

Advancement Leaders Speak 2017

Major and Planned Giving Productivity Issues
Reported by Today's Gift Officers



Based on a survey of 270 advancement professionals nationwide
serving higher education and charitable organizations

RUFFALOSM
NOEL LEVITZ

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SOURCE OF DATA

270 MAJOR AND PLANNED GIVING PROFESSIONALS SURVEYED ONLINE IN MAY 2017

13
 AVERAGE NUMBER OF YEARS IN ADVANCEMENT

9
 AVERAGE NUMBER OF YEARS IN MAJOR AND/OR PLANNED GIVING



PROFILE OF ORGANIZATIONS



43%
 PUBLIC HIGHER EDUCATION
(84% 5000+ enrollment | 16% <5,000)

37%
 PRIVATE HIGHER EDUCATION
(16% 5000+ enrollment | 84% <5,000)

20%
 OTHER CHARITABLE ORGANIZATIONS
(45% 100+ employees | 25% <100 | 30% unknown)

See page 10 for methodology and sample titles of the survey respondents.

HOW CAN MAJOR AND PLANNED GIVING PROGRAMS BE MORE PRODUCTIVE?

This report gives voice to the productivity concerns of today's leaders in major and planned giving, offering fresh insights into the challenges today's gift officers are facing.

The findings shared in this major and planned giving edition of *Advancement Leaders Speak 2017* are based on an anonymous survey of 270 major and planned giving officers in May 2017 representing a broad cross-section of colleges and universities across the United States.

In 2016, advancement leaders in higher education collectively raised \$41 billion¹ and nonprofit charitable organizations raised \$390 billion.² Major and planned gift commitments accounted for the vast majority of this fundraising.

Survey respondents indicated significant pressure for their limited donor contact time, as well as frustration in finding good ways to focus on the right donors and amplify productivity. At the same time, respondents rarely reported utilizing metrics directly aimed at tracking productivity. They also expressed only moderate confidence in the wealth and propensity ratings used in their work, and concern over the effectiveness of major and planned giving marketing tactics.

The gift officers in this study bring unique circumstances to their work, yet there is much to be learned from their collective vision and strategies.



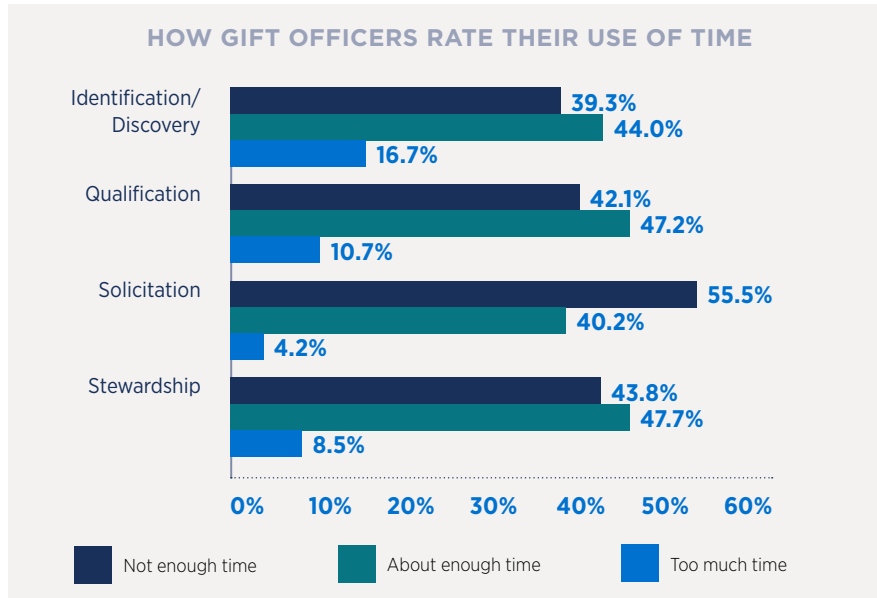
¹Council for Aid to Education (2016). *2016 voluntary support of education*. New York, NY: Council for Aid to Education.

²Giving USA Foundation (2017). *Giving USA 2017: The annual report on philanthropy for the year 2016*. Chicago, IL: Giving USA Foundation.

1

GIFT OFFICERS WANT TO USE THEIR TIME DIFFERENTLY

“Are we doing the right things so gifts will be made?”



