

More

The power of prospect research: bringing a game-changer to your fundraising

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#IDPE19

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The power of prospect research: Bringing a game- changer to your fundraising

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Objectives of our session today

- ▶ Provide you with an overview of prospect research functions in two very different universities and tell you about our different approaches
- ▶ Show different perspectives on bringing a professionalised research strategy to your fundraising
- ▶ Highlight the value of prospect research in fundraising
- ▶ Share best practice and resources

King's College London & King's Health Partners



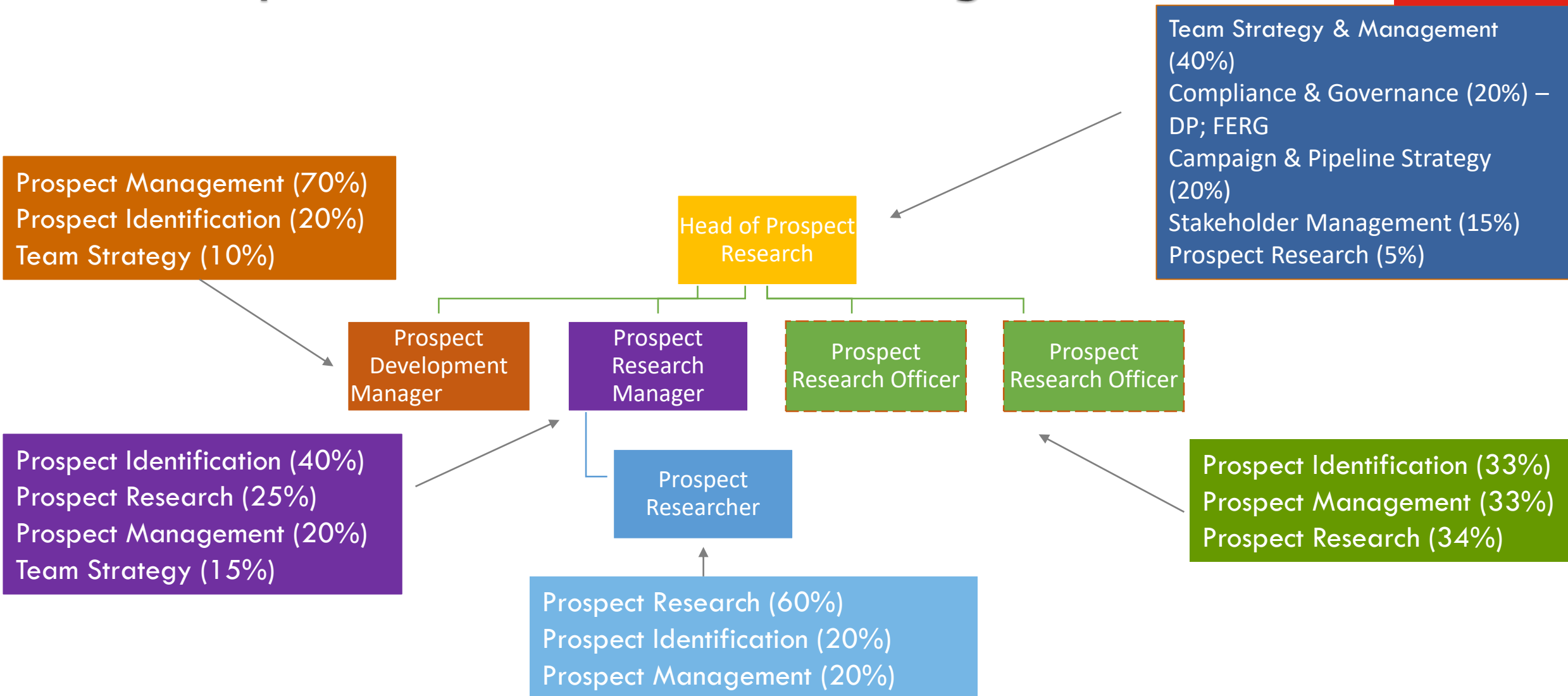
- ▶ King's became an accredited Academic Health Science Centre in 2012 and at that point made a strategic decision to align the fundraising across the university and its hospitals –the first team in Europe to do this
- ▶ King's last fundraising campaign, World questions|King's answers, raised over £610m to help tackle some of the world's biggest questions in area such as neuroscience and mental health, cancer, child health, society and international relations
- ▶ Fundraising & Supporter Development now numbers 130 staff and is responsible for generating philanthropic income for Guy's & St Thomas' Charity, King's College London, and King's Health Partners.

