo]
Plugging leaks part 1...

Identify

Invest

Involve

Interest

Inform
How to engage

- Need ways to ‘get in the door’
- Mid level prospects are a key spot for volunteers
  - Often very helpful in getting the door opened for Development staff
- Variety of engagement strategies
  - Visit can’t be only tool in the engagement toolkit
  - Close collaboration with Alumni Affairs, faculties
  - Look beyond Advancement to other areas of institution
Plugging leaks part 2...

Identify

Invest

Involvce

Interest

Inform
Can’t forget solicitation

• Case have priorities at all levels?
  – Need more than scholarships, bursaries and named spaces
  – Requires proactive consideration and/or lots of flexibility to create opportunities that fit with donor interest
  – Can you get creative? Faculty specific? Or university/college wide?
  – Impacts how you organize staff

• Comfort in making the ask
  – Training & coaching
  – Learning to flex ‘solicitation muscles’
**Pipeline management report.**

Staff Member

### PERFORMANCE REPORT

#### FINANCIAL ACHIEVEMENT

- **Gifts Received**
  - # of Gifts: 37
  - Realization Rate: 4.6%

- **Requests Outstanding**
  - # of Gifts: 7

- **Confirmed Planned Gifts**
  - # of Gifts: 19

#### ACTIVITY ANALYSIS

<table>
<thead>
<tr>
<th>Activity</th>
<th>Target</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portfolio Size</td>
<td>80</td>
<td>121</td>
</tr>
<tr>
<td>Suspect Identification</td>
<td>24</td>
<td>66</td>
</tr>
<tr>
<td>Visits</td>
<td>120</td>
<td>97</td>
</tr>
<tr>
<td>Visits Setup For Someone Else</td>
<td>10</td>
<td>6</td>
</tr>
</tbody>
</table>

#### PORTFOLIO ANALYSIS

<table>
<thead>
<tr>
<th>Stage</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Active Proposal</td>
<td>1</td>
<td>1%</td>
</tr>
<tr>
<td>Identification</td>
<td>60</td>
<td>50%</td>
</tr>
<tr>
<td>Cultivation</td>
<td>34</td>
<td>28%</td>
</tr>
<tr>
<td>Solicitation</td>
<td>19</td>
<td>16%</td>
</tr>
<tr>
<td>Other Stages</td>
<td>7</td>
<td>6%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>121</td>
<td>100%</td>
</tr>
</tbody>
</table>

#### RESULTS (Cumulative)

- $6,000,000
- $5,000,000
- $4,000,000
- $3,000,000
- $2,000,000
- $1,000,000

**$901,600**

#### ANNUAL SOLICITATION TARGET

- Solicitations to Date: 51
• 52 years young
• 2 campuses
• Recently wrapped up $207 million campaign
• 240,000 alumni, majority in GTA and grouped in large centres
• Campus evolving rapidly
• Clearly defined priorities
York University

3 Year Strategic plan:
• Integration of advancement into University planning
• Stewardship
• Constituent engagement—alumni, student, stakeholder—"friendraising"
• Planned giving
York University

Systems

- Recent move to a complex database
- Greatly enhanced system, lacked a ready reporting suite
- Back to basics: what do we need to know in order to advance York’s mission?
- A work-in-progress
Back to the giving pyramid...

- # donors
- Data analytics
Back to the giving pyramid...

- Populated by
  - Analytics
  - Scans
  - Engagement
  - Reviews

- Strategies
  - Leadership
  - Stewardship
  - Engagement
Back to the giving pyramid...

- Systems
  - Measure
  - Monitor
  - Coach
- Toolkit
- Choreography
What we’ve done

• Restructure of Advancement office
  – facilitates communication with academic colleagues
  – Increases engagement opportunities
  – Investment in areas of strategic focus to feed pipeline

• System to measure progress within pipeline
  – Illustrative, collaborative, productive

• Culture of Choreography
  – Communication between colleagues to maximize opportunities collectively