

Measuring a Major Gift Officer's Effectiveness
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Accountability. That is the name of the game these days in the world of fundraising. The stakes are simply getting too high with an uncertain economy, growing competition for the philanthropic dollar, and rising costs associated with hiring seasoned professionals with proper skills. Therefore, it is becoming increasingly important that institutions develop specific expectations for their major gift officers and, almost more importantly, track and document performance towards those goals with reports to senior administrators.

First things first. As an organization you need to establish baseline requirements for your major gift officers. This is not done simply by reading what is the norm in your nonprofit sector. While peer benchmarks are useful tools, an organization's culture will dictate more what size of a portfolio an MGO can manage – and how many visits they can manage in a month. What, perhaps, is more important is understanding what makes the most effective prospect mix within a portfolio, and fairly distributing prospects among your team. In other words, it is difficult to compare performance between major gift officers if one MGO is top-heavy with discovery prospects, and another has most of their prospects in stewardship mode.

Forgetting actual numbers of prospects, best practices nationally suggest the following percentage distributions for the most effective results (subject, of course, to the maturity of your prospect pool):

- 15-20% in each of the Top, Emerging, & Stewardship categories
- Balance (roughly 50%) in Discovery

To clarify:

- Top – Prospect will receive a major gift solicitation within 12-18 months
- Emerging – Prospect will be moved into the Top category in 12-18 months
- Discovery – Prospect to be qualified as a major gift prospect by virtue of a substantive move (more later) within 6 months of assignment
- Stewardship – A proposal has been funded; prospect to be returned to the emerging category

Major gift officers should also maintain a number of prospects who are in perpetual stewardship – they have done all they plan on doing for the organization, but still want to hear from you once in awhile.

Critical to effective performance measure is consistent application of terms of engagement. Seeing a prospect at a cocktail party is not the same thing as an intentional visit. The above

mentioned “move” must be defined and understood by manager and administration officials. Generally, this is defined as an actual substantive face-to-face visit.

Performance measurement also requires specific requirements for reporting/tracking prospect engagement. At the very least each MGO must be required to record plans to extend an ask, when an ask has been scheduled, when an ask has been made, each negotiation pertaining to that ask, whether or not the final ask was approved or declined, and if approved, the details of the anticipated gift. Not only do these contact reports document the success (or failure) of prospect negotiation, but these records can help identify areas of improvement for specific MGOs – and track those improvements over time.

The last piece of accountability is reporting. All of the documentation and care in prospect assignment is of little value without a public way of showing MGO performance. Regular reports are needed showing the MGO performance both by major fundraising office, as well as by individual. Both sets of reports should be distributed to all senior management in the advancement office. In the case of the unit report, details based on the above 4 stages of prospect development should be shown reflecting the goals for each unit, current tally, and percent of goal achieved. These numbers are all derived from properly coded contact reports indicated above.

The report reflecting individual activity is much more detailed, not only showing the monthly goals for face-to-face visits and actual performance to goal, but also counts of activity in each of the prospect categories, broken down by letters written, phone calls made, and actual visits.

On the surface it might feel like the above reports are serving to air some one’s – or some unit’s – dirty laundry. And in a way, they do. However, they serve a greater purpose for the organization. Furthermore, if we have done an effective job of establishing expectations for the MGO, have them party to the establishment of their personal goals in consultation with their superiors, and assign prospects in recognition of non-MGO duties and responsibilities each MGO also shoulder, then nothing on these reports should be a surprise to anyone. And by identifying those units and individuals who are outperforming others, we can collectively learn by their examples and we all become better fundraisers!