55%
of gift officers said they **don't spend enough time** on solicitation

Above, gift officers judged their time spent in four major areas: identification/discovery, qualification, solicitation, and stewardship. A majority of respondents (55 percent) want to spend more time in solicitation. In total, 92 percent of respondents felt like their time spent in at least one of these parts of the donor cycle was off.

PRODUCTIVITY FRUSTRATIONS OF GIFT OFFICERS (IN ADDITION TO ABOVE RATINGS)

Do you have any other frustrations about you or your team's productivity?

(Selected representative responses)

“ We don't have enough time to focus on what actually raises money—solicitation. ”

“ We do not have a scheduler and that takes up a lot of my time. ”

“ The more difficult and time consuming donor qualification work is put on the back burner and not accomplished. ”

PRODUCTIVITY SUGGESTIONS FROM GIFT OFFICERS

What do you think would make your team more productive?

(Selected representative responses)

“ Smaller portfolios with better prospects. ”

“ Help with strategy surrounding donor outreach. ”

“ More people to wear fewer hats. ”

2

ONLY HALF OF ASSIGNED PROSPECTS RECEIVE A VISIT EACH YEAR

“We have too many assigned prospects for too few giving officers.”

The challenge of having too many assigned projects was voiced repeatedly by survey respondents in this study:

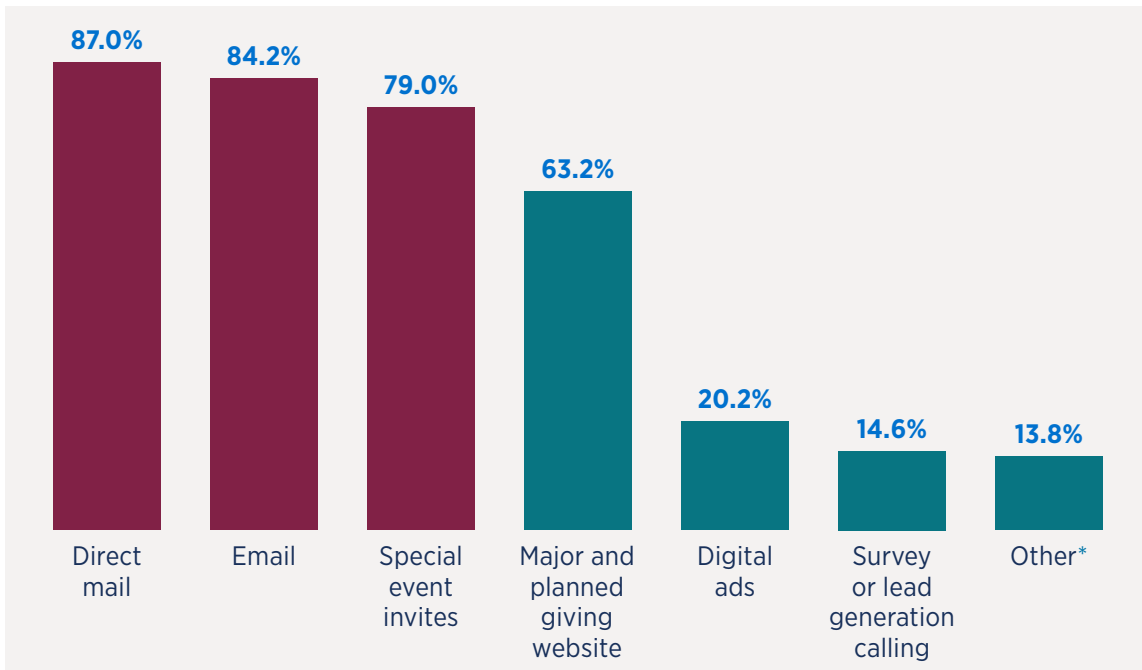


On average, the gift officers surveyed made personal visits to only 52 percent of their assigned prospects each year. This indicates that a significant number of assigned prospects are not receiving an in-person contact each year.

TOP COMMUNICATION CHANNELS (IN ADDITION TO PERSONAL VISITS)

What else does your organization do to communicate and market major giving opportunities with identified major and planned giving prospects?

