

WVDO ADVANCED SKILLS WORKSHOP

Benchmarking Fundraising Performance

Why, How & What Impact it Can Have on Your Bottom Line

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Portland, Oregon

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WVDO Advanced Skills Workshop

Benchmarking Fundraising Performance: Why, How and What Impact it Can Have on Your Bottom Line

Objectives

1. Participants will gain a fundamental understanding of benchmarking and be able to assess the readiness of their organizations for benchmarking;
2. Participant decision makers will leave the workshop with strategies and tools to help them begin benchmarking fundraising performance in their own shops; and
3. Participants reporting to decision makers will leave the workshop with strategies and ideas about how to educate others in their organizations about benchmarking to help them speak the same language.

Agenda

8:30 a.m.	Welcome, Announcements, and Speaker Introduction
8:40 a.m.	The Case for Fundraising Benchmarking
9:20 a.m.	Designing Your Benchmarking Approach
10:30 a.m.	Break
10:45 a.m.	Lessons from Benchmarking: Applying Results for Impact
Noon	Conclusion

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Section One:

The Case for Fundraising Benchmarking

WVDO Advanced Skills Workshop – Benchmarking Fundraising Performance

Context

- First, the nonprofit sector has no agreed upon metric of success
- Second, fundraising has had no industry-wide metrics of success, but many “rules of thumb”
- Benchmarking is an important milestone in the evolution of fundraising from craft to profession

What’s Driving the Call for Benchmarking?

- Development professionals have a natural desire to succeed
- Demands (expectations) are up for philanthropy as a revenue stream
- CEOs/CFOs/boards want to know you’re effective
- Most other operating functions are being benchmarked
- True understanding of the fundraising process is low
- Donors want to know you’re effective and trustworthy
- Watchdog groups will tell your story for you

What Is It?

- General definition:

“[Benchmarking is] a systematic and continuous measurement process; a process of continually comparing and measuring an organization’s business processes against business leaders anywhere in the world to gain information which will help the organization take action to improve its performance.”

From Jason Saul, 2004. Benchmarking for Nonprofits. Wilder Publishing, www.wilderorg/pubs.

- In fundraising circles:

Performance benchmarking is the pursuit of optimal fundraising program performance by the ongoing measurement of quantitative and qualitative variables.

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- Quantitative
 - o Volume
 - o Pace
 - o Financial measures
- Qualitative
 - o Measurement of the function, management, and organization of the remaining development components, including marketing communications and constituent relations
- Benchmarking is a peer learning process
- Approach as a shared learning process vs. a punitive process that engenders fear
- Not an exercise, but a management discipline
- The benchmarking “path”



Why Benchmark Fundraising Performance?

- To help you identify a best practice
- Internal aims to:
 - 1) Set fundraising goals
 - 2) Develop fundraising strategy
 - 3) Inform strategy execution
- External aims to:
 - 1) Demonstrate the value of philanthropy
 - 2) Teach the art and science of fundraising
 - 3) Demonstrate resource needs to grow the philanthropy program

Benefits

1. Standardizes language, processes, and metrics within the development office and among industry peers
2. Fosters credibility of the CDO among the executive team
3. Aids decision making when (re)deploying current resources
4. Identifies program and process strengths and weaknesses without bias
5. Allows you to look beyond simple cost-to-raise-a-dollar (CTRD) metrics for a more complete picture
6. Informs decisions to increase the fundraising budget in pursuit of higher returns
7. Helps to quantify goals that could otherwise remain soft and amorphous
8. Improves the tracking and reporting of results (which improves credibility)
9. Fosters development of quality controls, staff training, and management continuity
10. Makes the path clearer to raising more money

The Limitations of Fundraising Benchmarking

1. Fear of transparency keeps some from participating
2. Poor data management practices make benchmarking a challenge
3. Lack of commitment/connectedness among key development professionals limits output
4. Peer comparison groups are still small (but growing)
5. Analysis is still subjective—benchmarking is no substitute for asking “why”
6. Financial inputs and ratios still can’t tell us about the impact we’re having

Who’s doing it?

- Association for Healthcare Philanthropy (AHP)
- Association of Fundraising Professionals (AFP) and the Urban Institute
- Council for the Advancement and Support of Education (CASE)
- Numerous national consulting and research firms (e.g., The Advisory Board Company; Bentz, Whaley & Flessner; Primary Research Group; Gary Hubbell Consulting and Reinders Research)

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	Association for Healthcare Philanthropy AHP	Assn. of Fundraising Professionals AFP
Service/report name	AHP Performance Benchmarking Service	Fundraising Effectiveness Project (FEP)
Participant type	Hospitals and health care systems in the U.S. and Canada	Open to all nonprofits
Current active participants / total universe	Projected to be at 100 participants by July 31, 2008 Total universe 2,200	275 respondents reported results for 2004 and 2005 Total universe: 28,000
Frequency	4 reports per year	Annual report
Participants receive	<ul style="list-style-type: none"> • On-demand access to online AHP Performance Benchmarking Service proprietary database • Unlimited searches and queries to the password-protected online database. • Online tools that allow AHP participant members to create comparison groups to look at the performance of their own fundraising • 4 published reports per year / online access to reports • Direct access to the benchmarking survey data • Comprehensive user guide and access to a help desk 	<ul style="list-style-type: none"> • Access to survey performance data • Gain/Loss Growth in Giving Performance Report • Report measures fundraising performance in terms of overall percentage increase or decrease in gift dollars and donors, and also assesses the impact of downgraded and lapsed donors • Results reported in aggregate form only
Participant requirements	Complete annual online survey	Complete annual online survey
Cost to participate	Setup fee \$4,000; then \$1,000 per year per organization entering unique data	Free
Perceived advantage	<p>Created by a national expert panel of CDOs and CFOs Comprehensive study that includes:</p> <ul style="list-style-type: none"> • Cost accounting program attribution of expenses and revenues • Cash and production measures • Longitudinal data • Online reporting and self-analysis tools • One-to-one, comparative data interpretation of trends to promote learning • Unifying definitions • Survey training and assistance available on call 	<ul style="list-style-type: none"> • No cost • Broad nonprofit scope • Relatively simple data scope • Software company support
Perceived disadvantage	Small sample Cost	Aggregate data only (difficult to have apples-to-apples view)
Contact	Kathy Renzetti, VP Membership/Comm/Gov't Rels. 703-532-6243 kathy@ahp.org	Bill Levis, Project Manager, Urban Institute grlevis@aol.com or Cathlene Williams VP, Education & Research, AFP cwilliams@afpnet.com
For more info	http://www.ahp.org/benchmarking-program/index.php	http://www.afpnet.org/ka/ka-3.cfm?content_item_id=24159&folder_id=3272 (sponsored by AFP, the Center on Nonprofits and Philanthropy at the Urban Institute in Washington, D.C., CASE, Council for Resource Development, the Center on Philanthropy at Indiana University, National Committee on Planned Giving, and the Association of Donor Relations Professionals (ADRP))