University of Kent



- ▶ Our annual income is usually around £700k–£1.5m
- ▶ Previous campaign raised £5m to establish bigger space for Law clinic and a mooted chamber
- ▶ Currently in £30m campaign (over 2.5 years) to raise money for the Kent and Medway Medical School – a joint venture between two universities
- ▶ Development and Alumni team comprises c. 25 staff members
- ▶ Prospect research team consists of 1 full-time post and a student assistant and an operating budget of less than £5k.

The Prospect Research Team at King's



The value of prospect research

- ▶ Scholar Bekkers (2005) estimated that 95% of all donations to non-profit organisations are made in response to a direct process of asking and soliciting a donation = **we have an important role to play**
- ▶ Williams' (2019) report on prospect research and GDPR highlighted how PR contributes to the efficiency and effectiveness of fundraising in numerous ways.
- ▶ *“We have a very close relationship with our prospect researchers, they are extremely helpful, proactive and enable us to do our job. We couldn't do it without them. They are the unsung heroes of fundraising!” (2019, p. 28)*

Tools and best practice for one person shop

- ▶ Processes and procedures (incl. service level agreements)
- ▶ Time effective ways of identifying and tracking potential and current donors
- ▶ Championing prospect research and own role in fundraising process
- ▶ Find good balance between systems updates, identification and checks and research
- ▶ Use your library's resources – free access to key databases like FAME, Factiva. Also your university might offer you free/ reduced price membership to their library!
- ▶ Get to know others in the sector – RiF, FRG, Prospect Research Yahoo group

Due Diligence (basic steps and resources)

Identity checking—a review using sources which confirm a prospect's identity

Sources: Raiser Edge (for alumni), Who's Who, Nexis Biography, Charity Commission, Companies House, FAME and Google.

Checking for high-risk indicators—an internet search using the prospect's name and the following terms: tax evasion, fraud, human rights, falsification, falsification of academic research, bribe, bribery, controversy, crime.

Sources: Google

Biographical information search—desk research looking at standard biographical information e.g. family members, career history.

Sources: Who's Who, Nexis Biography

News source review—broader reading of news sources regarding the prospect, seeking background information and any indications of controversy.

Sources: Google

Business database check—a check on business databases to analyse how a prospect acquired their wealth, including reasonable analysis of subsidiary companies, and to identify potential conflicts of interest.

Sources: FAME

Charity Commission review—a check of the charitable organisations linked to the prospect using the Charity Commission website.

Source: Charity Commission website

Public records check—a search of online court papers for outcomes of legal proceedings involving the prospect and/or associated companies.

Source: Ministry of Justice website

Prospect Management Overview

Creating workable systems for fundraisers – the value of good data in!

- Establishing ownership on your database
- Tracking the cultivation cycle
- Monitoring future income

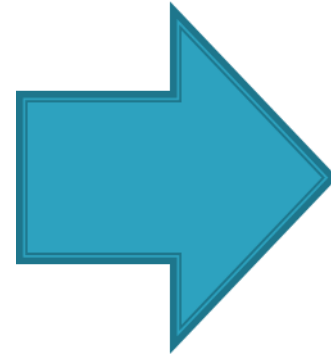
Systems for prioritising your prospects

- What are the criteria of your best donors?
- Do you need a full rating system? What is the most important thing for you to prioritise?

