How to Maintain Donor Relationships During Staff Transitions

Using Data to Inform Portfolios and Maximize Staff Time

JGA Johnson Grossnickle + Associates

25 YEARS EMPOWERING NONPROFITS

Presenters

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Agenda

How to Maintain Donor Relationships During Staff Transitions

- Staffing Challenges
- Donor Relationships – Build and Maintain
- Adjusting Portfolios & Maximizing Staff
- Wrap-Up

Fundraising's Great Resignation

- A recent EAB survey found a median vacancy rate of 14% for higher ed advancement department staff positions, double the national vacancy rate of 6.9%.
- Job postings for advancement staff increased by 40% from 2017 to 2022.
- Fundraising staff are the most likely to leave their positions among advancement departments – accounting for up to 50% of departures.

Job Tenure of Fundraisers

3.6 YEARS
CURRENT MEAN JOB TENURE
(MEDIAN = 2 YEARS)

3.9 YEARS
MEAN TENURE ACROSS FUNDRAISING JOBS
(MEDIAN = 3 YEARS)

20%
INTEND TO LEAVE THEIR ORGANIZATION

7%
INTEND TO LEAVE FUNDRAISING WITHIN THE NEXT YEAR

Donor Engagement During Staff Transitions

Keeping our donors engaged during staffing transitions is critical.

Changes in donor contacts and staff turnover could result from:

- Staff member leaving
- Reduced staffing levels
- Growth and adding new staff
- Promotion of staff to new responsibilities

Help New Staff Members Build Relationships

Plan	Create a plan for transitioning donor relationships during changes in staff
Train	Include a strategy for cross-training staff members
Document	Document donor interactions and preferences so that institutional knowledge such as donor histories, contact information, donation records, personal interests, and donor preferences are not lost.
Share	Update and maintain the donor database with pertinent information about each donor—and train new employees quickly on how to enter important visit details into the database

Audience Poll

How often do you review and update your portfolios?

Review Portfolios

- Best practice to regularly evaluate donor portfolios
- Especially true during staff transitions
- Don't automatically give a new staff member an existing portfolio.
- Think through relationships.
- Do the names still need to be managed?
- Who is the best contact for this relationship?

Make Introductions

- Introduce new gift officers to donors to begin building relationships as soon as possible.
- Prioritize your key donors during staff transitions.
- Ensure that they receive personalized attention and communication to maintain their support and engagement.
- Utilize other relationships within the organization to assist with the introductions – board members, other non-advancement staff members, etc.

- Ensure the next staff member gets started on the right foot
- Identify opportunities for early “wins”
- Doesn’t have to be about closing gifts
- Could be meaningful donor conversations to build confidence and allow them to learn and hear directly from donors

Fewer Staff Members Requires Us To Sharpen Our Focus

Focus staff efforts on the most promising prospects

- Your largest donors
- Most consistent donors
- Highest engaged donors and non-donors with capacity to become major donors

Maximize your major gift officers’ time

- Focus their efforts on solicitation
- Pull in additional staff members where possible for stewardship and discovery visits
- Utilize technology and automation to support ongoing cultivation and engagement
- Move longer term stewardship donors to a separate portfolio