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	Council Advnmt. & Support of Educ. CASE	Council for Aid to Education CAE
Service/report name	Survey of Educational Fundraising Campaigns (SEFC)	VSE (Voluntary Support of Education) Survey
Participant type	Colleges, universities, and independent schools	Any accredited institution of higher education and any pre-collegiate institution
Current active participants / total universe	196 respondents in 2006 Total universe: 3,400 colleges & schools / 22,300 members	Approximately 1,000 institutions of higher education and about 250 pre-collegiate institutions
Frequency	Annual report available for purchase	Annual report available for purchase
Participants receive	Complimentary copy of Annual CASE Campaign Report containing campaign metrics to enable: <ul style="list-style-type: none"> • Benchmarking – the “measure” of your campaign • Three “key ratios” of campaign goal size 	<ul style="list-style-type: none"> • Print version of results available for purchase price of \$100 (\$65 to survey respondents) • Data available online by subscription
Participant requirements	Complete online survey (annual)	Complete online survey annually
Cost to participate	Free to participate <ul style="list-style-type: none"> • Reports available to non-participants for purchase: \$69 (CASE members) \$99 (non-members) 	Free
Perceived advantage	<ul style="list-style-type: none"> • 12-year history of the survey helps promote a common way of reporting campaign data industry-wide • Data homogeneity – all higher ed, all in campaign 	<ul style="list-style-type: none"> • VSE archive goes back to 1969 and can be used by arrangement with CAE for historical research • VSE data give quantitative support to statements and releases issued to the press, and they make compelling focus points for speeches and presentations • CASE uses survey data for its “Circle of Excellence Awards.” One eligibility requirement for the CASE awards is 3 consecutive years’ participation in the VSE survey • Identify peer institutions and compare results (using the Data Miner function)
Perceived disadvantage	<ul style="list-style-type: none"> • Focuses on only one aspect of the advancement operation (campaigns) • Data is reported in the aggregate and by type of institution, but further peer comparisons are not available 	
Contact	Freddie Cross 202-478-5570	212-217-0878 vse@cae.org
For more info	http://www.case.org/container.cfm?CONTAINERID=196 CASE also offers the Alumni Relations Benchmarking Tool Survey <ul style="list-style-type: none"> • Free participation and report • Participants complete online survey • Currently collecting data for 06/07 academic year • Measures the success of alumni relations programs http://classic.case.org/arbt/	http://www.cae.org/content/pro_data_faq.htm#q5

Section Two:

Designing Your Benchmarking Approach

How to Prepare

1. First, know *why* you're benchmarking
2. Define your desired outcomes and assess your readiness to undertake the work
3. Make your plan
4. Select your benchmarking peers/partners

Assess Your Readiness

- Define your desired outcomes
 - Done for the purposes of (a) comparison *and* (b) adopting best practices
 - Some sample desired outcomes:
 - *"I want to know how our net returns from our fundraising efforts stack up to others like us (by individual program component [AG, SE, MG, PG, CF, PS] and combined)."*
 - *"I'd like to demonstrate to others that our fundraising program is comparable to—or better than—our peers."*
 - *"We'd like to identify and adopt best practices based on peer performance."*
 - *"My CEO said, 'How do I know if I should be happy or upset about the fundraising results you've just reported to me?'"*
- Assess your readiness
 - *Benefits sought:*
 - Ask: What can benchmarking teach us that we don't already know? What value will it bring?
 - *Applicability:*
 - Ask: Can new practices and other changes be implemented based on our mission, structure, and resources?
 - *Capacity:*
 - Ask: Are we psychologically and culturally ready to change? Do stakeholders embrace the process and benefits? Can we handle the workload required up front?

Worksheet for Determining Readiness

While there is no single set of criteria that can assure your readiness for conducting fundraising performance benchmarking, you can apply the following checklist to judge your readiness. Those areas assessed as less than “optimally ready” indicate work to be done.

	Optimally Ready (1–30 days) ✓	Approaching Ready (31–60 days) ✓	Initial Steps Only (61–90 days) ✓
Benefits			
▪ Articulated value			
▪ Clarified needs			
▪ Other			
Applicability			
▪ Other examples of b' marking exist here			
▪ Resistance to change has been gauged			
▪ Other			
Capacity			
▪ Scorekeepers agree on need			
▪ A budget is assigned			
▪ Data-gathering needs have been estimated			
▪ Partner selection time has been estimated			
▪ Staff workload can accommodate b' marking			
▪ Other			

Consider Internal Capacity: Estimating the Internal Time Needed for Year 1 Comprehensive Benchmarking

Sample University Benchmarking Plan

Estimated Internal Staff Time

2007

Methodology	Action Steps	Estimated Time
Project orientation	<ol style="list-style-type: none"> 1. Meet with GHC research team to finalize project objectives (criteria for peer selection, key benchmark measures, and project logistics) 2. Identify a project leader and identify necessary resources to complete the benchmarking project 3. Subscribe to VSE Data Miner (if not already a member) 	Project leaders (4 to 5 hrs)
Peer identification & enlistment	<ol style="list-style-type: none"> 4. Director of Institutional Research will produce lists of peers identified through previous studies 5. GHC will review lists and conduct additional research to better understand comparability and maturity 6. GHC and client project leaders will review and finalize list of peers for enlistment 7. GHC will create an enlistment packet, including sample invitation letter and telephone script 8. Client project leaders will send out invitation letters and make follow-up enlistment calls to advancement leaders at peer institutions; additional calls and emails will be made (if necessary) to answer additional questions 	Inst. research (2 hrs) Project leaders (24 to 32 hrs)
Benchmarking tools	<ol style="list-style-type: none"> 1. Review and refine benchmarking tools (survey, glossary, instructions) with GHC team 2. Meet with advancement leaders from all MAUs to review project objectives and review benchmarking tools 	Project leaders (8 hrs)
Data collection and reporting	<ol style="list-style-type: none"> 1. Gather and report data to complete the benchmarking survey according to the project deadline 2. Connect with other departments, as necessary, to answer questions 3. Work with GHC help desk, as necessary, to address questions and clarify data-reporting process 4. Verify data with GHC help desk and provide expanded feedback to aid in the analysis of data 	Project leaders (24 to 48 hrs)
Presentation of findings	<ol style="list-style-type: none"> 1. Review preliminary report of findings and provide feedback to the GHC team 2. Attend presentation meeting to receive and react to benchmarking findings 3. Participate in discussion of implications and next steps 	Project leaders (12 to 16 hrs)

Develop Your Plan

- All but the simplest data comparisons will require a plan

Worksheet for Developing Your Benchmarking Plan

Use this worksheet as a basis for writing your benchmarking plan.

Sponsor: _____

Team Members

Name [Last, First]	Department/Team: [Select from: development, programs, marketing, finance, human resources, executive, or board]	Skill Set: [Select from: detail oriented, analytical, business savvy, creative thinker, process orientation, or leader]

Project Vision and Purpose: _____

Deliverables

- a. _____
- b. _____
- c. _____
- d. _____
- e. _____

Potential Peers / Partners

Profile and selection criteria _____

Enlistment strategy _____

Communication responsibilities _____

Timeline Project Kickoff Date: _____, 20____

Milestones	Due Dates

(Continued)

Adapted from *Benchmarking for Nonprofits*. Copyright © Jason Saul. Available from Wilder Publishing, www.wilderorg/pubs.

Worksheet to Develop Your Benchmarking Plan (continued)

Scope

Completion schedule: _____,20____

Participating departments: _____

Cost parameters: _____

Integration with other initiatives: _____

External participation/representation: _____

Resource Requirements

Number of people/time required: _____

Budget: _____

Resources needed: _____

Potential funding sources: _____

Communications

Frequency (weekly, monthly, quarterly): _____

Communications lead (name of team member): _____

Format (e-mail, newsletter, conference call, meeting): _____

Adapted from *Benchmarking for Nonprofits*. Copyright © Jason Saul. Available from Wilder Publishing, www.wilderorg/pubs.

