www.AspireResearchGroup.com • 800-494-4132 • jen@aspireresearchgroup.com

Three simple steps to a prospect management system

Contents

Got prospects? A rating system can keep you on track to the gifts.

Introduction

Congratulations! You have just been assigned a prospect pool. Maybe your organization did a wealth screening, a peer screening or internal data mining on your fund raising database. Now a group of prospects has been identified and needs to be cultivated. You want a method to keep track of these prospects as you go through qualifying, cultivating and eventually asking them for a gift. You need a prospect management system.

The very best prospects in your pool are those who have the most wealth, make gifts to you and other nonprofits, and feel very close to your organization. If you are faced with a list of people, especially people you do not know well, you need a system that will help you:

Qualify: Ratings permit you to sort your list and decide on your approach.

Cultivate: Ratings allow you to run reports such as how many on your list are ready to be asked and at what dollar levels or how many need more cultivation.

Ask: Ratings can help you set fundraising goals based on when and how much you plan to solicit for gifts.

Step One: What you want to know

The first step in implementing a new system is to define what you need to get out of it. Listed below are the most common questions fund raisers want answered about their prospect pool and the research terminology most frequently used.

Questions	Rating Terminology
Who has the most wealth?	Capacity or Wealth
Who makes gifts to us and others?	Inclination
How close is this person to us?	Affinity
How close is this person to making a gift?	Readiness
How much is this person likely to give us?	Target Ask

A prospect rating system is like a household budget, you can do without it, but when money matters you might find yourself coming up short.

Step Two: How to store the information in your database

- **Clean Data:** To help keep your database free of data entry error, find a way to store the information that requires the entry to be chosen from a defined list. This keeps your reporting clean and standardized.

- **Choosing Fields:** Exactly which fields you should use in your database will need to be determined by your database administrator. If you need help, do not hesitate to contact customer service at your database software company. You will not be the first person to ask!

- **Tracking Solicitors:** You will want to mark the record with the solicitor's name. This is the person in your organization responsible for cultivating the prospect. This person needs to be able to print a list of prospect records "attached" to him or her. It also helps keep everyone accountable for moving prospects along.

Rating Term:	**"Capacity" or "Wealth"**
What it is:	The largest dollar range within which the prospect is capable of giving
Who does it:	Usually determined through research such as a wealth screening, peer review, or a profile
What it might look like:	$1 million+ $500,000-$999,999 $50,000-$499,000 $5,000-$49,999

Rating Term:	**"Inclination"**
What it is:	Past giving to you or other organizations, private foundation giving, and volunteer and leadership positions; also known as philanthropic inclination
Who does it:	Usually determined through research such as a wealth screening, peer review, profile, simple searches with Google or gift search software such as DonorSearch.net or NOZA; might become known through conversation or news interviews with the prospect
What it might look like:	High Medium Low

Careful planning now on where to store ratings in your database will save time, resources and money later.

Rating Term:	**"Affinity"**
What it is:	How close the prospect is to your organization (e.g., trustees are very close and someone who has no contact with you is not close)
Who does it:	Can be determined by indicators in your database (e.g., event attendance, consecutive giving, volunteering, etc.) and through personal contact with the prospect
What it might look like:	Insider Active Inactive Distant

Rating Term:	**"Readiness"**
What it is:	How ready the prospect is to make a gift
Who does it:	Usually determined by the person who is interacting directly with the prospect or based on that person's contact reports
What it might look like:	Hot Warm Cold Will not give

Name of the rating:	**"Target Ask"**
What it is:	The dollar range within which the prospect is *most likely* to give, which may be very different from what that person is capable of giving
Who does it:	Usually determined by the person who is interacting directly with the prospect or based on that person's contact reports
What it might look like:	$1 million+ $500,000-$999,999 $50,000-$499,000 $5,000-$49,999 *Note*: You may want to mimic your recognition levels

There is no substitute for one-on-one dialogue, in-person or on the phone with your prospect.

Step Three: Using the ratings to cultivate prospects

Every organization has a range of needs. Following are some practical actions you can customize to get started using a prospect management system today.

1. Fill-in the ratings
   Print a list of prospects assigned to you with each of the rating fields. See how many of the blanks you can fill in by hand. Guessing is very acceptable at this stage. You should be able to fill in inclination based on giving to your organization if nothing else is available. Affinity can also be completed based on information in your database.