Audience Poll

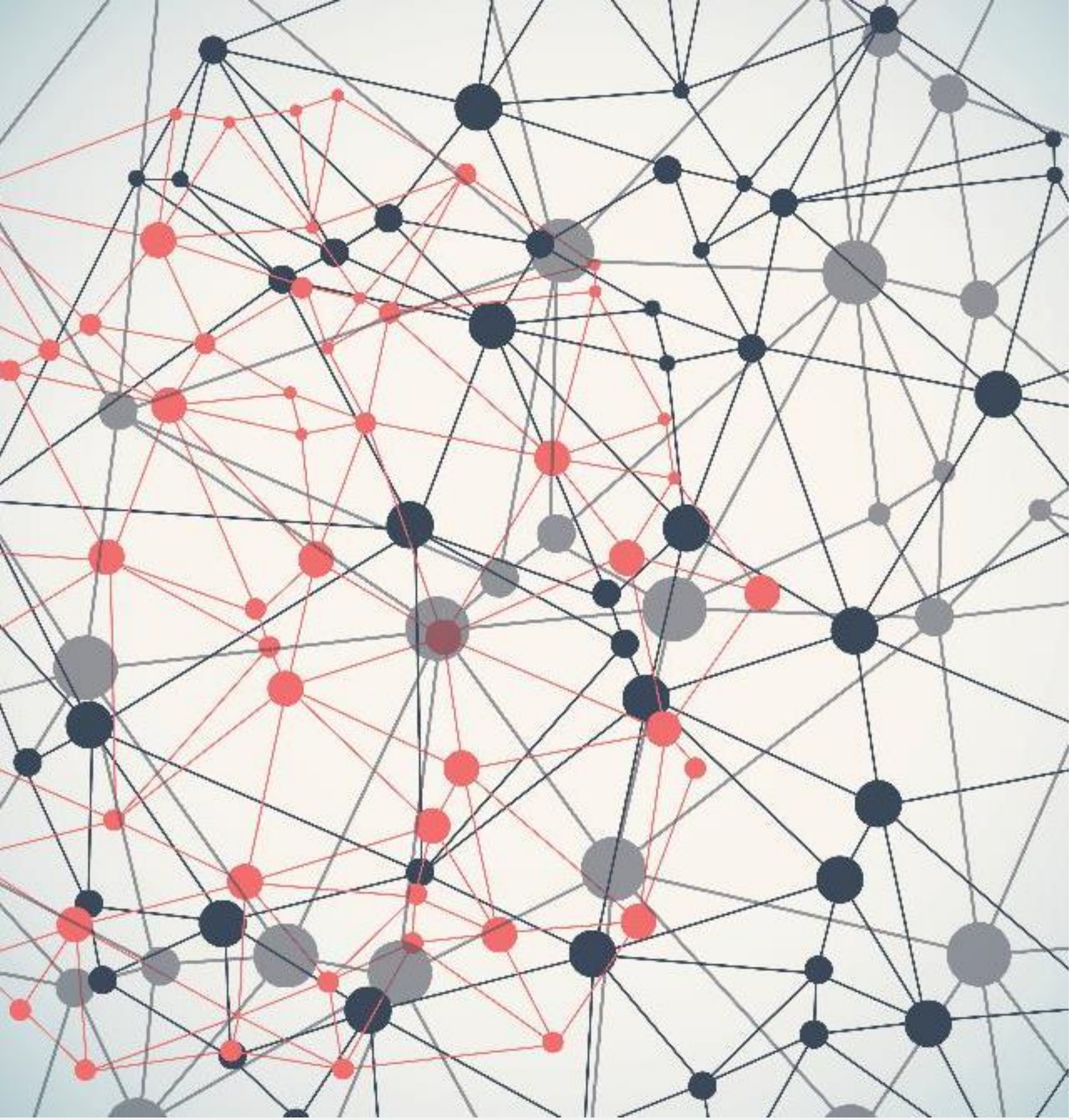
Does your president/CEO have their own portfolio?

Optimizing Portfolios

What to consider when building portfolios?	How to think about donors and prospects to place in portfolio?
• Who on the team should have their own portfolio? • Will the President/CEO/ED have their own or another team member manage? • How much time does each staff member have available to dedicate to donor visits?	• Who could potentially make a gift in next 24 to 36 months? • Look at capacity and generosity – what is a major gift for your organization? • Connection to organization – prospects in portfolio need to have been involved. *(board member, alum, event attendance, committee involvement)*

Audience Poll

What is the average size of your major gift team's portfolios?



Optimizing Portfolio Size

Think about overall size of portfolios:

- Rule of thumb typically was 120 – 150 relationships under active management.
- New thinking encourages smaller, more manageable portfolios.
  - 75 – 100 for gift officers is ideal – but it takes time to get numbers trimmed down.
  - Example: 50 for a Vice President and 20-30 for a President – depending on their time focused on advancement.