Determine Your Approach

- Determine the primary approach
 - Do it yourself
 - Use a professional association
 - Use a contracted firm

Fundraising Benchmarking Deciding Whether to Do it Ourselves or Get Outside Help

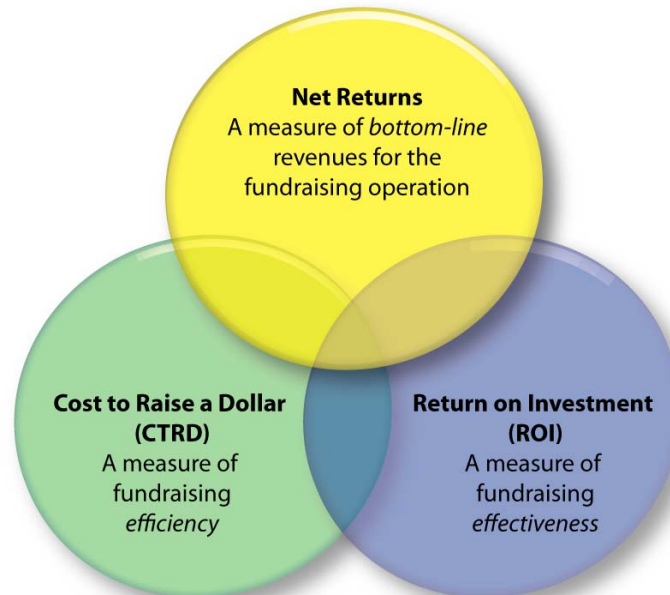
	Self-Directed	Professional Association	Contracted Firm
Best when starting small	✓		
Best for development shops with limited data	✓		
Best when organization has limited benchmarking experience	✓	✓	✓
Presence of senior development professionals	✓	✓	✓
Budget availability		✓	✓
Responsible for enlisting partners/peers		✓	
Have long lead times before expecting data	✓	✓	✓
Best when “scorekeepers” are pushing		✓	✓
Provides less need to develop glossary and comparables		✓	
Often offers online data analysis/comparison tools		✓	
Offers help desk		✓	✓
Best able to consider implications and data application			✓

What to Benchmark

Three key performance indicators

- What are they? (1) Net returns, (2) CTRD, and (3) ROI

Key Performance Indicators



Net Returns: A measure of *bottom-line returns* from fundraising, achieved by subtracting direct fundraising expenses from gross fundraising returns.

Example:

Net returns = Gross fundraising revenue – Direct fundraising expenses
\$5,000,000 – \$1,000,000 = \$4,000,000 net return

Cost to Raise a Dollar (CTRD): A measure of *fundraising efficiency* that is calculated by dividing direct fundraising expenses by gross fundraising revenue.

Example:

CTRD = Direct fundraising expenses / Gross fundraising revenue
\$1,000,000 / \$5,000,000 = \$ 0.20 (or 20 cents to raise one gift \$)

Return on Investment (ROI): A measure of *fundraising effectiveness* in the total amount raised for each dollar of direct expense. ROI is achieved by dividing gross fundraising returns by total direct fundraising expenses.

Example:

ROI = Gross fundraising revenue / Total direct fundraising expenses
\$5,000,000 / \$1,000,000 = A return of \$5 for every \$1 invested

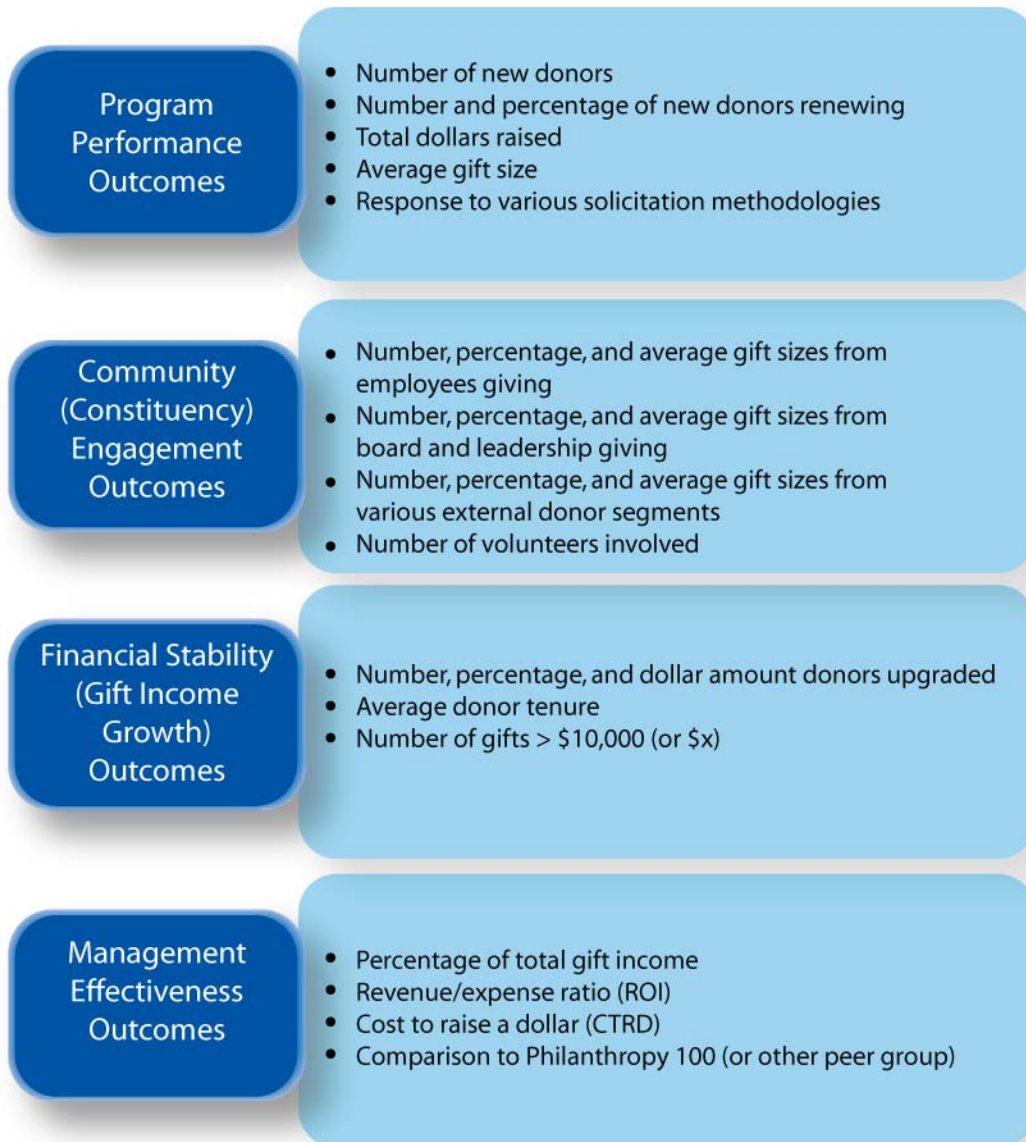
Going Beyond Key Performance Indicators

1. Bare minimum view
2. Variables determined by outcomes sought
3. Overall performance by examining gain/loss ratios
4. Comprehensive fundraising performance analysis

Benchmarking Elements – Sample 1: Bare minimum

Performance Variables	Your Org.	Partner 1	Partner 2	Partner 3	Partner 4	Partner 5
# of staff						
Total raised						
Total fundraising expenses						
# of donors						
Average gift size						
Cost to raise \$1						
Net revenue						
Return on investment						

**Benchmarking Elements – Sample 2:
Variables Determined by Outcomes Sought**



**Benchmarking Elements – Sample 3:
by Gain/Loss Ratios**

Total Gift Dollars

1. Gained from new donors in 2006
2. Gained from recaptured donors in 2006 (donors who did not give in 2005)
3. Gained from upgraded donors (donors who increased their gifts in 2006 vs. 2005)
4. From donors who gave the same amount in 2005 and 2006
5. Lost from downgraded donors (donors who gave less in 2006 vs. 2004)
6. Lost from lapsed new donors (new donors in 2005 who did not give in 2006)
7. Lost from lapsed repeat donors in 2006 (repeat donors who did not give in 2006)

Total # of Donors

1. New donors gained in 2006
2. Recaptured donors gained in 2006 (donors who did not give in 2005)
3. Upgraded donors (donors who increased their gifts in 2006 vs. 2005)
4. Donors who gave the same amount in 2005 and 2006
5. Downgraded donors (donors who gave less in 2006 vs. 2005)
6. Lapsed new donors (new donors from 2005 who did not give in 2006)
7. Lapsed repeat donors (repeat donors who did not give in 2006)

**Benchmarking Elements – Sample 4:
Comprehensive Performance Analysis – Overall and by Program Area**

- General information (organization name, type, calendar, total revenue)
- Fundraising structure (age, staffing levels, budget)
- Fundraising expenses (human resources and non-labor costs by program)
- Fundraising performance overview
- Cost to raise a dollar (CTRD) – cash¹ and production² – overall and by program
- ROI – cash and production – overall and by program
- **Program specific measurement:**
 - **Major gifts** (gifts, regardless of size, solicited by major gifts officers; large gifts celebrated at a special event)
 - **Corporate/foundation** funds raised (outright and pledged, grants, event sponsorships)
 - **Annual giving** (donor clubs, memberships, direct mail, Internet, telephone, gifts of tribute)
 - **Special events** (ticket sales, entry fees, highly structured events, sporting events, large-scale community events, individual sponsorships)
 - **Planned giving** (bequests and expectancies, trusts, annuities, pooled income funds)
- Mean fundraising employee tenure
- Employee satisfaction or other type of employee survey/review
- Endowment size
- Pledge conversion ratio

¹ *Cash* = all outright gifts made during the current fiscal year in the form of marketable securities and other liquid assets. Includes, but not limited to, gifts of cash, payments on pledges, and planned gift maturities.