2. Make the calls
   If you have wealth data, sort your list by the highest wealth and highest affinity ratings. If you do not have wealth data, sort your list by affinity and largest gifts to your organization. Call every one of these prospects first. You can thank them for their past giving or inform them of something newsworthy. Ask questions to help you qualify them for each of your ratings. Here are some suggestions to get you thinking:

   Wealth
   - Talk about vacations - do they have a second home?
   - Do they travel extensively?
   - What do they do for a living? Is there business ownership, executive titles, etc.?

   Inclination and Affinity
   - Why did they give?
   - What do they like about your organization?
   - Are they interested in volunteering?

   Readiness and Target Ask
   - Are they asking you about giving opportunities? Be prepared because they may have been waiting for you to call!
   - If you get the cold shoulder, explain that you are a liaison between donors and the organization. You might ask how they would like to be contacted and what they would like to receive from the organization.

3. Document your contacts with prospects!
   Show respect for the prospect and your organization by adding your contact reports to the database record. You are building a relationship between the organization and the prospect that should continue long after you leave your employment. Summarize conversations with the prospect and document only what is needed to further the donor relationship. (If you would be embarrassed to have a prospect read

something in your report, do not include it.) Just do it. No excuses; no complaints about time. Immediately record your contacts and update the record as needed. It takes less effort than you think and the rewards are larger gifts.

4. Use a system for follow-up
   Use some kind of calendaring system either within your database or a stand-alone system. Use whatever works for you to ensure that you follow-up with every one of your prospects, especially in ways that you have promised them. Giving away money to charity is not a "natural" process and will not happen by itself. Someone is bound to surprise you with a bequest or an unsolicited gift and that is wonderful. To boost your overall giving reliably you must methodically move your prospects along through customized contacts.

5. Regularly review your list and update the ratings
   Make sure you review your list and update your ratings at regular intervals. You might schedule a weekly or monthly meeting among gift officers or with your supervisor. Maybe it is a time you set aside on your own. Almost by default, this kind of discipline will encourage you to review and troubleshoot your cultivation strategies.

Looking for some free resources?

www.AspireResearchGroup.com

Visit for articles, presentations, and link collections.

When do I need a professional researcher?

A professional researcher can assist you in designing your prospect management system, help you choose a wealth screening vendor and interpret the results, and can provide profiles on your prospects. If you are working on a tight budget, you should use as many free resources as possible to understand your prospects better. Aspire Research Group summarizes online sources for you at www.aspireresearchgroup.com/resources.html and provides sample profiles to give you an idea of the type and degree of information that can be found.

There are times when it is wise to use a professional researcher, even on a tight budget. When cultivating a prospect that you believe has the potential to make a gift of $10,000 or more and who is likely to give to your organization, spending the money on a profile prepared by a professional researcher is a very good value. Comprehensive profiles provide in-depth research, analysis and summary covering biographical, giving and wealth information. Combined with direct contact with the prospect it takes the guesswork out of determining your ask amount and ensures that you do not leave money on the table. For a smaller fee, a wealth screening or asset-only profile can give you a brief snapshot of your prospect's capacity. This is valuable when you want to confirm wealth before spending your resources cultivating a major gift or you know your prospect very well, but need to confirm wealth.

About Aspire Research Group:

Aspire Research Group, LLC provides academic institutions and local and national nonprofits with in-depth prospect research and advice on using research throughout the development program to grow donor support.

Contact Aspire Research Group:

800-494-4132

jen@aspireresearchgroup.com

www.AspireResearchGroup.com

Our services revolve around you. We are:

Caring – Providing solutions that respect your organization's needs

Clear – Communicating with easy to understand profiles and other resources

Careful – Delivering thorough research that is sensitively prepared

Aspire Research Group is a Charter Business Member of the Association of Fundraising Professionals (AFP) and endorses the AFP Code of Ethical Principles and Standards. We offer fee-based services together with free educational and other resources. **Discover our free research resources at www.aspireresearchgroup.com/resources.html or call 800-494-4132.**

Copyright Notice
You are *encouraged* to copy, distribute, and display this work for noncommercial purposes as long as you provide credit to Aspire Research Group and do not alter, transform, or build upon this work. **Please add a link from your website to**: http://www.aspireresearchgroup.com/Documents/Steps2ProspectMgmtSystem.pdf

Last Update: 07.14.09