(Check all that apply)

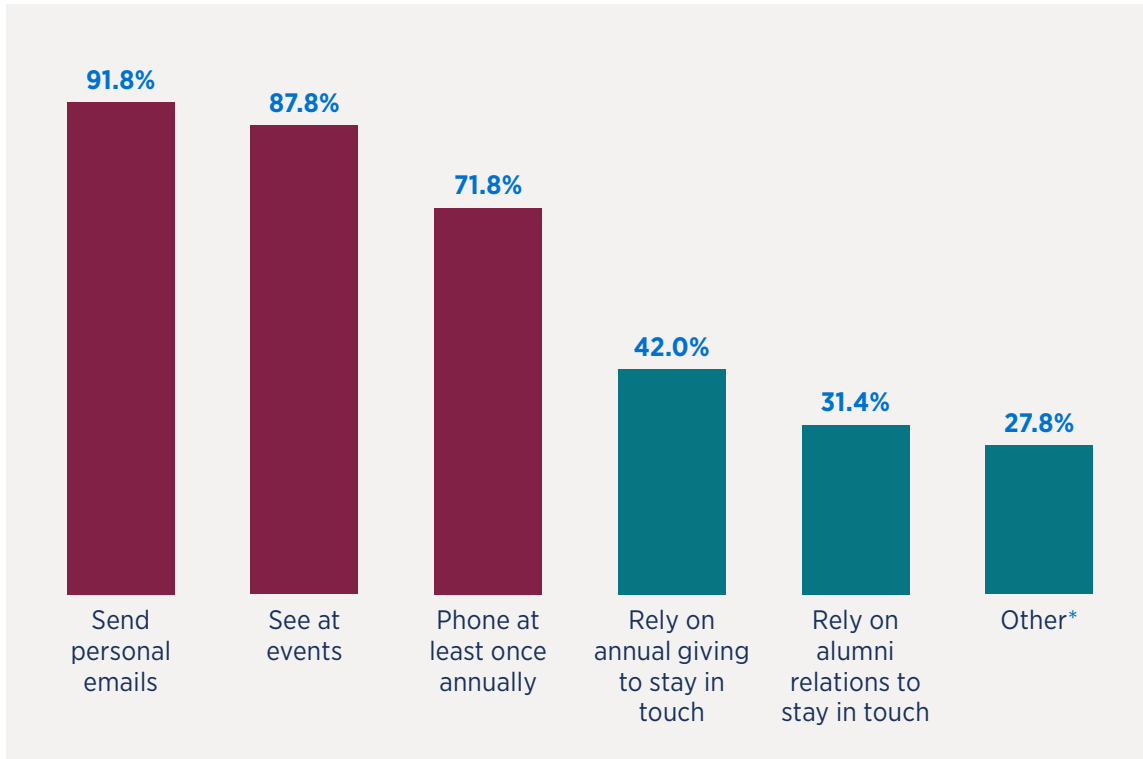


Direct mail, email, and websites were rated the most popular channels for promoting major and planned giving opportunities after in-person visits. Unfortunately, however, gift officers did not have high confidence in the effectiveness of these channels, with only 29 percent saying they were either “quite effective” or “very effective.”

*“Other” responses included alumni magazine ads, e-newsletters for specific groups of donors, annual donor honor roll/calendar, and social media.

TOP METHODS FOR STAYING IN TOUCH

How do you stay engaged with donors and prospects that you are not able to meet in a year? (Check all that apply)



Emails and events were indicated as the most popular ways that gift officers and leaders stayed in touch with prospects they could not visit in any given year. Phone calls were again reported here, with over two-thirds of major gift officers saying they phone prospects at least once a year.

**“Other” responses included birthday cards, note cards, planned giving e-newsletter, handwritten letters, athletic events, scholarship recipient dinner, and magazine clippings.

3

WEALTH RATINGS ARE ONLY MODERATELY HELPFUL

“We spend too much time chasing rabbits that may not result in much.”

86%
USE WEALTH RATINGS

68%
USE PROPENSITY RATINGS



Despite being widely used, only 27 percent of gift officers in this study reported that wealth ratings were “quite effective” or “very effective” for focusing on the right prospects, only 19 percent said that wealth ratings were “quite effective” or “very effective” in helping to determine donor ask amounts, and only 30 percent of respondents rated propensity ratings “quite effective” or “very effective” in predicting the likelihood for a prospective donor to make a major or planned gift.