² *Production* = total funds raised (outright cash gifts) and new gift commitments and pledges made in the current fiscal year. Includes, but not limited to, gifts of cash, new major gift pledges, and planned gift commitments.

Selecting Benchmarking Partners

- Value in selecting peers vs. participating in a “pool”
- Select non-competitors
- Peers or aspirational partners
- What to consider:
 - Market characteristics
 - Organizational characteristics
 - Fundraising characteristics
- Assure that you speak the same language—develop the glossary among all partners

Worksheet for Determining Partners/Peers

	Your Org.	Partner 1	Partner 2	Partner 3	Partner 4	Partner 5
Organization name & location						
Contact person/information						
Partner: peer or aspirational						
Market Characteristics						
Market wealth						
Population density						
National vs. local appeal						
Community generosity						
Seasonal residents						
Market competition						
Organizational Characteristics						
Revenue comparability						
Service scope similarity						
Operating margin						
Religious sponsorship						
Fundraising Characteristics						
Age of continuous fundraising program						
Fundraising budget						
Culture of philanthropy						
Volunteer or staff-driven						
Stand-alone vs. system effort						
Overall “fit” rating for this partner (Good, Acceptable, Poor)						
Ease of enlistment due to existing connection? (Good, Acceptable, Poor)						

Common Input Expectations

- The shallower the look, the less time needed
- For comprehensive performance benchmarking, expect 50–100 hours of development staff time
 - Plan to involve (at varying times) the CDO, data administrator, lead program professionals, and CFO/treasurer
- See sample internal time estimates (p. 11) for steps

What Might the Data Look Like?

- Four samples for types of data reporting:
 - AHP board monitor report sample
 - Rehab facilities sample
 - Education sample—annual giving performance
 - FEP sample—gain/loss report

Sample 1: Association for Healthcare Philanthropy

AHP Healthcare Philanthropy Benchmarking Study

Board Monitors

Focus Organization: **Demonstration Hospital**
 Year Reported On: **2006**
 Comparison Group: **FY2006 – Organizations reporting at organizational level**

	Focus Organization	Comparison Group Values					
		Median	Minimum	Maximum	Average	N	
1	Cash return on investment (5/7)	5.83	5.02	2.36	16.35	5.97	24
2	Production return on investment (6/7)	6.07	5.39	1.68	23.79	7.09	24
3	Cost to raise a cash dollar (\$, 7/5)	0.17	0.20	0.06	0.42	0.22	24
4	Cost to raise a production dollar (\$, 7/6)	0.16	0.19	0.04	0.59	0.22	24
5	Total cash (\$)	6,580,750	3,355,465	401,296	14,983,626	5,197,714	24
6	Total production (\$)	6,846,350	4,603,205	416,013	22,633,494	6,104,211	24
7	Total fundraising expenses (\$)	1,128,500	791,894	104,342	2,082,711	857,013	24
8	Net fundraising revenue (\$, 5-7)	5,452,250	2,461,671	296,954	13,075,636	4,340,700	24
9	Net fundraising revenue as a percentage of total entity or system net revenue (8/15)	2.00	1.75	-329.50	93.80	-6.37	24
10	Number of FTE Direct FR Staff	7.00	4.25	1.00	8.00	4.35	24
11	Number of FTE Indirect FR Staff	10.00	2.75	0.20	10.00	3.43	24
12	Board designated/quasi endowment (current market value \$)	110,390,000	4,023,840	136,049	133,000,000	15,049,875	14
13	Donor restricted/designated endowment (current market value \$)		2,760,000	75,573	44,459,398	10,358,535	19
14	Total endowment (current market value \$)	110,390,000	6,267,900	150,000	133,000,000	18,523,201	22
15	Net operating revenue of the health care entity or system (\$)	268,719,000	250,772,479	-3,642,246	2,300,000,000	339,565,000	24
16	Percentage of multi-year pledges collected	98	97	25	100	91	22
17	Number of years over which #16 is calculated	12	7	3	22	8	21

Sample 2: Rehab Facilities (partial report)