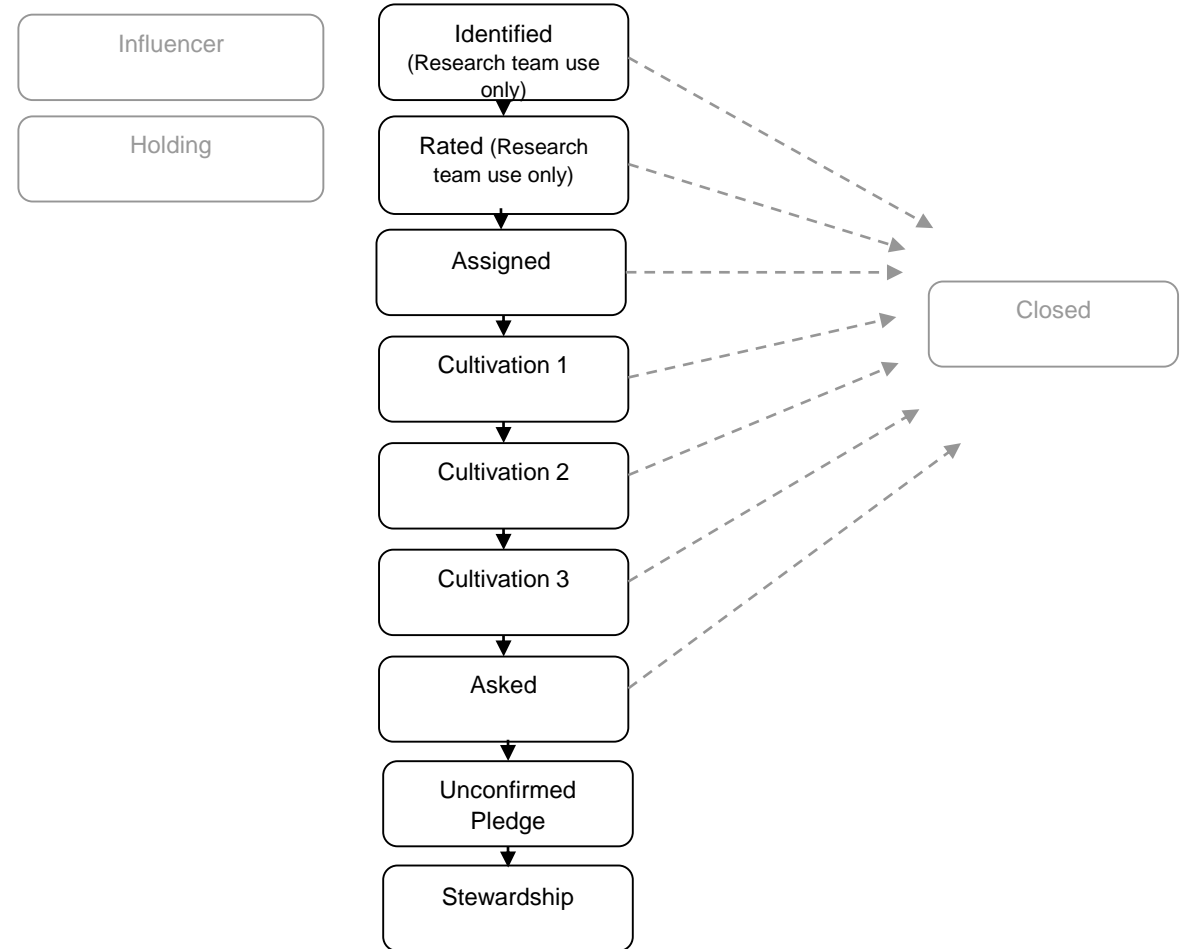
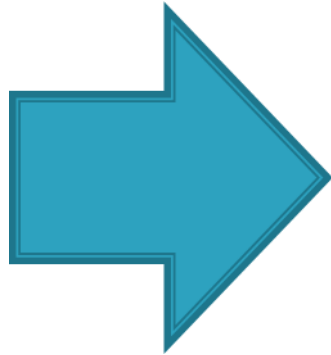
Prospect Management – King’s Approach



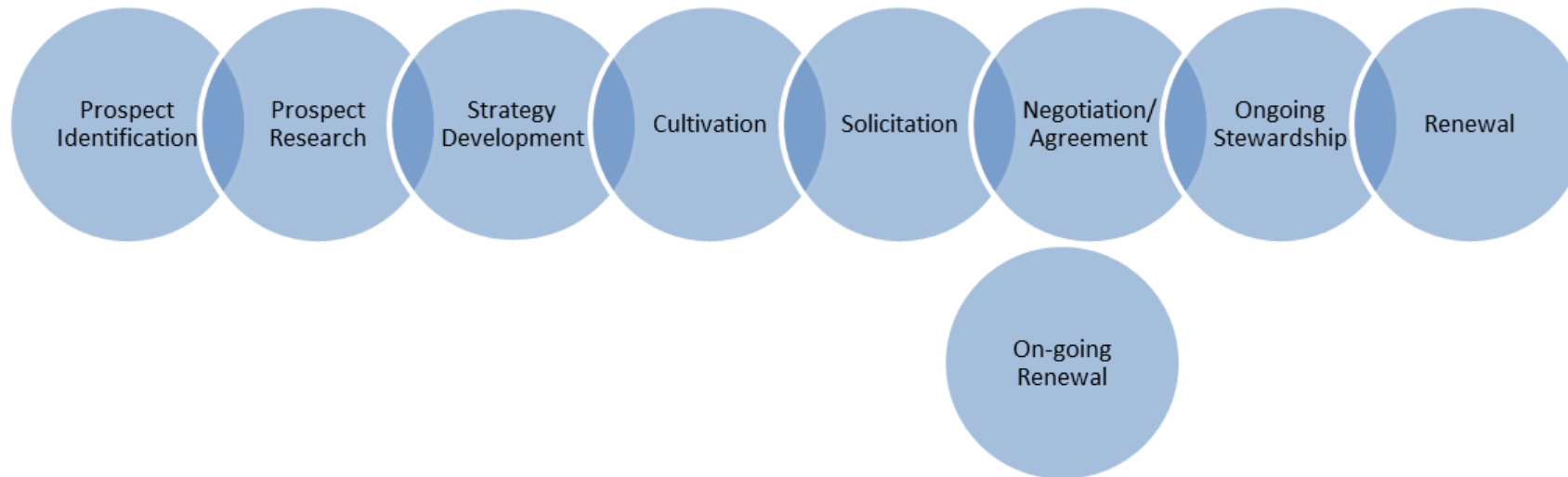
1. When a prospect is identified, they are CAP rated and either assigned to a fundraiser or put into a holding pool to await allocation