When asked why the wealth ratings were rated so low for effectiveness, follow-up interviews with survey respondents identified several areas of frustration: a need to constantly update the ratings, “false positives” on wealthy donors, and very wide ranges for suggested ask amounts.

Of the 68 percent using propensity ratings, 40 percent indicated receiving these from an outside provider, while 28 percent created the ratings themselves using scores or groupings based on institutional data to determine the most ready or likely givers.

ONLY ONE-THIRD OF DONORS TRULY QUALIFIED ON AVERAGE

What percent of newly assigned prospects placed in your pool(s) do you feel are truly qualified to be a major and planned donor?

37% AVERAGE SURVEY RESPONSE

(Responses ranged from 2 percent to 100 percent; those with smaller pools were more likely to indicate high percentages of qualified donors.)

Follow-up interviews with survey respondents indicated prospects were often assigned “randomly” or “in bulk” based on wealth rating. Gift officers reported significant frustration with the time spent setting up and completing qualification visits that did not ultimately lead to gifts.

4

SOLICITATION EFFECTIVENESS IS AN UNCOMMON METRIC

“At the end of the day, we are evaluated by how many dollars we bring to support the university.”

85%

OF RESPONDENTS SAID TOTAL DOLLARS RAISED IS WHAT THEY ARE RATED ON

27%

OF RESPONDENTS SAID THEIR SOLICITATION SUCCESS PERCENTAGE IS WHAT THEY ARE RATED ON

TOP METRICS FOR PRODUCTIVITY

	What metrics are you rated on? (Check all that apply)	Which of these metrics is the number one most valued metric at your institution by leadership? (Check one only)
Total dollars raised	85.4%	66.7%
Total number of donor meetings	72.4%	21.4%
Total number of gift solicitations	60.7%	5.4%
Solicitation success percentage	27.2%	2.9%
Length of time from qualification to gift close or release	6.7%	0.4%
Length of time from identification to gift close or release	5.4%	0.0%
Other	14.2%*	3.3%

After total dollars raised, the next-most-common reported metrics were activity metrics such as the total number of donor meetings and total gift solicitations. **Notably, only about one-quarter of respondents reported being judged on solicitation success percentage**, an essential metric for effectiveness and efficiency. For optimal performance, both activity and success metrics are crucial to productivity.

In follow-up interviews, survey respondents indicated a goal of moving to success metrics in the coming years, making comments such as “number of visits are not enough,” and that “visit in our CRM can mean almost anything” from gift officer to gift officer.

*“Other” responses included donor retention, donor growth, new donors indicating a planned gift, no metrics yet, money spent to raise a dollar, team goals, total number of “touches,” total discovery visits, timely contact reports, and events attended.

5

LIMITED TIME IS A KEY BARRIER TO SUCCESS

“We don’t have enough time to focus on what actually raises money—solicitation.”