Fundraising Revenue									
Variables	Focus Organization	Partner 1	Partner 2	Partner 3	Partner 4	Total	Minimum	Maximum	
Funds Raised by Fundraising Activity (Percent of Total)	8.00%	1.70%	9.80%	5.00%	16.00%				
<i>Annual Fund/Direct Marketing</i>									
<i>Acquisition mailings</i>			0.80%			0.80%	0.80%	0.80%	
<i>Current donor mailings</i>	5.00%	1.70%	9.00%	3.00%	16.00%	34.70%	1.70%	16.00%	
<i>Telemarketing</i>	2.00%					2.00%	2.00%	2.00%	
<i>Other annual giving activities</i>	1.00%			2.00%		3.00%	1.00%	2.00%	
<i>Major Giving</i>	16.00%	12.30%	22.20%			50.50%	12.30%	22.20%	
<i>Planned Giving</i>	17.00%	0.50%	2.70%		7.00%	27.20%	0.50%	17.00%	
<i>Campaign (reporting year only)</i>	8.00%			66.00%	67.00%	141.00%	8.00%	67.00%	
<i>Corporate Giving</i>	7.00%	8.10%	0.40%	17.00%		32.50%	0.40%	17.00%	
<i>Foundation Giving (public or pvt)</i>		32.20%	21.10%	1.00%	3.00%	57.30%	1.00%	32.20%	
<i>Special Events (gross)</i>	9.00%	44.20%	8.80%	10.00%	6.00%	78.00%	6.00%	44.20%	
<i>Gifts in-kind (current market value)</i>				1.00%		1.00%	1.00%	1.00%	
<i>Government Grants (research)</i>						0.00%	0.00%	0.00%	
<i>Other</i>	35.00%	1.00%	35.00%		1.00%	72.00%	1.00%	35.00%	
Funds Raised by Fundraising Activity (Dollar Value)									
<i>Annual Fund/Direct Marketing</i>									
<i>Acquisition mailings</i>			\$44,291			\$44,291	\$44,291	\$44,291	
<i>Current donor mailings</i>	\$482,800	\$38,374	\$498,279	\$292,916	\$164,037	\$1,476,406	\$38,374	\$498,279	
<i>Telemarketing</i>	\$193,120					\$193,120	\$193,120	\$193,120	
<i>Other annual giving activities</i>	\$96,560			\$195,277		\$291,837	\$96,560	\$195,277	
<i>Major Giving</i>	\$1,544,960	\$277,645	\$1,229,087			\$3,051,692	\$277,645	\$1,544,960	
<i>Planned Giving</i>	\$1,641,520	\$11,286	\$149,484		\$71,766	\$1,874,056	\$11,286	\$1,641,520	
<i>Campaign (reporting year only)</i>	\$772,480			\$6,444,157	\$686,906	\$7,903,543	\$686,906	\$6,444,157	
<i>Corporate Giving</i>	\$675,920	\$182,839	\$22,146	\$1,659,859		\$2,540,764	\$22,146	\$1,659,859	
<i>Foundation Giving (public or pvt)</i>		\$726,843	\$1,168,187	\$97,639	\$30,757	\$2,023,425	\$30,757	\$1,168,187	
<i>Special Events (gross)</i>	\$869,040	\$997,716	\$487,206	\$97,639	\$61,514	\$3,391,863	\$61,514	\$997,716	
<i>Gifts in-kind (current market value)</i>				\$97,639		\$97,639	\$97,639	\$97,639	
<i>Government Grants (research)</i>						\$0	\$0	\$0	
<i>Other</i>	\$3,379,600	\$22,573	\$1,937,751		\$10,252	\$5,350,176	\$10,252	\$3,379,600	
TOTAL FUNDS RAISED	\$9,656,000	\$2,257,275	\$5,536,430	\$9,763,874	\$1,025,233	\$28,238,812	\$1,025,233	\$9,763,874	
Funds Raised by Source (Percent of Total)									
<i>Board members</i>	6.00%	4.00%	1.30%	17.00%	58.00%	86.30%	1.30%	58.00%	
<i>Physicians</i>			0.70%	0.40%	1.00%	2.10%	0.40%	1.00%	
<i>Non-physician staff members</i>			1.20%	0.30%	2.00%	3.50%	0.30%	2.00%	
<i>Individuals</i>	31.00%	12.00%	32.90%	42.00%	34.00%	151.90%	12.00%	42.00%	
<i>Corporations</i>	17.00%	8.00%	0.40%	10.00%	1.00%	36.40%	0.40%	17.00%	
<i>Foundations</i>	23.00%	32.00%	21.10%	26.00%	3.00%	105.10%	3.00%	32.00%	
<i>Government entities/public sources</i>	22.00%					22.00%	22.00%	22.00%	
<i>Volunteers</i>	1.00%		4.70%	1.00%		6.70%	1.00%	4.70%	
<i>Auxiliaries</i>			4.00%	0.30%		4.30%	0.30%	4.00%	
<i>Other clubs and organizations</i>				3.00%	1.00%	4.00%	1.00%	3.00%	
<i>Other</i>		44.00%	36.40%			80.40%	36.40%	44.00%	
Funds Raised by Source (Dollar Value)									
<i>Board members</i>	\$579,360	\$90,291	\$71,974	\$1,659,859	\$594,635	\$2,996,118	\$71,974	\$1,659,859	
<i>Physicians</i>			\$38,755	\$39,055	\$10,252	\$88,063	\$10,252	\$39,055	
<i>Non-physician staff members</i>			\$66,437	\$29,292	\$20,505	\$116,233	\$20,505	\$66,437	
<i>Individuals</i>	\$2,993,360	\$270,873	\$1,821,485	\$4,100,827	\$348,579	\$9,535,125	\$270,873	\$4,100,827	
<i>Corporations</i>	\$1,641,520	\$180,582	\$22,146	\$976,387	\$10,252	\$2,830,887	\$10,252	\$1,641,520	
<i>Foundations</i>	\$2,220,880	\$722,328	\$1,168,187	\$2,538,607	\$30,757	\$6,680,759	\$30,757	\$2,538,607	
<i>Government entities/public sources</i>	\$2,124,320					\$2,124,320	\$2,124,320	\$2,124,320	
<i>Volunteers</i>	\$96,560		\$260,212	\$97,639		\$454,411	\$96,560	\$260,212	
<i>Auxiliaries</i>			\$221,457	\$29,292		\$250,749	\$29,292	\$221,457	
<i>Other clubs and organizations</i>				\$292,916	\$10,252	\$303,169	\$10,252	\$292,916	
<i>Other</i>		\$993,201	\$2,015,261			\$3,008,462	\$993,201	\$2,015,261	
Annual Fund Dollars Raised									
<i>Acquisition mailings</i>			\$44,291			\$44,291	\$44,291	\$44,291	
<i>Current donor mailings</i>	\$482,800	\$38,374	\$498,279	\$292,916	\$164,037	\$1,476,406	\$38,374	\$498,279	
<i>Telemarketing</i>	\$193,120					\$193,120	\$193,120	\$193,120	
<i>Other annual giving activities</i>	\$96,560			\$195,277		\$291,837	\$96,560	\$195,277	
Total Annual Funds Raised	\$772,480	\$38,374	\$542,570	\$488,194	\$164,037	\$2,005,655	\$38,374	\$772,480	
Fund Allocations									
<i>Percent for programs, services, and capital needs</i>	100%	100%	100%	100%	100%	500.00%	100.00%	100.00%	
<i>Percent for other purposes</i>	0%	0%	0%	0%	0%	0.00%	0.00%	0.00%	
<i>Dollars raised for programs, services, and capital needs</i>	\$9,656,000	\$2,257,275	\$5,536,430	\$9,763,874	\$1,025,233	\$28,238,812	\$1,025,233	\$9,763,874	
<i>Dollars raised for other purposes</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0	\$0	\$0	
Total Gift Revenue as a Percent of Gross Operating Revenue	22.83%	2.72%	3.66%	13.22%	1.11%				

