Forgetting About "Big Data": Leading Advancement Services for the Real World

By Bo Crader

Most organizations that claim to have "reporting problems" actually have deeper, more systematic issues. Yet, many of these same organizations seek "big data" solutions in response to these challenges, an approach that ignores underlying technical and business issues. The result from years of similar "quick fixes" is often a bewildering mix of inputs from multiple systems and sources that obscures the meaningful and actionable information your team needs.

Forget about big data. What does your organization actually need to get better results? What would actually "move the needle" on your fundraising? Here are a few ideas to move from a focus on "reporting" to a more value-added "information delivery" approach in your organization.

1. Taking Inventory and Prioritizing

Almost all organizations have no shortage of reports. With spreadsheets, data lists and historic files in abundance, it is difficult to understand exactly how your organization serves and consumes data.

A first step in any technical project is to inventory requirements, keeping in mind that end-users often do not fully understand the capabilities of systems or the rationale for data management outside of their department.

Once you have an understanding of what users need and when, take a pass at putting these needs in priority order. Often, this will require making difficult decisions and trade-offs between the needs of diverse users. To make this process a bit easier, force prioritization around agreed-upon goals, such as driving revenue, improving donor services or supporting organizational strategy.

Time and resources are limited, so if that spreadsheet for the executive director is "good enough" for now,
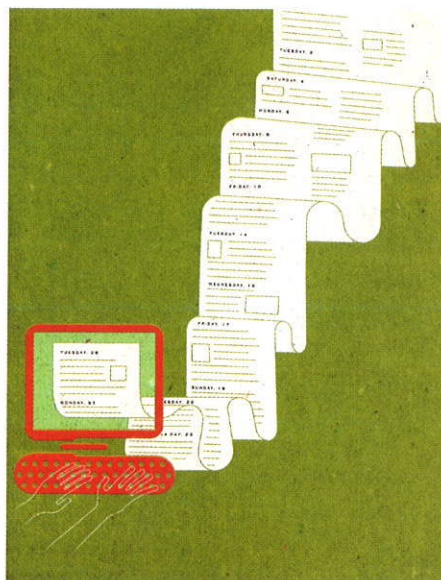
leave it alone and focus on putting more actionable data into the hands of fundraisers. Trying to simultaneously satisfy the needs of all users across the enterprise is a recipe for burnout and disappointment all around.

2. Understanding the User Experience

User experience does not just apply to software design. A friend often tells the story about dozens of hours he spent building a custom report, only to have the user ask for the information to be rendered in Microsoft Excel so they could pull the data into a pivot table. How will the users in your organization actually put information to use in their day-to-day jobs?

Do users need reports, spreadsheets, access to information on a mobile device or perhaps just a bit of training on how to access live data in a CRM system? Commonly, users are unaware of options available to them and need development services to lead them in exploring the possibilities for improving business practices. Suppose you make updates to live data in a system. After that, moves management pipeline meetings could be run in real-time, with no "reports" required.

3. Eating Your Vegetables

Actionable and value-added delivery of information to users is predicated on the quality of data entry, management standards and business processes. While decidedly not interesting to the majority of users, the reality is that what goes into a system is the primary variable determining the quality of outputs. Too often, a "system of record" is a junk drawer of historic information. What is all that stuff anyway?

If your organization has basic issues with data integrity from systems fragmentation, legacy data or weak con-

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trols on business processes, stop and make a plan to address these. Advancement services initiatives that do not address fundamental issues such as these are doomed to fail, and without addressing the root causes of these issues, you will be doing your "spring cleaning" again next year.

4. Leveraging External Sources

If you have moved recently, do you receive mail at your home from well-meaning nonprofits addressed to the previous resident who unfortunately passed away almost three years ago? Of course, you could have contacted these organizations to update their information, but you probably thought that they would certainly update their database before their next mailing. No such luck.

Data products related to National Change of Address (NCOA), deceased records, address standardization, valid email addresses or the overall health of data are readily available and at a relatively low cost. Simple updates such as these can make an impact across an entire organization, avoid unnecessary donor services snafus and point out incremental opportunities for cost savings.

5. Seeing the Future

Most users are focused on getting accurate and timely reporting on transactions and constituent history, but technology leaders are increasingly focused on predicting future results. Whom should you invite to our marquee event, and in what order? What should ask amounts be for an annual appeal, and whom should you exclude from your mailings in lieu of a face-to-face ask? Is there value in sending out a high-end premium mailing to a smaller, more targeted group of constituents, and, if so, what is your expected return?

Data modeling can assist with these decisions through an analysis of results from previous campaigns, often in combination with external data sets from similar organizations. Similarly, analytic services can be used to provide a more detailed understanding of the capacity, linkage and preferences of donors, allowing organizations to focus efforts on their best prospects. Both types of services are readily available to virtually any size of nonprofit.

6. Quantifying Value

Data-driven decisions are critical to sustainable, bottom-line results, and another trend in advancement services is to offer quantifiable analysis in terms of return on investment and mission. Look for event managers to increasingly want to understand the return on and impact of events, so that unprofitable or marginal events can be rebooted, consolidated or discontinued. Similarly, faced with declining trends in direct-response efforts, marketers are making an intentional move from acquisition-based fundraising to focusing more on retention and upgrades of current donors, with greater scrutiny of costs and return on each individual mailing.

This type of analysis will often require the collection and compilation of data from multiple sources, and it will present a great opportunity for advancement services to lead the way in terms of including measurement standards at the start of any initiative.

7. Leading From the Front

How do you build an organizational culture that maximizes the use of its data? This question is almost universal in the nonprofit sector, and there is no easy answer. That said, consider a top-down and bottom-up approach.

For example, there was an executive director who made updates directly into the organization's CRM system. When he was preparing to call on a donor, he would email the major gift officer and related staff to ensure the information he was looking at in the system was up-to-date. After a few such emails, call reports and other updates were invariably up-to-date.

Similarly, the charismatic, vocal or otherwise influential leaders within each team can lead by example as powerful evangelists for data-driven decision making, as social use of technology is one of the best predictors of technology adoption.

Conclusion

It is worth repeating that nonprofits struggling with legacy processes, antiquated systems, unsustainable "workarounds" and a "the way we've always done it" mentality do not simply have data issues. These are fundamental business and infrastructure issues that need to be addressed in a prioritized and systematic manner. For better or worse, this is not just a one-time endeavor but rather a shift in organizational focus and culture. "Set it and forget it" does not make sense in the rapidly changing, Internet-driven market in which you operate today. ⓐⓟ

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