52%

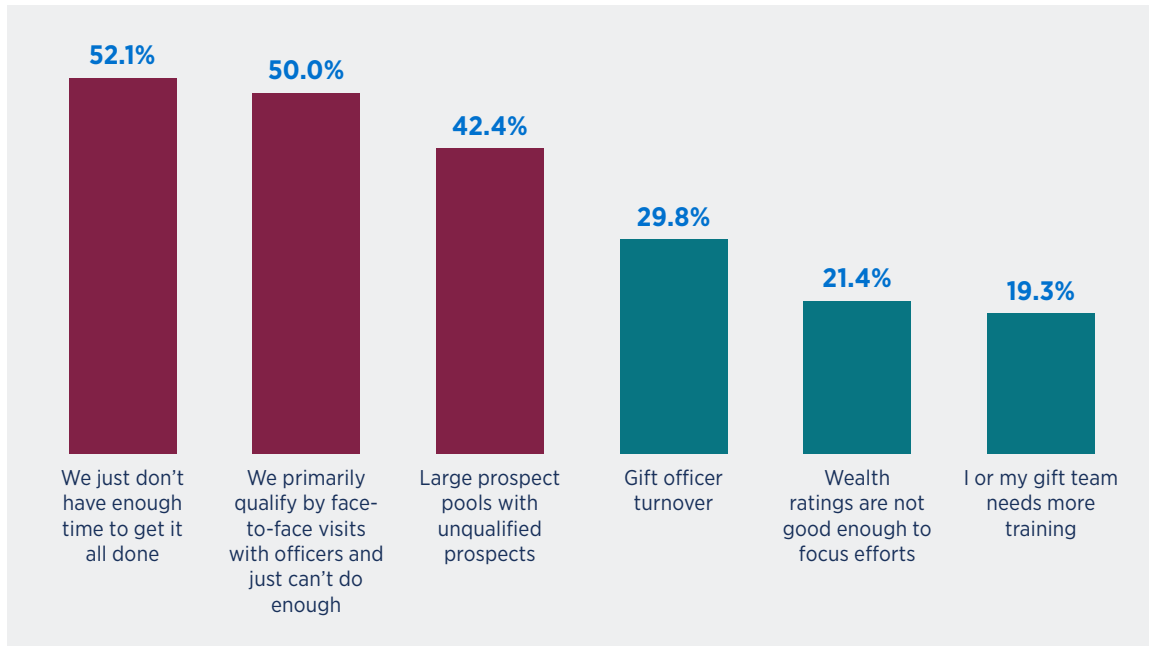
OF RESPONDENTS SAID THEY DON’T HAVE ENOUGH TIME TO GET IT ALL DONE

50%

OF RESPONDENTS SAID THEIR PRIMARY APPROACH TO QUALIFICATION IS FACE-TO-FACE VISITS

TOP BARRIERS TO SUCCESS

Which of the following do you believe is an impediment to closing more gifts at your institution? (Check all that apply)

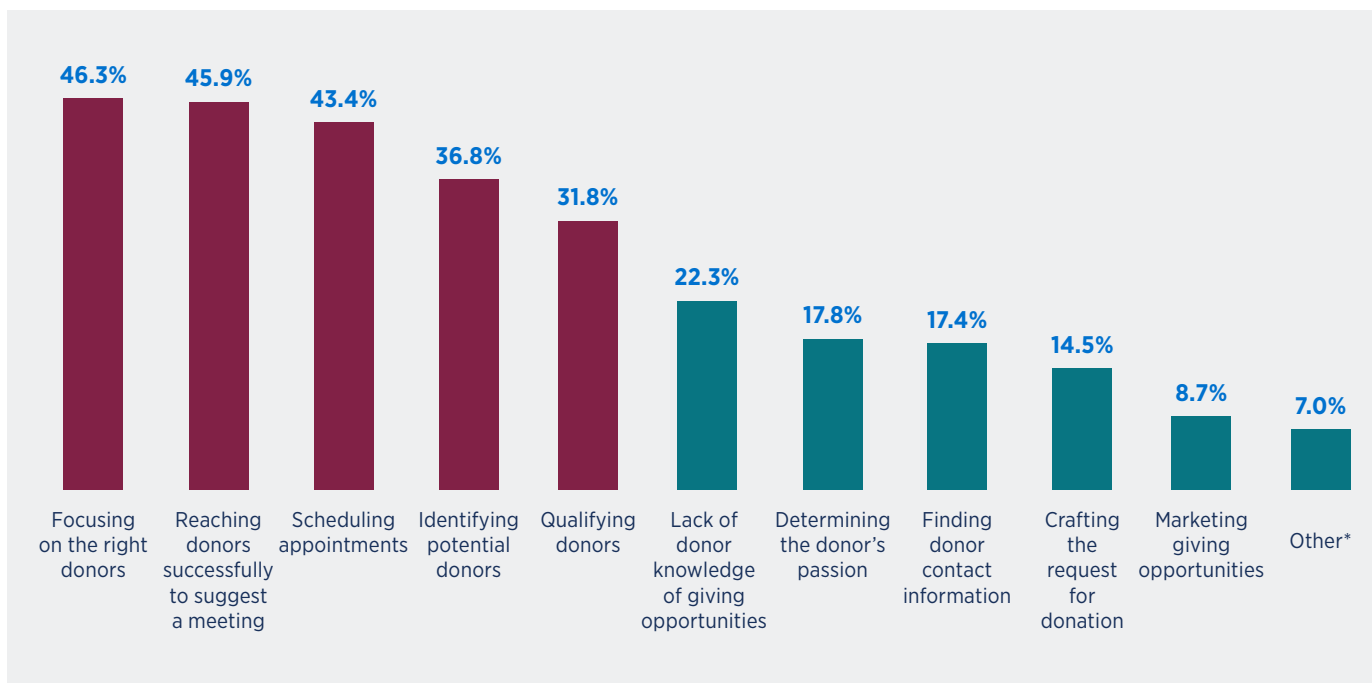


Over two-thirds of survey respondents indicated at least one of the time-pressure-related barriers to closing more gifts (first two bars shown above). In addition, finding focus within large prospect pools was a commonly identified barrier.