WVDO Advanced Skills Workshop – Benchmarking Fundraising Performance

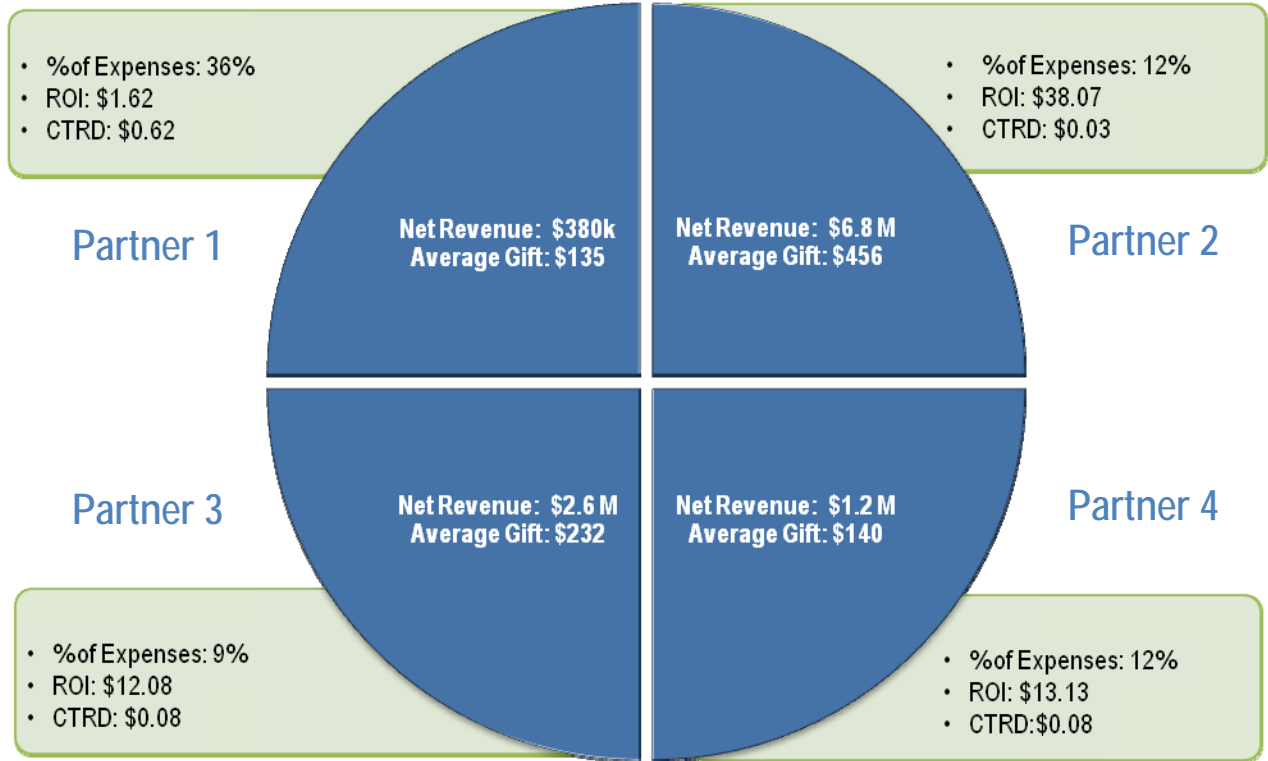
Fundraising Expenses								
Variables	Focus Organization	Partner 1	Partner 2	Partner 3	Partner 4	Total	Minimum	Maximum
Fundraising Expenses								
<i>Human resource expenses (dollar value)</i>	\$1,426,599	\$154,168	\$1,125,879	\$784,256	\$161,354	\$3,652,256	\$154,168	\$1,426,599
<i>Operational expenses (dollar value)</i>	\$2,466,768	\$40,072	\$1,090,270	\$387,142	\$212,958	\$4,197,210	\$40,072	\$2,466,768
<i>Total Fundraising Expenses (dollar value)</i>	\$3,893,367	\$194,240	\$2,216,149	\$1,171,398	\$374,312	\$7,849,466	\$194,240	\$3,893,367
<i>Human resource expenses (percent of total expenses)</i>	36.64%	79.37%	50.80%	66.95%	43.11%	276.87%	36.64%	79.37%
<i>Operational expenses (percent of total expenses)</i>	63.36%	20.63%	49.20%	33.05%	56.89%	223.13%	20.63%	63.36%
<i>Total Fundraising Expenses (percent)</i>	100.00%	100.00%	100.00%	100.00%	100.00%	500.00%	100.00%	100.00%
Human Resources								
Variables	Focus Organization	Partner 1	Partner 2	Partner 3	Partner 4	Total	Minimum	Maximum
FTE Professionals								
<i>Number of FTE professionals</i>	7.00	2.10	11.00	5.00	2.00	27.10	2.00	11.00
<i>Average Salary per FTE</i>	\$83,274	\$73,413	\$77,131	\$55,800	\$80,677	\$370,296	\$55,800	\$83,274
<i>Average gifts raised per FTE</i>	\$1,379,429	\$1,074,893	\$503,312	\$1,952,775	\$512,617	\$5,423,025	\$503,312	\$1,952,775
<i>Cost to raise a dollar (average salary & average raised)</i>	\$0.06	\$0.07	\$0.15	\$0.03	\$0.16	\$0.47	\$0.03	\$0.16
<i>ROI per FTE (use average salary & average raised)</i>	\$15.56	\$13.64	\$5.53	\$34.00	\$5.35	\$74.08	\$5.35	\$34.00
FTE Support Staff								
<i>Number of FTE Support Staff</i>	14.00		5.00	9.00		28.00	5.00	14.00
<i>Average Salary per FTE</i>	\$60,263		\$55,487	\$56,140		\$171,890	\$55,487	\$60,263
Volunteers								
<i>Number of FTE Fundraising Volunteers</i>	35.00		1.00			36	1	35
<i>Total Number of ALL Volunteer Hours</i>	73,310		606	21,686		95,602	606	73,310
<i>Total Hours put in by FTE Volunteers</i>	70,000		2,000			72,000	2,000	70,000
<i>Total Hours put in by Part Time Volunteers</i>	3,310			21,686		23,602	3,310	21,686

WVDO Advanced Skills Workshop – Benchmarking Fundraising Performance

Fundraising Performance								
Variables	Focus Organization	Partner 1	Partner 2	Partner 3	Partner 4	Total	Minimum	Maximum
Cost to Raise a Dollar								
<i>Annual Fund/Direct Marketing</i>								
<i>Acquisition mailings</i>	\$3.74		\$87.30			\$91.04	\$3.74	\$87.30
<i>Current donor mailings</i>	\$0.23	\$0.05	\$0.68	\$0.08	\$0.05	\$1.09	\$0.05	\$0.68
<i>Telemarketing</i>	\$1.29				\$1.16	\$2.45	\$1.16	\$1.29
<i>Other annual giving activities</i>	\$0.25		\$0.28			\$0.53	\$0.25	\$0.28
<i>Major Giving</i>	\$0.11	\$0.05	\$0.14	\$0.06		\$0.36	\$0.05	\$0.14
<i>Planned Giving</i>	\$0.07	\$0.20	\$0.79	\$0.06	\$0.08	\$1.20	\$0.06	\$0.79
<i>Campaign (reporting year only)</i>	\$0.08			N/A	\$0.02	\$0.10	\$0.02	\$0.08
<i>Special Events (gross)</i>	\$0.53	\$0.17	\$0.20	\$0.36	\$0.89	\$2.15	\$0.17	\$0.89
<i>Overall (across all programs)</i>	\$0.40	\$0.09	\$0.40	\$0.12	\$0.36	\$1.37	\$0.09	\$0.40
Return on Investment								
<i>Annual Fund/Direct Marketing</i>								
<i>Acquisition mailings</i>	-\$0.73		-\$0.99			-\$1.72	-\$0.99	-\$0.73
<i>Current donor mailings</i>	\$3.35	\$19.00	\$0.47	\$11.50	\$19.00	\$53.32	\$0.47	\$19.00
<i>Telemarketing</i>	-\$0.22				-\$0.14	-\$0.36	-\$0.22	-\$0.14
<i>Other annual giving activities</i>	\$3.00		\$2.57			\$5.57	\$2.57	\$3.00
<i>Major Giving</i>	\$8.09	\$19.00	\$6.14	\$15.67		\$48.90	\$6.14	\$19.00
<i>Planned Giving</i>	\$13.29	\$4.00	\$0.27	\$15.67	\$11.50	\$44.72	\$0.27	\$15.67
<i>Campaign (reporting year only)</i>	\$11.50				\$49.00	\$60.50	\$11.50	\$49.00
<i>Special Events (gross)</i>	\$0.89	\$4.88	\$4.00	\$1.78	\$0.12	\$11.67	\$0.12	\$4.88
<i>Overall (across all programs)</i>	\$1.48	\$10.62	\$1.50	\$7.34	\$1.74	-\$0.27	\$1.48	\$10.62

Sample 3: Four Peer Universities – Annual Fund

Annual Fund Performance Overview



Note: Cash is used for this analysis because the majority of funds are contributed in the form of outright gifts, below the \$10,000 mark.

Sample 4: AFP Gain/Loss Ratios Report

Figure 1 – [Gain/Loss Report](#) -- for respondents to Pilot 2004-05 Survey

Gain/Loss Category	2004 (A\$)	2005 (B\$)	Gains (Losses) (C\$=B-A)	Gain/Loss Ratio (D%=C/totA)
Amount of Gifts				
Gains				
New	\$ 0	\$ 68,069,385	\$ 68,069,385	20.9%
Recapture	0	48,501,167	48,501,167	14.9%
Upgrade	66,651,361	154,000,698	87,349,337	26.8%
Subtotal gains	66,651,361	270,571,249	203,919,888	62.6%
Same	29,845,733	29,845,733	-	0.0%
Losses				
Downgrade	136,754,761	60,129,125	(76,625,636)	-23.5%
Lapsed new	36,627,778	0	(36,627,778)	-11.2%
Lapsed repeat	56,050,052	0	(56,050,052)	-17.2%
Subtotal losses	229,432,592	60,129,125	(169,303,467)	-51.9%
Total - gifts	\$ 325,929,686	\$ 360,546,108	\$ 34,616,422	10.6%
				Overall rate of growth
Number of Donors				
Gains				
New	0	161,982	161,982	43.0%
Recapture	0	65,893	65,893	17.5%
Upgrade	77,509	77,509	-	0.0%
Subtotal gains	77,509	305,384	227,875	60.4%
Same	53,904	53,904	-	0.0%
Losses				
Downgrade	67,092	67,092	-	0.0%
Lapsed new	88,432	0	(88,432)	-23.4%
Lapsed repeat	90,193	0	(90,193)	-23.9%
Subtotal losses	245,717	67,092	(178,625)	-47.4%
Total - donors	377,130	426,380	49,250	13.1%
				Overall rate of growth