1. Length of major gift (£100k+) cultivation cycle is anything from 18 months to five years depending on the size and complexity of the gift



Kent's cycle



Prospect Management – King's Approach

- ▶ Tracking the cultivation cycle on your database

The screenshot shows a software window titled "New Proposal for Ms Joanna J Carr". It features a menu bar with "File", "Edit", "View", "Proposal", and "Help". Below the menu is a toolbar with icons for "Save and Close", "Print", "Previous", "Next", "Find", and "Help". The main area has tabs for "General", "Action", "Media", "Attributes", and "Notes", with "General" selected. The form contains several fields: "Name" (Widening Participation), "Priority" (KCL - Arts & Sciences), "Legacy" (empty), "Institution" (King's College London), "Campaign" (empty), "Fund" (empty), "Faculty" (empty), "Canvassers" (Carr, Joanna), "Status" (03. Cultivation 1), "Deadline" (empty), "Status Date" (09/05/2019), "Ask Amount" (£150,000.00), "Date asked" (empty), "Amount expected" (£100,000.00), "Date expected" (20/11/2019), "Amount funded" (£0.00), and "Date funded" (empty). There is a "Link to Gift..." button and a checkbox for "Proposal is inactive". At the bottom, there are fields for "Original amount asked" and "Original date asked", and a footer note: "Press F3 for today's date, F7 for calendar".

Prospect Management – King’s Approach

► Prioritising your prospects: CAP Ratings

	Rating	Comments
Capacity	£100–249.9k	Ms Carr bought her Richmond townhouse for £3.5 million in 2017. She is a major shareholder in her private company and, in January 2019, received dividends of approximately £5 million. She is thought to be earning over £1 million per annum in her current role, which she has been in for 10 years
Affinity	7	Donor: Is a regular donor to the annual fund, having cumulatively donated £27,000 to date. (2) Introduction: (0) Connection: Alumna (English, 2008) (3) Engagement: Met with F&SD in May 2018 to discuss areas of potential support (2)
Propensity	2: History of regular giving	Ms Carr is listed an annual donor to the Royal Opera House, Tate and MIND.
Rating Total	Warm Prospect: 9	

Establishing a prospect research framework in your organisation

- ▶ Focus on what is most valuable – providing insight rather than information
- ▶ Invest time in establishing some processes
- ▶ Working with fundraisers
- ▶ Getting buy-in from the top

Building a prospect pipeline for the long-term

➤ The importance of a gift table

Gift Size	No. of Gifts Needed	Gift Totals	No. of qualified* prospects identified	No of unqualified* prospects identified	Likely number to translate to Donors based on warm and cold conversion rates*	No. of other donors needed	No. of new warm prospects needed
3,000,000	2	£6,000,000	2	4	1	1	4
1,000,000	5	£5,000,000	3	6	1	4	15
500,000	7	£3,500,000	5	11	2	5	19
250,000	10	£2,500,000	12	3	3	7	27
100,000	20	£2,000,000	18	20	7	14	54
Totals	44	£19,000,00	40	44	14	30	118

Creating a Prospect Identification Strategy

- ▶ Start with GDPR... then prioritise data mining and screening
- ▶ Diversify you pipeline
- ▶ Monitor your prospect sources
- ▶ Measure your progress

Summary and outlook for future research

- ▶ Be realistic about your own organisation's goals in fundraising and how prospect research fits in
- ▶ Data Science is the new analysis!
- ▶ Tracking of potential prospects (reputational purposes)
- ▶ GDPR compliant practices will continue

Resources and Links

- ▶ Helen Brown Group: www.helenbrowngroup.com
- ▶ Researchers in Fundraising (special interest group of the IOF)
- ▶ Being a member of your local library and Westminster library gives you access to many free resources

- ▶ Literature:
 - Lee S & Mullin S (2006) 'Prospect research policy, privacy and ethics' in Hart T, Greenfield J, Gignac P & Carnie C (eds) Finding Big Gifts in your Database and Online. San Francisco: Wiley
 - Filla J & Brown H (2013) Prospect Research for Fundraisers. New Jersey: Jon Wiley & Sons
 - Breeze, B (2017) Good Asking; The Role of Research in Efficient, Effective and Enjoyable Fundraising. London: Institute of Fundraising

Questions?

Thank you for your time!