Gift officer turnover was also an issue for almost a third of major and planned gift programs, and the need for more training was an identified issue for almost a fifth of programs.

MOST DIFFICULT ASPECTS OF JOB

What do you feel are the most difficult aspects of booking major or planned gifts? (Please check up to three)



Gift officers continued to struggle with first interactions, with almost half indicating that qualification and scheduling appointments were a difficult aspect of the job.

*“Other” responses included but were not limited to: lack of staff, having a list of readily available giving opportunities, overcoming a lack of a culture of philanthropy, making time to focus on major gifts at all, donors’ willingness to meet, engaging leadership/faculty to participate in visits, finding time with other responsibilities, and narrowing down a large prospect pool and an immense suspect pool.

ABOUT THIS STUDY

METHODOLOGY

To assess the productivity of annual and major giving officers, Ruffalo Noel Levitz emailed an anonymous survey in May 2017 to a sample of major and planned giving officers in higher education and nonprofit charities across the United States. All survey respondents were major or planned giving officers with roles such as major gifts officer, planned giving officer, major and planned giving officer, or advancement leader/team leader/manager. Survey respondents represented a broad cross-section of public and private U.S. colleges and charities. Respondents were offered a small gift card incentive for survey completion.

KEY TAKEAWAYS

Today's gift officers for major and planned giving reported a number of challenges, including a 52 percent donor visit rate for assigned prospects, moderate success with current wealth and propensity ratings, and only 37 percent of assigned prospects being truly qualified on average.

Limited resources are a key barrier to productivity, so major and planned giving leaders must pursue tactics that lead to optimal use of direct donor contact time. Indeed, finding ways to save time is a widespread need, as 55 percent of gift officers feel they don't spend enough time on solicitation, and many feel they are understaffed.

Keep in mind that finding ways to increase productivity is not only good for increasing gifts, but is also better for donors, who deserve a personalized approach that truly values their scarce time.

Based on the collective vision of the respondents, RNL recommends the following:

- **Leverage your data with quality analytics that identify and engage the right major and planned giving donors.** An approach that includes *descriptive* ratings, like wealth scoring, along with validated *predictive* tactics, is important. Testing and updating these ratings more than once annually based on gift officer success is key.
- **Shift your metrics for gift officer productivity to include gift visit “win rates” and booked gifts within defined timeframes.** An underutilized metric is time from initial identification to gift close or release. This metric means that timely gift officer reporting/logging is also crucial, as soon as possible following donor visits.
- **Pursue scalable, personalized tactics to qualify more donors** since gift officer time is limited. This will help free up gift officer time for greater solicitation and stewardship.



Listen to the Podcast

Learn how to apply the findings of this study to your strategy by listening to a special episode of *Fundraising Voices*, our popular podcast.

Available at [FundraisingVoices.com](https://www.FundraisingVoices.com)

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RNL COMPLETE FUNDRAISING

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Major and Planned Giving Solutions

Our tested, data-driven solutions identify, warm, and engage the right donors—people who are ready to move their giving to the next level—so your gift officers can spend more time talking to the right people, increase productivity, and get more out of your existing efforts.

Annual Giving Solutions

Our best-in-class annual giving strategies include smart segment modeling and innovative multichannel outreach to increase donor participation and annual donations.

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Industry-leading crowdfunding and giving-day platforms combine with digital display advertising, retargeting, and mobile geo-location to amplify your reach and elevate fundraising results.

Advancement Services

Our comprehensive set of data cleansing and enrichment solutions can transform the quality and completeness of your organization's data, so you have the best information at your fingertips.

ABOUT RUFFALO NOEL LEVITZ

Ruffalo Noel Levitz provides higher education and nonprofit organizations with technology-enabled services, software, and consulting for fundraising and enrollment management. Since 1973, we have partnered with more than 3,000 colleges and universities and numerous nonprofit clients worldwide.

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