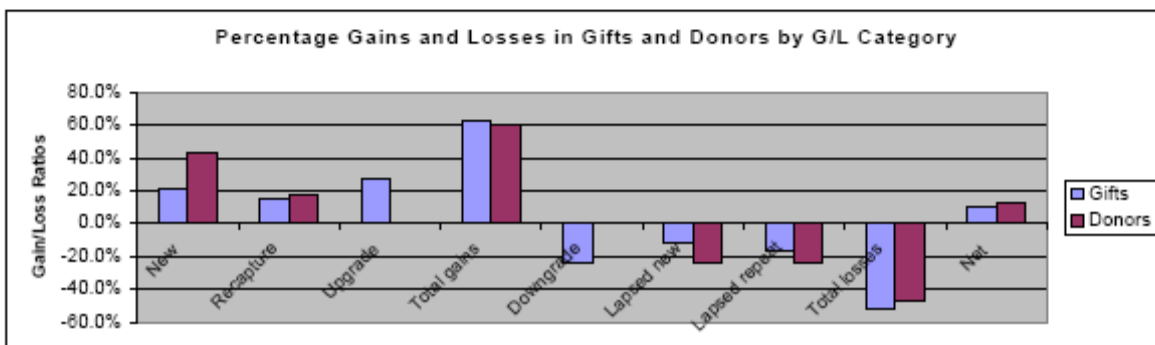


Figure 4 -- Size (total amount raised)
 Gain/Loss Growth-in-Giving Performance Report -- Year 1 to Year 2
 By Gain/Loss Category Within Size Based on Overall Rate of Growth (Net Gain/Loss)

Gain/Loss Category	Under \$100,000	\$100,000 to \$249,999	\$250,000 to \$499,999	\$500,000 to \$999,999	\$1 Million to \$2.5 Million	Over \$2.5 Million	Total all Entities
Gains							
New	41.0%	37.2%	21.2%	24.1%	25.1%	17.6%	20.9%
Recapture	8.7%	9.5%	12.6%	10.0%	12.8%	17.2%	14.9%
Upgrade	14.2%	15.8%	13.8%	16.8%	21.9%	32.8%	26.8%
Total gains	63.9%	62.5%	47.6%	50.9%	59.7%	67.6%	62.6%
Losses							
Downgrade	-17.7%	-20.4%	-27.6%	-32.8%	-23.3%	-21.6%	-23.5%
Lapsed new	-24.4%	-19.7%	-20.6%	-11.5%	-11.3%	-9.6%	-11.2%
Lapsed repeat	-19.2%	-16.8%	-13.5%	-14.9%	-17.8%	-17.8%	-17.2%
Total losses	-61.2%	-56.9%	-61.7%	-59.2%	-52.3%	-49.0%	-51.9%
Net gain(loss)	2.6%	5.6%	-14.1%	-8.3%	7.4%	18.6%	10.6%
Statistics							
No. of entities	46	47	50	46	47	39	275
Amount of gifts - period 1	\$ 2,653,947	\$ 7,590,841	\$ 21,129,910	\$ 35,804,595	\$ 72,715,312	\$ 185,039,090	\$ 325,929,686
Amount of gifts - period 2	\$ 2,724,079	\$ 8,018,231	\$ 18,145,144	\$ 32,836,849	\$ 78,098,791	\$ 220,723,013	\$ 360,546,108
Amount of gains(losses)	\$ 70,132	\$ 427,390	\$ (2,980,767)	\$ (2,967,735)	\$ 5,363,479	\$ 34,683,922	\$ 34,616,422
Gain(loss) as % of period 1	2.6%	5.6%	-14.1%	-8.3%	7.4%	18.6%	10.6%

Figure 5 -- Subsector
 Gain/Loss Growth-in-Giving Performance Report -- 2004 to 2005
 By Gain/Loss Category Within Subsector Based on Overall Rate of Growth (Net Gain/Loss)

Gain/Loss Category	Arts & Culture I	Education II	Environment Animals III	Health IV	Human Services V	Public/Societal Benefit VII	Religion Related VIII	Other X	Total all Entities
Gains									
New	20.8%	13.1%	47.4%	18.7%	28.8%	20.3%	19.7%	22.8%	20.9%
Recapture	18.3%	15.4%	12.5%	17.3%	13.5%	12.4%	11.3%	14.2%	14.9%
Upgrade	13.0%	21.1%	13.8%	39.1%	32.5%	22.5%	25.2%	24.5%	26.8%
Total gains	52.0%	49.6%	73.8%	75.2%	74.6%	55.3%	56.2%	61.4%	62.6%
Losses									
Downgrade	-23.0%	-29.4%	-18.0%	-23.8%	-18.4%	-18.0%	-22.8%	-28.4%	-23.5%
Lapsed new	-6.9%	-6.8%	-17.2%	-14.8%	-14.0%	-19.1%	-8.2%	-8.7%	-11.2%
Lapsed other	-27.9%	-18.8%	-9.5%	-15.1%	-18.7%	-12.0%	-15.5%	-18.3%	-17.2%
Total losses	-56.8%	-52.8%	-44.7%	-53.5%	-51.1%	-49.1%	-46.5%	-53.4%	-51.9%
Net gain(loss)	-4.8%	-3.2%	29.1%	21.7%	23.5%	6.2%	9.6%	8.0%	10.6%
Statistics									
No. of entities	27	55	19	44	73	27	17	13	275
Amount of gifts - period 1	23,822,218	102,357,005	9,366,250	54,208,180	89,100,585	23,530,860	15,970,960	7,775,558	\$ 325,929,686
Amount of gifts - period 2	22,491,080	99,056,104	12,083,039	65,654,053	110,058,798	24,983,298	17,509,061	8,368,643	\$ 360,546,108
Amount of gains(losses)	\$ (3,337,031)	\$ 7,888,581	\$ (324,348)	\$ 24,016,297	\$ 8,215,238	\$ (167,607)	\$ (167,607)	\$ 6,032,750	\$ 34,616,422
Gain(loss) as % of period 1	-14.1%	7.7%	-3.5%	44.3%	9.2%	-0.7%	-1.0%	77.8%	10.6%

Section Three:

Lessons from Benchmarking: Applying Results for Impact

Common Concerns You'll Encounter and How to Handle Them

- “We don’t have time—we’re too busy raising money.”
- “We can’t afford it.”
- “We’re too small to adopt ‘best practices.’”
- “We do things differently than everyone else.”
- “Isn’t this just a way to tighten oversight on the staff?”
- “Maybe I’m not doing as well as I think I’m doing!”

Reality Therapy

- If you haven’t been already, you will be asked questions by your CEO, board, and donors —get ready
- Additional resources depend on your ability to make an effective case
- You can’t make good decisions without real data
- You have an obligation to the donors and to your program participants to be as effective as possible
- Watchdog groups often monitor only a piece of the puzzle (often the wrong piece).
- Completing a comprehensive benchmarking project is akin to the 5 stages of grief:
 - 1) Denial and isolation
 - 2) Anger
 - 3) Bargaining
 - 4) Depression
 - 5) Acceptance

Conventional Rating Agencies Don't Account for Impact³

<i>Organization</i>	<i>GuideStar Rating</i>
America's Second Harvest	☆☆☆
Center on Budget and Policy Priorities	☆☆☆☆
City Year	☆☆☆☆
Environmental Defense	☆☆☆
Exploratorium	☆☆
Habitat for Humanity	☆
The Heritage Foundation	☆☆☆
National Council of La Raza	☆☆
Share Our Strength	☆☆
Teach for America	☆☆☆
YouthBuild USA	☆☆

Note: Self-Help is not rated

Interestingly, the authors, clearly focused on *impact*, make the following observations:

“The problem with using these metrics is that they fall into the trap of measuring financial inputs or ratios as a proxy for success, rather than measuring *impact*, or the amount of change accomplished with that investment.⁴ Worse yet, they assume that nonprofits can implement programs without any infrastructure or support. They may encourage donors to support groups that spend too little on people, IT systems, or management, which can lead to weak organizations at best, or accounting trickery at worst” (p. 203).