Optimizing Portfolio Size

There is risk with reducing portfolio size

- For this model to work you have to evaluate regularly and be willing to move prospects in and out.
- If gift is not viewed as realistic in 24 months, should they be in portfolio? Your time horizon might be different, but you must ask tough questions and be willing to adjust.
- The mindset of “my donor” has to go out the window – entire focus is on the organization and engaging prospects for the organization. Not to be best friends!
- Important for entire team to consistently review and update their portfolio and watch for opportunities to engage new prospective donors.

Customize Portfolios

It's important to ***customize*** based on organization needs and gift officer experience.

Not the same for each officer	Be careful just giving a gift officer an existing portfolio
• Not the same either in size or make up of names. • New gift officers should be heavy on discovery, less on solicitation. • Determine what percent of time the gift officer will be focused on major gift work.	• When there is a change, it is a good time to evaluate. • Do the names still need to be managed, is this gift officer the right fit? • It is not just a plug and play – think through relationships.

Customize Portfolios - Stewardship

Stewardship is important, but too many prospects in stewardship impacts balance of portfolio.

Your current donors are your best prospects for future gifts, so important to continually provide stewardship, but need to identify ways to engage others in stewardship beyond gift officers

- Identify ways to automate stewardship touches.
- Allows gift officers to provide “special touches,” but not continually need to think about ways to provide stewardship.
- Utilize your database to create efficiencies in stewardship.

Utilizing available information to sharpen your focus

- Your database has an incredible amount of information available to help you build portfolios and set your strategy.
  - Utilize the information to help you make decisions and identify lapsed and current donors that need more attention.
- JGA developed Acuity® to help bring together key data sets in an easy format that allows you pinpoint where to focus your team.
  - Blends donor history, engagement criteria, and electronic screening in one place.

Drill down into your database to identify key trends and explore potential capacity.

Conduct wealth screening on the database and simultaneously run the records against an additional set of variables that look at recent giving and engagement history.

Uncover up to 65% more donors hidden in your database!

All
23,931

Total capacity: $1.2 billion+

Acuity®

Individual capacity: $25K+

Acuity Donors and Engagers
246

Acuity Donors and Engagers – The organization's best prospects: These 246 people have both donated to and engaged with the organization in meaningful ways.

Total capacity: $45,115,505

+

Acuity Donors
2,126

Acuity Donors – These 2,126 people have higher levels of giving history to the organization but have not engaged enough to be counted in the "Donors and Engagers" category.

Total capacity: $279,450,682

+

Acuity Engagers
63

Acuity Engagers – These 63 people have high levels of engagement with the organization but have not donated to the organization in the past at a level to be counted in one of the preceding "Donors" categories.

Total capacity: $1,885,440

All capacities noted are over five years and to all charitable organizations.

This pool will be used to build out potential models around ROI and staff coverage. You receive an action plan that reshapes your portfolios to focus your major gift efforts on your best prospects

Acuity Level	Total Names	Estimated Capacity	Combined Capacity	Under Management
Acuity Donors and Engagers	246	$25,000+	$45,115,505	145
Acuity Donors	531	$100,000+	$213,875,383	111
	1,595	$25,000 - $99,999	$65,575,299	118
Acuity Engagers	63	25,000+	$1,885,440	7
Total	**2,435**		**$326,451,627**	**381**

Sample Donor Coverage and ROI Analysis

From this data, assumptions can be made around how many people can be visited.

In this example, a total of 1,525 people and approximately 3,000 visits would be needed over 5 years to move the relationships forward.

Staff Coverage Analysis

- Current staff could conduct around 1,750 visits and engage 855 people from this pool, potentially resulting in around $13M in support.
- That left a gap of almost 700 people that were still highly rated but would not receive a visit and could result in approximately another $5M in support.

Flagler College Case Study

After conducting a donor capacity analysis utilizing Acuity®, Flagler College pinpointed 2,300 of its highest-rated prospects out of a pool of more than 23,000, and 82% of the prospects were not currently assigned to portfolios.

"Acuity helped us reallocate our resources to focus on our best prospects. It identified people who are highly engaged with us and also have capacity, but we were spending our time with others. By focusing efforts on the right prospects, we've grown donors who were consistently giving at small amounts and are now giving at major gift levels."

Jay Kelly, Senior Director of
Advancement Services & Campaign Strategy, Flagler College