³ Crutchfield, L.R., and Grant H. McLeod (2008). *Forces for good: The six practices of high-impact nonprofits*. Jossey-Bass: San Francisco. The authors found 12 nonprofit organizations among their study participants to have the highest impact. Yet, they also found most of these organizations were rated less favorably by GuideStar. See page 203.

⁴ Also see S Lowell, B. Trelstad, and B. Meehan (2005). “The ratings game: Evaluating the three groups that rate the charities.” *Stanford Social Innovation Review*, Summer, pp. 39-45.

What Do I Do After I Gather the Data? How Should I Interpret It?

Key questions to ask yourself once the data is analyzed and digested:

1. **What does this report lead me to conclude about my development program and its predictable future?**
 - a. Do we compare favorably to our peers? Why? Why not?
 - b. By continuing the current approach, will our program meet institutional needs in the future?
2. **How does my program's performance compare to the high performers?**
 - a. Who are the high performers to which I'll compare our program?
 - b. What are they doing differently that we should consider?
 - c. Are they willing to talk with me in real time and exchange ideas?
3. **Given this data, what one change can I make in my program mix that would likely have the greatest impact on gift income over the next three years?**
 - a. Should we be doing more with one program area (e.g., major gifts)?
 - b. Should we do less of something (e.g., reduce # of events by 1)?
 - c. What analysis of our program supports this type of change?
4. **In what ways will my program benefit by inviting our CFO to track and report our fundraising benchmarks along with other operating dashboards used in our organization? What education will be needed for the CFO, CEO, board, and development staff in order to flourish with this kind of data transparency?**
 - a. How are other organizational operating dashboards being tracked and reported? By whom?
 - b. What summary data will I report as part of the organizational dashboards and what other data might I want to view for fundraising program management and our board committee or foundation?
 - c. What would my CFO need from me, and when, in order to integrate fundraising dashboards into existing reports?
 - d. Do the CFO, CEO, and I agree on the interpretation of the fundraising dashboards?

5. **Would a thorough understanding of this data lead my CEO to think differently about the role of philanthropy in our organization? How would the data on the high performers' emphasis on government grants, sustained major giving initiatives, and campaigns affect when and how the foundation/fundraising department is engaged in our strategic planning discussions?**
 - a. What behavior is behind the data on high performers?
 - b. How do the high performers describe the involvement of the CEO and board(s) in the fundraising process? How do those descriptions compare to my situation?
 - c. How do the high performers describe their cultures of philanthropy and are there lessons that could be applied in our case?
6. **Have we become so dependent on annual gift income that the resulting activities seemingly prevent us from emphasizing programs with demonstrated higher returns?**
 - a. What do we seem to talk most often about, what do we value, and what do we reward?
 - b. Are we driven to get incremental growth from our programs year after year, or have we asked what it would take to see exponential growth in philanthropy?
7. **Based on this data, if I could invest \$X in our development program, where would that investment produce the greatest sustainable return? Alternatively, if I were asked to reduce expenses by \$X, where would that reduction cause us to rethink our longstanding program mix?**
 - a. Do I know the ROI for each element of my program (annual giving, major gifts, planned gifts, events, etc.)?
 - b. What if we stopped some aspects of our current program and redeployed the saved resources into an area with higher return? What results would that have?
8. **In what ways should I use this data when planning for our next campaign?**
 - a. If we anticipate a major gifts focus in the next campaign, what conclusions can I draw now about our readiness based on this data?
 - b. How do our benchmarking peers compare in campaign performance?
9. **Is my behavior (and my calendar) a reflection of my program priorities? If not, what is the most important action I should take today?**
 - a. I tell people what's most important to do in raising money. If they watch my behavior (rather than my words), would they know I'm pursuing the priorities?
 - b. What changes in my calendar would help me be more focused on priority work?

What Others Are Finding From Benchmarking

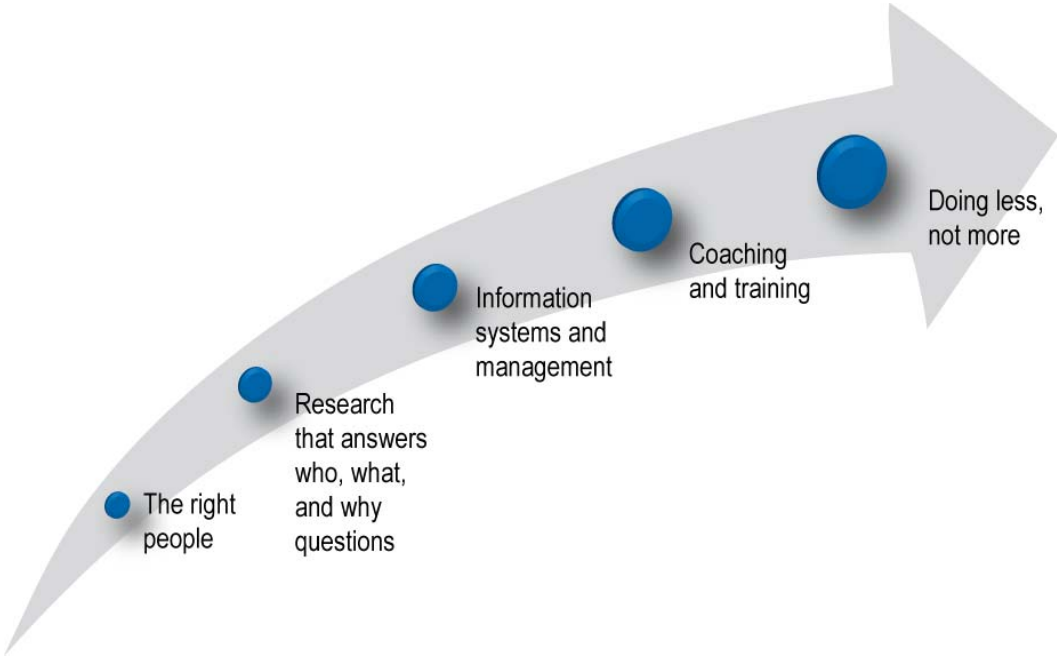
- Focus shifts from overall net returns to increasing net donor revenue by minimizing the number of lost and downgraded donors. (FEP)
- Data show that the most successful programs have adequate resources, staff, and greater emphasis devoted to identifying, cultivating, and securing major gifts from all sources (e.g., individuals, corporations, foundations). (AHP)
- Professional fundraising staffing, compensation levels, and retention are directly related to fundraising program effectiveness in many cases. (AHP)
- Uncontrollable contextual factors such as geography, demographics, and size/structure of the health care facility simply do not impact overall returns to the extent that many previously believed. While the items such as bed size can reduce fundraising effectiveness by increasing the costs associated with fundraising, they are not meaningful barriers that overshadow controllable, management-related strategies. (AHP)

Five Recommendations for Fast-Forwarding the Maturity of Your Fundraising Operation⁵

Lessons from benchmarking have led us to conclude that investments made in five areas of endeavor will accelerate the maturity of your development program. If you are committed to benchmarking and recognize the need to leverage its teachings, you will need to consider appropriate resources. Greatest returns will come from investments in:

1. Getting the right people on board.
2. Research to identify who, what, and why questions.
3. Harvesting and managing information.
4. Coaching up and down.
5. Doing *less*, not *more*.

⁵ Hubbell, G. J., and M. K. Reinders (2007). *Lessons from Benchmarking: Fast-Forwarding the Maturity of Your Fundraising Operation*.



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Gary Hubbell Consulting works with organizations that are on the cusp of doing great things—retooling business income and philanthropy strategies; engaging board members and community in unprecedented ways; raising more money than ever before. Clients contact us seeking help to develop strategies that foster organizational agility, setting a plan in place around which commitment runs deep, and determining how to generate philanthropy and other resources to fuel the resource engines of the future.



planning ▲ adaptation strategies ▲ resource development

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